Wednesday, January 27, 1999

| | | |
|---|---|---|
| 9:00 AM | Meeting | No Paper |
| 10:15 AM | Social Security/Medicare Event | Tab A |
| | - Remarks | Tab B |
| | - Q's and A's/Background | Tab C |
| | - Actuarial Letters | Tab D |
| 11:25 AM | Telephone Interview with Adam Clymer | Distributed Separately |
| 11:45 AM | Lunch with the Vice President | No Paper |
| 12:50 PM | Conference Call with the Vice President and Governors on Salmon Restoration | Tab E |
| | - Talking Points | Tab F |
| 2:00 PM | Meeting | No Paper |
| 2:15 PM | Drop-By Samuel Berger's Meeting with President-Elect Chavez of Venezuela | Distributed Separately |
| 2:30 PM | Meeting | Distributed Separately |
| 7:30 PM | CINC's Dinner | Tab G |
| | - Toast | Tab H |

# SCHEDULE OF THE PRESIDENT
# FOR
# WEDNESDAY, JANUARY 27, 1999

*Final Schedule*

| | | |
|---|---|---|
| SCHEDULING DIRECTOR: | STEPHANIE STREETT | |
| | HOME: | 202-332-5651 |
| | OFFICE: | 202-456-2823 |
| | WHCA PAGER: | 4824 |
| PRESS DESK: | DORI SALCIDO | |
| | HOME: | 703-548-6466 |
| | OFFICE: | 202-456-5771 |
| | WHCA PAGER: | 4844 |
| EVENT COORDINATOR: | LAURA SCHWARTZ | |
| | HOME: | 202-331-4339 |
| | OFFICE: | 202-456-5655 |
| | WHCA PAGER: | 4293 |
| WEATHER: | WASHINGTON, D.C. *Mostly Sunny. Winds south at 5 to 10 knots. Low 29 to 34. High 56 to 61.* | |

# Schedule of the President
# for
# Wednesday, January 27, 1999
*Final Schedule*

| | |
|---|---|
| 9:00 am-<br>9:30 am | **MEETING**<br>OVAL OFFICE<br>Staff Contact: Stephanie Streett |
| 9:30 am-<br>9:45 am | **MEETING**<br>OVAL OFFICE<br>Staff Contact: John Podesta |
| 9:45 am-<br>10:10 am | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Gene Sperling |
| 10:10 am | **THE PRESIDENT** proceeds to Blue Room |
| 10:15 am-<br>10:20 am | **MEET AND GREET**<br>BLUE ROOM<br>Staff Contact: Gene Sperling, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**CLOSED PRESS** |
| 10:20 am-<br>11:05 am | **SOCIAL SECURITY/MEDICARE EVENT**<br>EAST ROOM<br>Remarks: Paul Glastris<br>Staff Contact: Gene Sperling, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**OPEN PRESS** |

-- **The President** and the Vice President, accompanied by Laura Tyson, Martha McSteen, Hans Riemer, and Uwe Reinhardt, are announced into the East Room and proceed to stage.

-- **The President** makes opening remarks, introduces the Vice President, and proceeds to his seat at table.

-- The Vice President makes remarks from his seat and opens the floor for discussion.

-- Upon conclusion of the discussion, **the President** and the Vice President depart.

| | | |
|---|---|---|
| 11:10 am- 11:20 am | | **MEETING**<br>OVAL OFFICE<br>Staff Contact: Stephanie Streett |
| 11:20 am- 11:25 am | | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Joe Lockhart |
| 11:25 am- 11:40 am | | **TELEPHONE INTERVIEW WITH ADAM CLYMER**<br>OVAL OFFICE<br>Staff Contact: Joe Lockhart |
| 11:45 am- 12:45 pm | | **LUNCH WITH THE VICE PRESIDENT**<br>OVAL OFFICE |
| 12:45 pm- 12:50 pm | | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: George Frampton |
| 12:50 pm- 1:20 pm | | **CONFERENCE CALL WITH THE VICE PRESIDENT AND GOVERNORS ON SALMON RESTORATION**<br>OVAL OFFICE<br>Staff Contact: George Frampton<br>**CLOSED PRESS** |
| 1:25 pm- 1:40 pm | | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 1:40 pm- 1:55 pm | | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 2:00 pm- 2:10 pm | | **MEETING**<br>OVAL OFFICE<br>Staff Contact: John Podesta |
| 2:15 pm- 2:25 pm | | **DROP BY SAMUEL BERGER'S MEETING WITH PRESIDENT-ELECT HUGO CHAVEZ OF VENEZUELA**<br>OFFICE OF SAMUEL BERGER<br>Staff Contact: Samuel Berger<br>**OFFICIAL PHOTO ONLY** |

| | | |
|---|---|---|
| 2:30 | pm- | **MEETING** |
| 3:00 | pm | OVAL OFFICE<br>Staff Contact: John Podesta, Gene Sperling |
| 3:00 | pm- | **PHONE AND OFFICE TIME** |
| 6:45 | pm | OVAL OFFICE |
| 6:45 | pm- | **DOWN** |
| 7:30 | pm | |
| | | **Note: The CINCS Dinner is a black tie event.** |
| 7:30 | pm- | **RECEIVING LINE FOR CINCS DINNER** |
| 7:45 | pm | BLUE ROOM<br>Staff Contact: Samuel Berger, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**WHITE HOUSE PHOTO ONLY** |
| 7:50 | pm | **THE PRESIDENT** and the First Lady proceed to State Dining Room |
| 7:55 | pm- | **CINCS DINNER** |
| 9:00 | pm | STATE DINING ROOM<br>Remarks: Ted Widmer<br>Staff Contact: Samuel Berger, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**CLOSED PRESS** |

-- Dinner is served.

-- **The President** makes welcoming remarks.

-- Upon conclusion of dinner, **the President** and the First Lady have the option of proceeding to the East Room for dancing.

-- **The President** and the First Lady depart.

| | |
|---|---|
| BC/HRC RON | **THE WHITE HOUSE**<br>**WASHINGTON, DC** |

A

'99 JAN 26 PM8:27

THE WHITE HOUSE

WASHINGTON

January 26, 1998

**SOCIAL SECURITY AND MEDICARE EVENT**

| | |
|---|---|
| **DATE:** | January 27, 1999 |
| **TIME:** | 9:45 am to 10:10 am (Pre-brief)<br>10:10 am to 10:20 am (Meet and Greet)<br>10:20 am to 11:10 am (Event) |
| **LOCATION:** | Oval Office (Pre-brief)<br>Blue Room (Meet and Greet)<br>East Room (Event) |
| **FROM:** | Gene Sperling<br>Chris Jennings |

## I. PURPOSE

To emphasize the importance of dedicating 15 percent of the budget surplus to Medicare and to underscore your strong belief that these funds should be used in the broader context of reforms that would: extend the life of the Trust Fund to 2020; make Medicare a more efficient purchaser of health care; and achieve additional savings, while providing for a prescription drug benefit.

## II. BACKGROUND

**Background on Medicare**

***Medicare is in impending crisis.*** Medicare, like Social Security, is threatened by the tidal wave of the "senior boom." Its enrollment is expected to double by 2030. The aging of America affects its financing as well. By 2030, the ratio of workers (who help finance Medicare through payroll taxes) to beneficiaries is expected to decline by over 40 percent.

In addition to the sheer demographic challenge the program faces, Medicare --as well as the private sector --could face escalating health care costs. The last several years have seen revolutionary changes in the practice of medicine; treatments for cancer, arthritis, and even Alzheimer's appear to be on the horizon. However, these advances will likely come at a cost. As a result, the Medicare Trustees project that the Trust Fund will be exhausted in 2008 if no actions are taken.

***Without new revenue, massive cuts would be needed.*** For the Hospital Insurance (HI) Trust Fund to be solvent only through 2022, it would take an 18 percent reduction in baseline spending in each year (all else held constant). To give an example of what that means, in 2000, this would amount to about $26 billion --more than Medicare pays for all of outpatient services or home health care.

Your framework would reserve 15 percent of the projected surpluses --$650-$700 billion --over the next 15 years for the Medicare Trust Fund. These funds would be prohibited from being used for any other purpose, ensuring that the money will go to help the health care needs of older and disabled Americans. Even in the absence of broader reforms, this framework would guarantee that Medicare can continue to provide its critical health services until 2020 --doubling the life of the Medicare Trust Fund and providing the strongest outlook in the last 25 years.

**Background on Your Proposal for the Budget Surplus**

In the State of the Union Address, you put forward a framework to save Social Security now -- and then to strengthen Medicare, create Universal Savings Accounts (USAs), and make other sound investments. Your framework would:

***Save Social Security Now.*** Your framework includes transferring 62 percent of the projected budget surpluses over the next 15 years -- more than $2.7 trillion -- to the Social Security system and investing a portion of the transferred surpluses in the private sector to achieve higher returns for Social Security -- just as any state or local government, or private pension does. This will keep Social Security solvent until 2055. The President believes we must work on a bipartisan basis to make the hard-headed but sensible and achievable choices to save Social Security until at least 2075, while reducing poverty among single elderly women and eliminating the limit on what older Americans on Social Security can earn.

***Strengthen Medicare for the 21st Century.*** After we save Social Security, this framework would allocate 15 percent of the projected surpluses for Medicare -- $650-$700 billion -- ensuring the Medicare Trust Fund is secure for 20 years. The President believes that the new resources should be utilized to achieve broader, bipartisan reforms that modernize Medicare, make it more efficient, provide for a long-overdue prescription drug benefit, and still keep Medicare safe until 2020.

***Create New Universal Savings Accounts -- USA Accounts.*** After we save Social Security, your proposal would allocate 11 percent of the projected surpluses to create new Universal Savings Accounts (USAs) so all working Americans can build wealth to meet their retirement needs. USA Accounts would be a $500 billion tax cut over the next 15 years to help Americans save for their futures. To help Americans save and to strengthen our current pension system, we would provide Americans an flat tax credit to make contributions into their USA Account. In addition, we would provide additional tax credits to match a portion of an individual's savings -- with more help for lower-income workers.

***Prepare America for the Challenges of the Future.*** And after Social Security reform is secured, this framework would allocate 11 percent of the projected surpluses for military readiness and pressing national domestic priorities, such as education and research.

## Background on Participants

There will be four participants in the roundtable discussion:

- **LAURA D'ANDREA TYSON:** Laura D'Andrea Tyson currently serves as a member of the *National Bipartisan Commission on the Future of Medicare*. Dr. Tyson is Dean of the Haas School of Business at the University of California at Berkley, and is the only woman currently leading a major business school in the United States. Dr.Tyson served in the Clinton Administration from January 1993 through December 1996 as the President's National Economic Adviser and as the sixteenth Chairman of the White House Council of Economic Advisors.

- **UWE REINHART:** A national leader in health care, Professor Reinhart has taught at Princeton University since 1968 and has served on several government commissions on health care, including: the National Council on Health Care Technology, from 1979 to 1982; the Special Medical Advisory Group, from 1981 to 1985; and the Physician Payment Review Commission, from 1986 to 1995. He is currently a member of the Council on the Economic Impact of Health Reform, a privately funded group of health experts established to track the economic impact of the current revolution in health care delivery and cost control. Professor Reinhart is also the Commissioner of the Kaiser Commission on Medicaid and the Uninsured.

- **HANS RIEMER:** Hans Riemer, 26 years old, is the Founder and Director of the 2030 Center, a public policy organization for young adults. Hans is an expert in Social Security policy and is responsible for strategic planning, fundraising, policy development, public speaking and writing, and all other 2030 Center Functions. Prior to founding the 2030 Center, Hans worked as a policy assistant to Arthur S. Flemming, former HEW Secretary and U.S. Commissioner of Civil Rights. Previously, he was a project assistant at the National Academy of Social Insurance.

- **MARTHA MCSTEEN:** Martha A. McSteen serves as the current President of the National Committee to Preserve Social Security and Medicare, the nation's second-largest seniors organization. She served 39 years with the Social Security Administration, the last three years as acting commissioner. She has received numerous awards and citations over the past years, most notably by President Reagan and President Carter. Mrs. McSteen is originally from Iowa Park, Texas, where she originally joined the Administration as a caseworker. She resides in Washington, DC, with her husband Dr. Marshall Parks.

## III. PARTICIPANTS

Pre-Brief
The Vice President
Gene Sperling
Chris Jennings
Jack Lew
Doug Sosnik
Larry Stein

Event
The Vice President
Laura D'Andrea Tyson
Uwe Reinhart
Martha McSteen
Hans Reimer

## IV. SEQUENCE OF EVENTS

- **YOU** and the Vice President, accompanied by Laura D'Andrea Tyson, Uwe Reinhart, Martha McSteen, and Hans Reimer are announced into the East Room.

- **YOU** proceed to the podium and the Vice President and the panelists proceed to their seats at the table.

- **YOU** make remarks from the podium and then take your seat at the table.

- The Vice President makes remarks from the table and then turns to you to open the discussion (the panelists' speaking order is Tyson, Reinhardt, Riemer, and McSteen).

- Upon conclusion of the panel discussion, **YOU** makes concluding remarks and depart.

## V. PRESS COVERAGE

Open Press.

## VI. REMARKS

To be provided by speechwriting.

## VII. ATTACHMENTS

B

'99 JAN 26 PM8:19

Final 01/26/99
Paul Glastris

**PRESIDENT WILLIAM J. CLINTON**
**OPENING REMARKS**
**MEDICARE/SOCIAL SECURITY ROUND TABLE**
**THE WHITE HOUSE, EAST ROOM**
**WASHINGTON, DC**
**Wednesday, January 27, 1999**

Acknowledgments: Secretary Rubin; Secretary Shalala; Commissioner Apfel; Gene Sperling; Sen. Craig Thomas; Rep. Xavier Becerra; Rep. Tom Bliley; Rep. Robert Borski; Rep. Ben Cardin; Rep. Rick Hill; Rep. Jerrold Nadler; Rep. Charles "Chip" Pickering; Rep. Rob Portman; Rep. Pete Stark; Rep. Ellen Tauscher; Rep. Jerry Weller.

Panelists (VP will introduce): VP Gore; Laura D'Andrea Tyson, Dean of the Haas School of Business at the University of California at Berkley; Uwe (ooh-veh) Reinhart, Princeton U. economist; Martha A. McSteen, Pres.National Committee to Preserve Social Security and Medicare; Hans Riemer, Founder and Director of the 2030, a public policy organization for young adults.

In my State of the Union address last week, I had the honor of reporting to the American people that our nation is stronger, healthier, and more prosperous than ever before. But I also said that we have an historic responsibility to use the prosperity we have created to meet the challenges of the 21st Century. Today, we are here to talk about perhaps the most remarkable of those challenges: the aging of America.

On the verge of the new century, we are undergoing a profound, seismic demographic shift. Simply put: The baby boom will soon become the senior boom. The number of elderly Americans will double by 2030, and thanks to medical advances, more of us will be living longer. By the middle of the next century, the average American will live to 82, six years longer than today. These extra years of life are a great gift, but they present a problem--a high-class problem, but a problem none the less. To help Americans make the most of these added years, we must act now.

Fortunately, we are now in a strong position to act. Thanks to the hard work of the American people, and an economic strategy of fiscal discipline, we are now enjoying the longest peacetime expansion in our nation's history. Six years ago, federal budget deficits were $290 billion. Today, we have a budget that is not only in balance but in surplus--$70 billion last year, with an even bigger surplus projected for this year, and with surpluses projected for the next 25 years. This is a remarkable achievement. We should be proud. We should be thankful. But we should also be careful. We could easily fritter away our good fortune. We created our current prosperity not by spending rashly, but by facing boldly the challenge posed by budget deficits. We can create future prosperity by facing the challenge of an aging America.

That is why, in my State of the Union address, I set out a three part plan to invest most of the surplus in ways that will both strengthen our economy and meet the needs of a changing population in the 21st Century.

First, I proposed that we devote sixty-two percent of the surplus for the next fifteen years to saving Social Security. By doing so, we can guarantee the soundness of Social Security for the next 50 years. Over the course of the last week, I have been gratified to see leaders in both political parties, along with many eminent economists, join me in supporting the idea of dedicating a substantial portion of the surplus to saving Social Security. I hope we can build on this bipartisan agreement and put Social Security on a sound footing for 75 years. We should reduce poverty among elderly women, who are nearly twice as likely to be poor as our other seniors. And we should eliminate limits on what seniors on Social Security can earn. We can do this if we make tough choices and work hard, together.

To prepare America for the senior boom, we must do more than save Social Security. We must also assure that all Americans have quality health care as they grow older. In the 1997 budget agreement we extended the life of the Medicare trust fund by 10 years -- but we should extend it for at least another decade. That is why the second part of my proposal calls for devoting one out of six dollars of the surplus over the next 15 years to the Medicare Trust Fund. If we do this and nothing else, we can extend the life of Medicare until the year 2020.

But I believe we should do more. To guarantee the soundness of Medicare we must continue to look at new ideas, including the upcoming report of the bipartisan Medicare Commission. We must be willing to make difficult choices. By working together, we can secure Medicare for the next two decades and cover the greatest growing need of seniors--affordable prescription drugs.

There can be no more responsible use for our hard-won surplus than assuring that older Americans have a secure retirement and high-quality health care. This is something that members of both parties can and should agree on. Investing most of the surplus to save Social Security and Medicare is the right course--for ourselves, for our children, and for our nation.

The third part of my proposal is to dedicate $500 billion of the surplus to give working families tax relief by creating Universal Savings Accounts--USA Accounts--to help all Americans build nest eggs for their retirement. Under my plan, working Americans will receive a tax credit to contribute to their USA account, and an additional tax credit to match a portion of their savings, with a choice of how they invest their funds--and more help for those who will have the hardest time saving. By providing this new tax credit for retirement savings, we can make it easier for Americans to save for their own long term care needs. They will be further helped by the $1000 long term care tax credit I have proposed. With these USA accounts, we can also make it possible for all Americans to have a stake in the remarkable economic growth they have worked so hard to create.

We are living in an American renaissance. Our nation is more prosperous than at any time in our history. The best way to keep our economy strong is to invest, not spend, our good fortune. By saving the money we will need to save Social Security and Medicare, over the next 15 years we will achieve the lowest level of publicly-held debt since 1917. Paying down the debt will help keep interest rates low, fueling economic growth well into the 21st Century. The right thing to do for our seniors is the right thing to do for our nation.

To introduce our panelists and share his thoughts, I would like to turn now to someone who has been a leader in our efforts to make Medicare more responsive and flexible--Vice President Al Gore.

###

# C

## POTENTIAL QUESTIONS AND BACKGROUND FOR ROUNDTABLE DISCUSSION

| Uwe Reinhardt | Martha McSteen | The Vice President | The President | Laura D'Andrea Tyson | Hans Riemer |
|---|---|---|---|---|---|

**U-SHAPED TABLE**

- **PRESIDENT CLINTON: Question for Laura D'Andrea Tyson:** Dr. Tyson, you have spent a great deal of time carefully looking at the challenges facing the Medicare program. *Yesterday, you pointed out that Medicare would have to grow at half the private sector's growth rate just to extend the Trust Fund to 2016. Can you talk about why we need to dedicate some of the surplus dollars to Medicare and how you would advocate using it?*

  - **BACKGROUND ON LAURA D'ANDREA TYSON:** Laura D'Andrea Tyson currently serves as a member of the *National Bipartisan Commission on the Future of Medicare.* Dr. Tyson is Dean of the Haas School of Business at the University of California at Berkeley, and is the only woman currently leading a major business school in the United States. Dr.Tyson served in the Clinton Administration from January 1993 through December 1996 as the President's National Economic Adviser and as the sixteenth Chairman of the White House Council of Economic Advisors.

- **VICE PRESIDENT GORE: Question for Uwe (Uu-ve) Reinhart:** Dr. Reinhart is a professor at Princeton University and a national health policy expert who has served on several government commissions on health care. *One of the reasons why we believe that we need to dedicate the surplus to Medicare is that we have learned that it would take an 18 percent reduction in Medicare spending every year just to extend the life of the Trust Fund past 2020. Dr. Reinhardt, can you discuss why you think significant resources are important to the Medicare program from a health, economic, and budgetary perspective?*

  - **BACKGROUND ON UWE REINHARDT:** A national leader in health care, Professor Reinhart has taught at Princeton University since 1968 and has served on several government commissions on health care, including: the National Council on Health Care Technology, from 1979 to 1982; the Special Medical Advisory Group, from 1981 to 1985; and the Physician Payment Review Commission, from 1986 to 1995. He is currently a member of the Council on the Economic Impact of Health Reform, a privately funded group of health experts established to track the economic impact of the current revolution in health care delivery and cost control. Professor Reinhart is also the Commissioner of the Kaiser Commission on Medicaid and the Uninsured.

- **PRESIDENT CLINTON: Question for Hans Riemer:** Hans Riemer is the Founder and Director of the 2030, a public policy organization for young adults, focusing on a range of policy issues, including Social Security. *When I took office, our deficit was projected to skyrocket and the debt was supposed to grow to $5 billion -- now we have the first budget surplus in a generation. What new steps can we take now to ensure that we do not leave an undue burden on your generation?*

  - **BACKGROUND ON HANS RIEMER:** Hans Riemer, 26 years old, is the Founder and Director of the 2030 Center, a public policy organization for young adults. Hans is an expert in Social Security policy and is responsible for strategic planning, fundraising, policy development, public speaking and writing, and all other 2030 Center Functions. Prior to founding the 2030 Center, Hans worked as a policy assistant to Arthur S. Flemming, former HEW Secretary and U.S. Commissioner of Civil Rights. Previously, he was a project assistant at the National Academy of Social Insurance.

- **VICE PRESIDENT GORE: Question for Martha McSteen:** Martha McSteen serves as the current President of the National Committee to Preserve Social Security and Medicare, the nation's second-largest seniors organization. *We are going to have twice as many seniors in 2030 as we do today. They are living longer and retiring earlier. Can you talk about why it is important that we address Medicare and Social Security together?*

  - **BACKGROUND ON MARTHA MCSTEEN:** Martha A. McSteen serves as the current President of the National Committee to Preserve Social Security and Medicare, the nation's second-largest seniors organization. She served 39 years with the Social Security Administration, the last three years as acting commissioner. She has received numerous awards and citations over the past years, most notably by President Reagan and President Carter. Mrs. McSteen is originally from Iowa Park, Texas, where she originally joined the Administration as a caseworker. She resides in Washington, DC, with her husband Dr. Marshall Parks.

D

# SOCIAL SECURITY

**MEMORANDUM**

Date: January 26, 1999

Refer To: TCC

To: Harry C. Ballantyne
Chief Actuary

From: Stephen C. Goss
Deputy Chief Actuary

Subject: Long-Range OASDI Financial Effects of the President's Proposal for Strengthening Social Security--INFORMATION

The President's proposal, presented in the State of the Union address on January 19, would require that transfers be made from the General Fund of the Treasury of the United States to the Old-Age, Survivors, and Disability Insurance (OASDI) trust funds for each year 2000 through 2014. The amount of transfer for each year would be specified in law as a percentage of the OASDI effective taxable payroll. In each year 2000 through 2014, 21 percent of the transfer would be used to purchase stock and 79 percent would be used to purchase special interest-bearing obligations of the Treasury. All dividends would be reinvested in stock until the market value of all stock held by the OASDI trust funds reached 14.6 percent of total OASDI trust fund assets. Thereafter, the percentage of total trust fund assets that is held in stocks would be maintained at 14.6 percent.

The proposal would extend the estimated year in which the combined OASDI trust funds would become exhausted by 23 years, from 2032 to 2055. It would reduce the size of the estimated long-range OASDI actuarial deficit by over one half, from 2.19 to 0.76 percent of taxable payroll. (Due to interaction among provisions, a complete elimination of the actuarial deficit will require additional OASDI changes that would reduce the present law deficit by up to 1.0 percent of taxable payroll.) These estimates are based on the intermediate assumptions of the 1998 Trustees Report and other assumptions described below.

If transfers were invested only in government bonds, the estimated year of trust fund exhaustion would be extended by 17 years, from 2032 to 2049. The estimated long-range OASDI actuarial deficit would be reduced from 2.19 to 1.20 percent of taxable payroll. This result also provides an indication of the sensitivity of the estimates to variation in the expected yield on stock. If, for example, the actual yield on stock over the next 50 years is no greater than the expected yield on government bonds, the estimated year of trust fund exhaustion would be extended from 2032 to 2049, rather than to 2055 with expected stock yield.

Stock investments would be managed by several brokerage firms, selected by competitive bid. Stock investments would be required to reflect the composition of all publicly-traded stock in the United States (for example, the composition of the Wilshire 5000 index).

Transfers from the General Fund of the Treasury would be made each year 2000 through 2014. The estimated amount of transfer for each year is shown below, based on the intermediate assumptions of the 1998 Trustees Report.

Estimated Amounts To Be Transferred to the OASDI Trust Funds
*Billions of Current Dollars*

| | | | | | |
|---|---|---|---|---|---|
| 2000 | $81.4 | 2005 | 117.4 | 2010 | 256.4 |
| 2001 | 67.2 | 2006 | 148.6 | 2011 | 280.0 |
| 2002 | 88.3 | 2007 | 174.8 | 2012 | 300.0 |
| 2003 | 87.2 | 2008 | 203.2 | 2013 | 316.0 |
| 2004 | 105.6 | 2009 | 232.5 | 2014 | 324.4 |

Amounts transferred would indirectly reflect values for years 2000 through 2014 that are about 62 percent of the expected unified budget surplus estimated by the Office of Management and Budget for the President's Fiscal Year 2000 Budget. Actual transfers for each year would be specified as the product of (a) the values computed under these budget projections, expressed as a percentage of OASDI effective taxable payroll, and (b) the then-current estimated taxable payroll at the beginning of each year of transfer. Revisions in amounts transferred each year would be made as estimates of taxable payroll for the year are finalized.

OASDI Trust Fund Assets in Stock

The 1994-96 Advisory Council on Social Security requested estimates assuming that the total annual real yield on stock investments would ultimately average about 7 percent, approximately the average (geometric mean) yield on stocks so far this century. (Total yield includes dividends as well as capital growth.) Estimates for this proposal are based on a more conservative assumption for the average ultimate total annual real yield of stock at 6.75 percent. The nearly four-percentage-point difference between this assumed ultimate real stock yield and the Trustees' 2.8-percent assumed ultimate real yield on government bonds held by the trust funds is assumed to be maintained throughout the 75-year projection period.

The table below provides the estimated percentage of OASDI trust fund assets that would be held in stock at the end of each year 2000-14. The stock holdings are estimated to reach the level of 14.6 percent of total trust fund assets at the end of 2014, after which point this percentage would be maintained under the proposal.

Percent of OASDI Trust Fund Assets in Stock, End of year

| | | | | | |
|---|---|---|---|---|---|
| 2000 | 1.7% | 2005 | 6.6% | 2010 | 11.2% |
| 2001 | 2.8% | 2006 | 7.6% | 2011 | 12.1% |
| 2002 | 3.9% | 2007 | 8.5% | 2012 | 12.9% |
| 2003 | 4.8% | 2008 | 9.4% | 2013 | 13.7% |
| 2004 | 5.7% | 2009 | 10.3% | 2014 | 14.6% |

If the average yield on stocks is greater or less than assumed over the period 2000-14, the year in which the specified level of 14.6 percent of assets in stock is reached would be sooner or later than the end of 2014.

The portion of the total value of publicly-traded stock in the United States that is held by the OASDI trust funds will depend not only on the yield achieved in the market, but also on the rate of growth in the total market value of all stock. The total value of stock represented in the Wilshire 5000 index (a fair representation of all publicly-traded stock in the United States) was $9.3 trillion at the beginning of 1998. Assuming that the total market value of publicly-traded stock will rise generally by the rate of growth in GDP after 1998, the trust funds would hold less than 4 percent of the total market value, on average, over the next 40 years.

Average Percentage of Total Stock Market Value Held by OASDI

| | |
|---|---|
| 2001-14 | 1.9% |
| 2001-20 | 2.9% |
| 2001-30 | 3.7% |
| 2001-40 | 3.7% |
| 2001-50 | 3.4% |

Stephen C. Goss

DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administrat

7500 SECURITY BOULEVAR
BALTIMORE MD 21244-1850

DATE: January 27, 1999

FROM: Richard S. Foster
Office of the Actuary

SUBJECT: Estimated Year of Exhaustion for the HI Trust Fund under a Proposal To Augment HI Financing with General Fund Transfers

TO: Nancy-Ann Min DeParle
Administrator

This memorandum responds to your request for the estimated year of exhaustion for the Hospital Insurance trust fund under a legislative proposal developed for the President's Fiscal Year 2000 Budget. At this time, we do not know the full specifics of this proposal. It is our understanding that the proposal would create a new transfer of revenues from the general fund of the U.S. Treasury to the HI trust fund for each year from 2000 through 2014. The transfer amount each year would be set equal to a specified percentage of the HI taxable payroll for the year.[1] The applicable percentages would be specified in the legislation and would equal 15 percent of the unified budget surpluses projected for the President's Fiscal Year 2000 Budget, expressed as a percentage of the projected HI taxable payrolls.

Under the proposal, the future transfers from the general fund would depend only on the specified percentages of HI taxable payroll and would not be affected if actual future unified budget surpluses differed from the Fiscal Year 2000 Budget projections. We understand that, in contrast to the associated proposal for the Social Security program, there would be no change in current-law investment practices for the HI trust fund. Similarly, the estimates in this memorandum reflect Medicare's current benefit provisions as specified under present law.

We were provided with projected additional HI revenues under this proposal based on the intermediate set of assumptions from the 1998 Trustees Report, as estimated by the Office of Management and Budget and the Social Security Administration's Office of the Chief Actuary. These amounts are listed below (in billions):

Calendar year

| 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|
| $17.6 | $19.6 | $27.2 | $26.0 | $29.5 | $32.6 | $40.0 | $45.4 | $50.0 | $55.7 |

| 2010 | 2011 | 2012 | 2013 | 2014 | 2000-2004 | 2000-2009 | 2000-2014 |
|---|---|---|---|---|---|---|---|
| $60.9 | $65.9 | $70.2 | $73.7 | $75.5 | $119.9 | $343.8 | $689.9 |

[1] "HI taxable payroll" is the total amount of all wages, salaries, and net income from self-employment that is subject to the HI payroll tax under the Federal Insurance Contributions Act (FICA) and the Self-Employment Contributions Act (SECA).

Based on the intermediate assumptions and the projected general fund transfers listed above, we estimate that the assets of the HI trust fund would be depleted in calendar year 2020 under this proposal, as compared to 2008 under present law. Thus, this Budget proposal would postpone the year of exhaustion by an estimated 12 years.

This estimate is subject to change if our understanding of the proposal is incorrect. In addition, it is important to note that the financial operations of the HI trust fund will depend heavily on future economic, demographic, and health cost trends. For this reason, the estimated year of depletion under this proposal is very sensitive to the underlying assumptions. In particular, under adverse conditions such as those assumed by the Trustees in their "high cost" assumptions, asset depletion could occur significantly earlier than the intermediate estimate. Conversely, favorable trends would delay the year of exhaustion. The intermediate assumptions represent a reasonable basis for planning.

The estimated year of exhaustion is only one of a number of measures and tests used to evaluate the financial status of the HI trust fund. If you would like additional information on the estimated impact of this proposal, we would be happy to provide it.

Richard S. Foster

Richard S. Foster, F.S.A.
Chief Actuary

E

'99 JAN 26 PM 7:31

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

January 26, 1999

# COASTAL SALMON CONFERENCE CALL

DATE: January 27, 1999
LOCATION: Oval Office
TIME: 12:50pm - 1:10pm
FROM: George T. Frampton, Jr. GTF

## I. PURPOSE

You will conduct a conference call with the Vice President, Governors Gary Locke, John Kitzhaber, and Tony Knowles, California Secretary of Resources Mary Nichols, and Northwest Indian Fisheries Commission Chairman Billy Frank to announce a new budget initiative on Pacific coast salmon restoration. In addition, Mayor Paul Schell of Seattle, Congressman Norm Dicks (D-WA), and King County (WA) Executive Ron Simms will be present in the Oval Office for the call.

## II. BACKGROUND

You will announce the Coastal Salmon Recovery Fund -- $100 million as part of your FY 2000 budget request. The money will be split among the states of California, Oregon, Washington and Alaska to supplement existing and proposed salmon recovery programs, and will be matched by state and local contributions. Coastal tribes will also receive a share of the funds. An equitable distribution of the money will be determined in consultation with the states and tribes.

This announcement comes in response to the proposed listings of several species of coastal salmon as endangered or threatened by the National Marine Fisheries Service. The agency plans to announce its final decisions in March, with some listing decisions being delayed until September in order to gather more scientific information. These listings are significant because they will affect urbanized areas including Seattle and Portland.

As a result, the political leadership in the Northwest, especially King County Executive Ron Simms and the other executives from Pierce and Snohomish Counties, the Governors, and the Congressional delegation led by Senator Patty Murray and Congressman Norm Dicks, have established a collaborative process to develop salmon recovery plans in response to the proposed listings. In addition, a coalition of private industry leaders have also been working in collaboration on the issue. Last September, the Vice President hosted a town hall meeting in Seattle to discuss local recovery efforts. The message was loud and clear, the states needed resources to address this difficult issue.

Shortly after the town hall meeting, Governors Knowles, Locke, Kitzhaber and Wilson wrote the Vice President requesting $50 million per year per state for six years for salmon restoration. The Washington State fishing tribes requested $109 million. Although your budget initiative is less than the Governors and tribes requested, it is still a bold step and we expect them to react positively.

## III. PARTICIPANTS

Pre-brief participants
The Vice President, George Frampton, Fred DuVal, Lynn Cutler, Beth Viola

Event participants
The Vice President, Governor Tony Knowles, Governor Gary Locke, Governor John Kitzhaber, Mary Nichols, California Secretary of Resources, Billy Frank, Chairman, Northwest Indian Fisheries Commission, Ron Simms, King County (WA) Executive, Seattle Mayor Paul Schell, Congressman Norm Dicks (D-WA).

## IV. PRESS PLAN

Open Press (listen only)

## V. SEQUENCE OF EVENTS

-- The Vice President opens the call with brief remarks and introduces YOU;

-- YOU make remarks;

-- YOU ask Governor Locke to comment;

-- YOU turn it over to Governor Knowles;

-- YOU ask Chairman Billy Frank to comment;

-- YOU turn it over to Governor Kitzhaber;

-- YOU wrap up the call.

## VI. REMARKS

Talking points attached

F

Talking Points
Coastal Salmon Announcement
January 27, 1999

- Thank you, Vice President Gore. Anyone who's spent any time in the Pacific Northwest knows just how integral salmon are to the region's culture and to its economy. They've survived for eons -- generation after generation following the same migratory paths from river to sea to river. It's a shame that over the past century these majestic creatures have suffered such a dramatic decline. Thankfully, the people of the Pacific Northwest are committed to saving their salmon. They know that restoring these ancient runs is key not only to the region's environment, but to its economic future as well.

- We want to help the people of the Pacific Northwest bring the salmon back. That's why today, Vice President Gore and I are pleased to announce a new $100 million fund to help you -- your states and tribes -- restore coastal salmon. These funds, which I will propose as part of my fiscal year 2000 budget, can be used up and down coastal rivers and streams to rebuild habitat, restore spawning grounds, and give salmon a new lease on life. Working in partnership, we can restore this proud symbol of your region's heritage, and ensure that eons from now, salmon are still thriving.

- I'd like to commend each of you for the vital work you are doing to help bring the salmon back. We in Washington, D.C., have an important role to play. But we can't succeed without the energy, vision, and determination that you and your constituents bring to this effort. I know just how passionate folks out there are about their salmon. And that's why I'm confident that, working together, we will succeed.

G

'99 JAN 22 PM 7:59

THE WHITE HOUSE

WASHINGTON

January 22, 1999

DINNER WITH
ARMED FORCES LEADERSHIP
DATE: January 27, 1999
LOCATION: White House
TIME: 7:30 - 9:00 p.m.

FROM: SAMUEL BERGER K Fn

I. PURPOSE

To have dinner with the civilian and military leadership of the U.S. Armed Forces.

II. BACKGROUND

This is your fifth White House dinner with the military leadership and their spouses. Since your last dinner in January 1998, the following changes in the uniformed military leadership have occurred: Admiral James M. Loy became Commandant of the Coast Guard, General Richard B. Myers became Commander-in-Chief of United States Space Command, Admiral Richard W. Mies became Commander-in-Chief of United States Strategic Command, General Charles T. Robertson became Commander-in-Chief of United States Transportation Command.

III. PARTICIPANTS

White House

The Honorable John Podesta, Chief of Staff, and Mrs. Podesta

The Honorable Samuel R. Berger, Assistant to the President for National Security Affairs, and Mrs. Berger

The Honorable James K. Steinberg, Deputy Assistant to the President for National Security Affairs and Sherburne Abbott

Major General Donald L. Kerrick, USA, Deputy Assistant to the President for National Security Affairs and Mrs. Kerrick

The Honorable Joseph J. Simmons, Deputy Assistant to the President and Director, White House Military Office, and Mrs. Simmons

The Honorable Leon Fuerth, Assistant to the Vice President for National Security Affairs, and Mrs. Fuerth

The Honorable Robert Bell, Special Assistant to the President, Counselor and Senior Director, National Security Council, and Rosemary Jackson

Department of Defense

The Honorable William S. Cohen, Secretary of Defense, and Ms. Janet Langhart

The Honorable John Hamre, Deputy Secretary of Defense, and Mrs. Hamre

The Honorable Louis Caldera, Secretary of the Army, and Mrs. Caldera

The Honorable Richard Danzig, Secretary of the Navy, and Mrs. Danzig

The Honorable F. Whitten Peters, Acting Secretary of the Air Force, and Mrs. Peters

The Honorable Jacques Gansler, Under Secretary of Defense for Acquisition and Technology, and Mrs. Gansler

The Honorable Walter B. Slocombe, Under Secretary of Defense for Policy and The Honorable Ellen Seidman

The Honorable Rudy de Leon, Under Secretary of Defense for Personnel and Readiness, and Mrs. de Leon

The Honorable William J. Lynn III, Under Secretary of Defense (Comptroller) and Mary Murphy

Joint Chiefs of Staff and CINCs

General Henry H. Shelton, USA, Chairman of the Joint Chiefs of Staff, and Mrs. Shelton

General Joseph W. Ralston, USAF, Vice Chairman of the Joint Chiefs of Staff, and Mrs. Ralston

General Dennis J. Reimer, USA, Chief of Staff of the Army, and Mrs. Reimer

General Charles G. Krulak, USMC, Commandant of the Marine Corps, and Mrs. Krulak

Admiral Jay L. Johnson, USN, Chief of Naval Operations, and Mrs. Johnson

General Michael E. Ryan, USAF, Chief of Staff of the Air Force, and Mrs. Ryan

Admiral James M. Loy, USCG, Commandant of the Coast Guard, and Mrs. Loy

General John H. Tilelli, Jr., USA, Commander-in-Chief, United National Command and United States Forces Korea, and Mrs. Tilelli

Admiral Joseph W. Prueher, USN, Commander-in-Chief, United States Pacific Command, and Mrs. Prueher

General Wesley K. Clark, USA, Commander-in-Chief, United States European Command and Mrs. Clark

Admiral Harold W. Gehman, Jr., USN, Commander-in-Chief, United States Atlantic Command and Mrs. Gehman

General Anthony C. Zinni, USMC, Commander-in-Chief, United States Central Command and Mrs. Zinni

General Richard B. Myers, USAF, Commander-in-Chief, United States Space Command, and Mrs. Myers

General Charles E. Wilhelm, USMC, Commander-in-Chief, United States Southern Command

General Peter J. Schoomaker, USA, Commander-in-Chief, United States Special Operations Command, and Mrs. Schoomaker

Admiral Richard W. Mies, USN, Commander-in-Chief, United States Strategic Command, and Mrs. Mies

General Charles T. Robertson, USAF, Commander-in-Chief, United States Transportation Command, and Mrs. Robertson

IV. PRESS PLAN

Closed Press

V. SEQUENCE

Provided by Social Office

H

'99 JAN 26 PM6:56

1/26/99 3 pm Widmer

**PRESIDENT WILLIAM JEFFERSON CLINTON**
**TOAST AT CINCS DINNER**
**THE WHITE HOUSE**
**JANUARY 27, 1999**

[acknowledgments: Secretary Cohen; General Shelton; distinguished leaders of America's armed forces; honored guests]

Hillary and I are delighted to welcome you to one of our favorite events. The CINCs Dinner gives us a chance to do something we don't do often enough in Washington – to thank you in person for the extraordinary work you do day in and day out on behalf of our country– and to thank your spouses for their special contribution to the same cause.

Before I begin, I'd like to mention a few people attending this dinner for the first time: Jim Loy, Commandant of the Coast Guard; Dick Myers, Commander-in-Chief of our Space Command; Rich Mies [meese], Commander-in-Chief of the Strategic Command; and Tony Robertson, Commander-in-Chief of our Transportation Command. I'd also like to thank Joe Prueher [PREE-er], who will be stepping down from the Pacific Command next month.

Even by your high standards, our men and women in uniform accomplished remarkable things in 1998. By acting quickly – and simply by being ready to act – our armed forces helped to protect the world from Iraq's weapons of terror, to preserve the peace in Bosnia and Korea, to prevent a humanitarian catastrophe in Kosovo, to strike a blow against terrorism in Afghanistan and Sudan, and to renew hope for our friends and neighbors in Central America. That's an impressive litany of achievements – and we are a stronger country for each one of them.

I've really enjoyed my visits with our servicemen and servicewomen, and every time I see them, my confidence in America's security grows – whether it is commissioning a new aircraft carrier, the USS Harry S. Truman – seeing our global reach first-hand on a massive C-5 at Dover Air Force Base – meeting those guarding the last fault line of the Cold War in Korea – or seeing the promise of future military leaders in the graduating class at Annapolis, or among the Air Force Academy football players who – once again – came to the White House to claim the Commander-in-Chief's Trophy. Sorry about that, Denny [Reimer]and Jay [Johnson].

We also celebrated the past in 1998, as Americans relearned what was special about the World War Two generation and its sacrifice for freedom. Lou [Caldera], Denny [Reimer] -- thank you and the Army for honoring Steven Spielberg in such a special way. In May, I took part in a celebration of the fiftieth anniversary of the Berlin Airlift, one of the great acts of heroism in American history. I was proud to be there. But I'm just as proud of the heroism that continues every time and everywhere we ask our troops to deliver -- nowhere more so than in Honduras and Nicaragua, where we are again working overtime to provide a lifeline to people in need.

We ask a great deal of you, and the troops you command. We owe you and them a great deal in return. Let me say how pleased I am that the new budget we are presenting Congress reverses the long decline in defense spending, and reflects our commitment to get troops the pay and retirement they deserve and the readiness and equipment they need. You all did valiant work toward this end, and I appreciate your support. Some on my staff have even suggested that I award the Chiefs a new campaign ribbon with a citation that reads: "For Courage and Self-Restraint Above and Beyond the Call of Duty at Congressional Readiness Hearings".

While we were working together over the past year, I always appreciated your candid advice. The new defense budget may not address every single need out there – but it's a strong step forward. We will continue to make sure the men and women of our armed forces have the tools they need to do their job.

Before we return to dinner, let me conclude by saying how proud I am to serve as Commander-in-Chief of the greatest military force in the world – and to serve with men and women of your caliber. Thank you for your leadership. Thank you for what you do every day to honor this nation.

Please join me in a toast to all those who defend America.

###

Thursday, January 28, 1999

| | | |
|---|---|---|
| 10:50 AM | Memorial Service for Governor Lawton Chiles | Tab A |
| | - Remarks | Tab B |
| 1:05 PM | Employment Initiative Event at AT&T | Tab C |
| | - Remarks | Tab D |
| 5:05 PM | Foreign Policy Phone Call | Distributed Separately |
| 5:40 PM | Detroit Red Wings Event | Tab E |
| | - Remarks | Tab F<br>To Be Forwarded |
| | - Attendees | Tab G |
| 6:45 PM | HOLD ONE HOUR | No Paper |

# SCHEDULE OF THE PRESIDENT
FOR
THURSDAY, JANUARY 28, 1999

*Final Schedule*

| | | |
|---|---|---|
| SCHEDULING DIRECTOR: | STEPHANIE STREETT | |
| | HOME: | 202-332-5651 |
| | OFFICE: | 202-456-2823 |
| | WHCA PAGER: | 4824 |
| PRESS DESK: | DORI SALCIDO | |
| | HOME: | 703-548-6466 |
| | OFFICE: | 202-456-5771 |
| | WHCA PAGER: | 4844 |
| EVENT COORDINATOR: | CLYDE WILLIAMS | |
| | HOME: | 202-722-6581 |
| | OFFICE: | 202-456-5330 |
| | WHCA PAGER: | 4367 |
| EVENT COORDINATOR: | AVIVA STEINBERG | |
| | HOME: | 202-362-1813 |
| | OFFICE: | 202-456-2920 |
| | WHCA PAGER: | 4022 |
| EVENT COORDINATOR: | LAURA SCHWARTZ | |
| | HOME: | 202-331-4339 |
| | OFFICE: | 202-456-5655 |
| | WHCA PAGER: | 4293 |
| WEATHER: | WASHINGTON, D.C.<br>*Partly cloudy. Winds west at 10 to 15 knots. Low 36 to 41. High 59 to 64.* | |

# Schedule of the President
# for
# Thursday, January 28, 1999
*Final Schedule*

| DOWN UNTIL 10:15 AM |
|---|

| | |
|---|---|
| 10:15 am-<br>10:30 am | **MEETING**<br>OVAL OFFICE<br>Staff Contact: John Podesta |
| 10:35 am | **THE PRESIDENT** departs The White House via motorcade en route Russell Senate Office Building<br>[drive time: 10 minutes] |
| 10:45 am | **THE PRESIDENT** arrives Russell Senate Office Building<br><br>Greeters: James Ziglar, Sergeant At Arms of the Senate<br><br>**Note: The First Lady will arrive at 10:50 am.** |
| 10:50 am-<br>11:00 am | **MEET AND GREET WITH THE CHILES FAMILY**<br>ROOM 301<br>Russell Senate Office Building<br>Staff Contact: Larry Stein, Mickey Ibarra<br>Event Coordinator: Clyde Williams<br>**CLOSED PRESS** |

11:00 am-
12:15 pm

**MEMORIAL SERVICE FOR GOVERNOR LAWTON CHILES**
RUSSELL CAUCUS ROOM (ROOM 325)
Russell Senate Office Building
Staff Contact: Larry Stein, Mickey Ibarra
Event Coordinator: Clyde Williams
**POOL PRESS**

-- Prelude performed by Sherwin Mackintosh.

-- Welcome and Invocation by Dr. Lloyd Ogilvie, Chaplain of the Senate.

-- Senator Bob Graham makes remarks.

-- Senator Connie Mack reads from the Scripture.

-- Senator Pete Domenici makes remarks.

-- Lawton Chiles IV performs "Walking Man."

-- Former Senator J. Bennett Johnston makes remarks.

-- Carol Browner, Administrator, Environmental Protection Agency, makes remarks.

-- Christin Chiles performs "You're Still the One."

-- **The President** makes remarks.

-- Tandy Chiles Barrett delivers the Chiles family response.

-- Doug Coe delivers the closing prayer.

-- Musical trilogy performed by Sherwin Mackintosh.

-- Dr. Lloyd Ogilvie delivers the Benediction.

-- **The President** departs.

12:20 pm

**THE PRESIDENT** departs Russell Senate Office Building via motorcade en route AT&T Facility, Oakton, Virginia
[drive time: 30 minutes]

| | | |
|---|---|---|
| 12:50 pm | **THE PRESIDENT** arrives AT&T Facility, Oakton, Virginia<br><br>Greeters: Mirian Graddick, Senior Vice President of Human Resources, AT&T<br>Mary Jane McKeever, Vice President of Government Markets, AT&T<br>Carol Wilner, Director of Federal Government Affairs, AT&T<br>Andrew Hartman, Director, National Institute for Literacy | |
| 12:55 pm-<br>1:00 pm | **BRIEFING**<br>CONFERENCE ROOM<br>AT&T Facility<br>Staff Contact: Gene Sperling | |
| 1:05 pm-<br>1:25 pm | **TOUR FACILITY**<br>CLASSROOM<br>AT&T Facility<br>Staff Contact: Gene Sperling<br>Event Coordinator: Aviva Steinberg<br>**POOL PRESS** | |

| | | |
|---|---|---|
| 1:30 pm-<br>2:15 pm | | **EMPLOYMENT INITIATIVE EVENT**<br>ATRIUM<br>AT&T Facility<br>Remarks: Lowell Weiss<br>Staff Contact: Gene Sperling<br>Event Coordinator: Aviva Steinberg<br>**OPEN PRESS** |

-- Off-stage announcement of Secretary Alexis Herman, Secretary Richard Riley, Mary Jane McKeever, Andrew Hartman.

-- Off-stage announcement of **the President**, accompanied by Mirian Graddick, and Person TBD.

-- Mirian Graddick, Senior Vice President of Human Resources, AT&T, makes welcoming remarks and introduces Secretary Richard Riley.

-- Secretary Richard Riley makes brief remarks and introduces Secretary Alexis Herman.

-- Secretary Alexis Herman makes brief remarks and introduces Person TBD.

-- Person TBD makes brief remarks and introduces **the President**.

-- **The President** makes remarks, works a ropeline and departs.

| | |
|---|---|
| 2:20 pm | **THE PRESIDENT** departs AT&T Facility, Oakton, Virginia via motorcade en route The White House<br>[drive time: 30 minutes] |
| 2:50 pm | **THE PRESIDENT** arrives The White House |
| 2:50 pm-<br>3:00 pm | **MEETING**<br>OVAL OFFICE<br>Staff Contact: Stephanie Streett |
| 3:00 pm-<br>5:00 pm | **PHONE AND OFFICE TIME**<br>OVAL OFFICE |
| 5:00 pm-<br>5:05 pm | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |

| | | |
|---|---|---|
| 5:05 pm-<br>5:30 pm | | **FOREIGN POLICY PHONE CALL**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 5:35 pm-<br>5:40 pm | | **BRIEFING**<br>STATE FLOOR<br>Staff Contact: Ben Johnson |
| 5:40 pm-<br>6:10 pm | | **PHOTO RECEIVING LINE**<br>BLUE ROOM<br>Staff Contact: Ben Johnson, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**FOX SPORTS/NHL PRODUCTIONS** |
| 6:10 pm-<br>6:35 pm | | **DETROIT REDWINGS EVENT**<br>EAST ROOM<br>Remarks: Josh Gottheimer<br>Staff Contact: Ben Johnson, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**OPEN PRESS** |

-- Off-stage announcement of **the President**, accompanied by Commissioner Gary Bettman, Denise Ilitch, Coach Scotty Bowman, and Steve Yzerman, Team Captain.

-- **The President** makes remarks and introduces Gary Bettman.

-- Gary Bettman, Commissioner, NHL, makes brief remarks and introduces Denise Ilitch.

-- Denise Ilitch makes brief remarks and introduces Scotty Bowman, Coach, Detroit Redwings.

-- Coach Scotty Bowman makes brief remarks, presents **the President** with a miniature Stanley Cup and introduces Steve Yzerman.

-- Steve Yzerman, Team Captain, presents **the President** with a Detroit Redwings jersey.

-- **The President** takes a group photograph with the team.

-- **The President** departs.

| | | | |
|---|---|---|---|
| 6:45 pm- 7:45 pm | (T) | HOLD 1 HOUR |

**EVENING OFF**

| | |
|---|---|
| BC/HRC RON | THE WHITE HOUSE<br>WASHINGTON, DC |

A

'99 JAN 27 PM 2:47

THE WHITE HOUSE

WASHINGTON

**January 27, 1999**

**MEMORIAL SERVICE FOR GOVERNOR LAWTON CHILES**

**DATE:** Thursday, January 28, 1999
**LOCATION:** Russell Caucus Room, Russell Senate Office Building
**TIME:** 11:00 AM - 12:15 PM
**FROM:** Larry Stein JSS
Mickey Ibarra ✓

## I. PURPOSE

To attend the memorial service for Governor Lawton Chiles.

## II. BACKGROUND

As you know, Governor Lawton Chiles passed away from a heart attack while exercising in his gym on the afternoon of December 12, 1998. He is survived by his wife, Rhea, his sons, Bud and Ed, and his daughters, Tandy and Rhea Gaye. His wife is unable to attend this memorial service because she is scheduled to have hip surgery on February 2. She is at home in Florida with her daughter, Rhea Gaye.

Governor Chiles, who never lost an election, served the people of Florida as an elected official for over forty years. He served in the Florida House of Representatives from 1958 to 1966 and in the Florida Senate from 1966 to 1970. He was elected to the U.S. Senate in 1970, where he served until 1989. He also served as Chairman of the Senate Budget Committee. In 1990, he was elected as the Governor of Florida.

During his two terms as governor, he championed causes for his state's children and families and was a steadfast protector of the environment. Governor Chiles served on National Governors Association's (NGA) nine-member executive committee, and also served as NGA's co-lead governor on Medicaid.

## III. PARTICIPANTS

<u>Meet and Greet with Chiles Family</u>
Tandy Chiles Barrett (daughter)
Joe Lawton Barrett (grandson)
(T) Tandy Gaye Barrett (granddaughter)

Bud Chiles (son)
Kelly Chiles (daughter-in-law)
Lawton Chiles IV (grandson)
Kati Chiles (granddaughter)
Geoffrey Chiles (grandson)

Ed Chiles (son)
Anne Chiles (daughter-in-law)
Ashley Chiles (granddaughter)
Christin Chiles (granddaughter)

Program Participants
The President
Dr. Lloyd Ogilvie, Chaplain of the Senate
Senator Bob Graham (D-FL)
Senator Connie Mack (R-FL)
Senator Pete Domenici (R-NM)
Lawton Chiles IV, Grandson
Former Senator Bennett Johnston
Carol Browner, Environmental Protection Agency
Christin Chiles, Granddaughter
Tandy Chiles Barrett, Daughter
Doug Coe

Audience
***This event is open to the public.
Chiles Family Members
Members of Congress
Former Members of Congress
Congressional Staff
Former staff to Governor Chiles
Friends of Governor Chiles and the Chiles Family

## IV. PRESS PLAN

Pool press

## V. SEQUENCE OF EVENTS

10:45am **You** arrive Russell Senate Office Building and proceed to Room 301 for Chiles Family meet and greet.

| | |
|---|---|
| 10:50am-11:00am | **You** greet members of the Chiles Family. |
| 11:00am | **You** proceed to Russell Caucus Room. |
| 11:00am-12:15pm | Memorial Service for Governor Lawton Chiles. |

-- Prelude performed by Sherwin Mackintosh.

-- Welcome and Invocation by Dr. Lloyd Ogilvie, Chaplain of the Senate.

-- Senator Bob Graham makes remarks.

-- Senator Connie Mack reads from the Scripture.

-- Senator Pete Domenici makes remarks.

-- Lawton Chiles IV performs "Walking Man."

-- Former Senator J. Bennett Johnston makes remarks.

-- Carol Browner, Administrator, Environmental Protection Agency, makes remarks.

-- Christin Chiles performs "You're Still the One."

-- **You** make remarks.

-- Tandy Chiles Barrett delivers the Chiles family response.

-- Doug Coe delivers the closing prayer.

-- Musical trilogy performed by Sherwin Mackintosh.

-- Dr. Lloyd Ogilvie delivers the Benediction.

-- **You** depart.

## VI. REMARKS

To be provided by speechwriting.

B

Draft 1/27/99
Shih

**PRESIDENT WILLIAM J. CLINTON**
**REMARKS IN MEMORY OF LAWTON CHILES**
**WASHINGTON, D.C.**
**JANUARY 28, 1999**

It is written in scripture: "Arise, walk through the land in the length of it and in the breadth of it; for I will give it to thee." (Genesis 13:17)

No one walked more of the length and breadth of his land; nor knew its people, nor served his beloved Florida better than Lawton Chiles.

On that 1,000-mile walk nearly 30 years ago, Lawton Chiles listened carefully to the hopes and frustrations, the dreams and fears of the people he hoped to serve. In those 90 days, he forged a bond with the people of Florida -- from the one stoplight towns of the Panhandle to the beaches of the Keys-- that would last a lifetime. And as Florida grew from a sleepy rural state into one of the fastest growing and most dynamic places on earth -- a state bursting with diversity and threatened with division -- Lawton Chiles' homespun humor and common sense values became the glue that unified the people of his home state

One of my favorite memories of Lawton Chiles comes from the time we were governors together. Years before he put the term "he-coon" into America's political lexicon, Lawton and I and Ann Richards spent all night at a National Governors Association meeting trading favorite country sayings -- "a stuck pig squeals," "a cut dog barks," "if you can't run with the big dogs stay on the porch." We kept on trying to one-up each other. I'd go up north for one of these meetings and come home to Little Rock with a thicker southern accent than when I started.

Anyone who knew him knows that those sayings, "the cracker wisdom," were a big part of Lawton Chiles. He was a proud fourth generation Floridian who grew up in a Florida before the age of air conditioning, listening to the old timers' tales of settling the land. Even as television became a big part of his own campaigns, Lawton never forgot what it was like for a voter to walk to the city park, sit on an orange crate and listen to a politician give a stump speech. He never forgot the importance of reaching out and talking to people, face to face.

For Lawton Chiles, politics was a high and noble calling -- the means through which people of good intentions could make a difference -- to help others, to give voice to the voiceless, to harness the tides of change and prepare our nation for the future.

Lawton Chiles may have worn a coonskin cap and coat to his own inaugural ball in 1995, but this same man was also a visionary. A man who, long before the rest of us, saw the possibilities and challenges of the future, kept moving forward and asked us all to walk with him.

He saw, long before of us the rest of us, that America could put its fiscal house in order and balance its budget. And we did. I'm thankful that he got to live to see fiscal discipline become the rule in Washington.

He saw, long before the rest of us, that we could bring the environmentalists and developers together at the same table, that we could save our natural treasures and promote growth in America. Because of his vision, the forests and swamps he so loved to fish and hunt and hike in as a boy will survive for future generations.

And he saw, long before the rest of us, that strong, healthy children are the greatest gift America could give to the future. The fragile cry of his grandson Lawton IV -- born several months premature -- inspired Lawton Chiles to do what he could as a Senator, as a Governor, and private citizen to give every single child a healthy start in life -- and the chance to make the most of his God-given talents. I'm told that as he lay in state in Tallahassee, a woman from Gadsen County -- the county where Rhea and Lawton first began working to improve prenatal care in Florida -- brought her young son to pay his respects. Lawton Chiles had saved her boy's life, she said. That boy and the millions of Florida children growing up healthy and ready for the future will be Lawton Chiles' greatest legacy.

A few years ago, Lawton said of his legendary walk: "It was lonesome when I first started walking in the Panhandle, and I found that the way I could get somebody to walk with me a little further would be if I didn't talk but if I listened...And the other thing I found out is when I listened, I started learning something."

Thank you, Lawton, for listening to the people. Thank you for letting us walk with you on your journey. Longfellow once wrote, "We can make our lives sublime/And departing, leave behind us/Footprints on the sand of time."

Lawton Chiles' footprints are wide and deep. They will last the ages.

C

THE WHITE HOUSE

WASHINGTON

January 27, 1999

**WORKER TRAINING INITIATIVE EVENT**

| | |
|---|---|
| **DATE:** | January 28, 1999 |
| **TIME:** | 12:55-1:05pm (Pre-brief)<br>1:10-1:25 pm (Tour Facility)<br>1:30-2:15 pm (Event) |
| **LOCATION:** | AT&T Facility<br>Oakton, VA |
| **FROM:** | Gene Sperling |

## I. PURPOSE

To emphasize the importance of job skills (and lifelong learning) if workers and companies are to compete in the new economy; to visit an award-winning business-labor partnership that provides worker training; and to announce that your budget includes a comprehensive package to help us educate and train American workers to fill the jobs of the 21st Century. Your comprehensive strategy has three parts: (1) an Adult Education and Family Literacy initiative; (2) a Universal Re-employment Initiative; and (3) a DisadvantagedYouth Employment Initiative.

## II. BACKGROUND

You should know that the class you are visiting is a two day training session for Word 97 and is scheduled to meet for two consecutive days -- Thursday 1/28 and Friday 1/29 from 8:30am-3:30pm. There are 9 students and 2 instructors. Also on the tour with and attending the event with you are Representatives Dennis Kucinich (D-OH), Rep. Tim Roemer (D-IN).

**America Faces A Skills Gap.** You should know that on average, employers report that one out of every five of their workers is not fully proficient in his or her job. In manufacturing, 88 percent of companies are having trouble finding qualified applicants for at least one job function. And according to one recent survey, more than 60 percent of corporate leaders say that the number one barrier to sustained economic growth is the lack of a skilled workforce. More than half -- 56 percent -- of establishments report that restructuring and the introduction of new technology has increased the skill requirements for non-managerial employees.

**Background on Your Proposal for the Help Close the Skills Gap**

Your Budget includes a three-part strategy to help us close the skills gap:

***An Adult Education and Family Literacy Initiative.*** As you know, 44 million adults struggle with a job application, cannot read to their children, or cannot fully participate in our economic and civic life because they lack basic skills or English proficiency. Many have a learning disability and are not aware of it. Often, they do not know where to get help, are embarrassed to seek it, or cannot seek it because of family responsibilities. Others are immigrants who face long waiting lists in many places where they seek English-language instruction. For some individuals, these low basic skills present a challenge in moving off welfare and succeeding in the workforce.

The goal of the Adult Literacy initiative is to have your leadership and focus of a pressing national problem produce improvements in the quality of adult basic education programs and increase funding to help States both meet the new quality goals and serve more people. As you know your initiative includes:

- **A $95 million increase (to $468 million) to expand adult education State grants and challenge State and Local governments to join us in dramatically increasing program quality.** By the year 2005 your goal is for the Nation as a whole to: Increase the number of full-time teachers by 20%; Double the number of instructional hours per student; Triple the number of computer stations available at adult education centers; and more than double the amount of child care and counseling services offered in Federal, State, and local adult education programs;

- **$70 million for an English Literacy/Civics Initiative.** Your initiative provides competitive grants to States and communities for expanded access to high quality English language instruction linked to practical instruction in civics and life skills including how to navigate the workplace, public education system, and other essentials;

- **$23 million for "America Learns Technology."** Your initiative will increase access to technology for adult learners by supporting high quality software, pilot projects in 40 communities, and advanced research and development;

- **$2 million for a "High Skills Communities" Campaign.** Your campaign will mobilize States and local communities to implement strategies to promote adult education and lifelong learning. Up to 10 communities will be selected for $500,000 awards annually for achieving concrete results and assisting other communities; and a

- **10% Workplace Education Tax Credit.** Employers who provide certain workplace literacy, English language instruction, and basic education programs will be allowed a 10 percent income tax credit for eligible educational expenses, with a maximum credit of $525 per participating employee per year.

***A Universal Re-Employment Initiative.*** Your FY2000 budget makes a five-year commitment to our Nation's reformed job training system. Specifically, it proposes to put us on a path that ensures that within five years (1) every displaced worker will receive training if he or she need it; (2) every person who lost their job due to no fault of their own will get the re-employment services they need; and (3) every American will have access to One-Stop Career Centers. Your initiative includes:

- **$190 Million Increase In Dislocated Worker Program to Put Us On Track To Ensure Every Dislocated Worker Gets The Training They Need.** Since 1993, dislocated worker funding has been expanded by 171 percent -- helping to serve 666,000 this year, well more than double the number of workers served in 1993. Your FY2000 budget increases funding for the dislocated worker program by $190 million -- helping to serve an additional [100,000 workers] this year. This would put us on path to ensuring *every* American worker who loses his or her job due to no fault of his or her own can get the job training he or she need.

- **Expansion of Employment Service To Put Us on Path To Ensure Every Person Who Loses Their Job Due to No Fault of Their Own Gets the Re-Employment Services They Need.** Today, many workers do not get the job search assistance or other types of re-employment services they need. Your FY2000 budget expands the budget of the Employment Service (ES) to put us on a path to serve within five years the 1.4 million people who lost their job due to no fault of their own *and* do not receive the re-employment services they need.

- **Providing Every American Access To One-Stop Career Centers -- Helping Americans Informed Decisions About Their Futures.** As part of the Workforce Investment Act, every area of the country will have a One-Stop Career Center. Now, we must ensure every American access to the information available at the One-Stops. Your budget provides $95 million to take the following steps:

    - Your budget will put in place a system so that the unemployed get job leads the moment they apply for Unemployment Insurance -- transforming our unemployment system turn into a re-employment system.

    - Second, your plan will create a new 800 number so that workers will be able to find out what services are available for and where they can go to receive them.

    - Third, your plan will ensure that workers will be able to get job search information at 4,000 Community-Based Organizations.

    - Fourth, your plan will create 100 new mobile One-Stop Career Centers -- helping the Labor Department's rapid response teams.

- Fifth, your plan will include funds to help the disabled and the blind benefit from One-Stop Career Centers, including a talking America's Job Bank (AJB), which will be developed in conjunction with the National Federation for the Blind.

***A Disadvantaged Youth Initiative.*** Dealing with the problems of at-risk youth is one of the major challenges facing the Nation. In December 1998, the national unemployment rate was just 4.3 percent -- the lowest peacetime level in 41 years. However, while the unemployment rate among African-American teens (aged 16-19) also reached its lowest peacetime level in four decades, it was still *6.5 times* higher than the national average and much higher than the rate for white youth. The goal of the disadvantaged youth initiative is to fund promising approaches to increasing the educational attainment and employment rates of individuals aged 16-21 who live in high-poverty areas. In addition to an increase in JobCorps and the $250 million for the new Youth Opportunity Areas, this initiative includes:

- **YouthBuild Expanded by $32.5 Million.** The FY2000 budget expands YouthBuild by $32.5 million -- more than 75 percent. This means that we will provide $75 million for the YouthBuild program that provides disadvantaged young adults with education and employment skills by rehabilitating and building housing for low-income and homeless people.

- **New $100 Million "Right-Track" Partnership To Reduce Drop-Out Rate.** Your FY 2000 budget provides $100 million for "Right Track Partnerships" to promote partnerships between schools, employers, and community-based organizations that devise innovative community-wide approaches to increase the rate at which economically disadvantaged and limited-English proficient youth complete and excel in high school and subsequently increase the rate at which these youth go on to postsecondary education, training, and higher paying careers;

- **Doubles GEAR-UP for College Program.** Your FY 2000 budget doubles funding -- from $120 million in FY99 to $240 million in FY2000 -- for the GEAR UP program that supports States and partnerships between high-poverty middle or junior high schools and colleges to help low-income children prepare for and enroll in college. In 2000, GEAR UP will reach 381,000 students.

- **New $50 Million Regional Youth Employment Initiative.** Your FY 2000 budget provides $50 million for a Regional Empowerment Zone Program to assist urban Empowerment Zones and Enterprise Communities (EZ/ECs) in linking their economic development strategies to their broader metropolitan regional economies in order to increase the employment of disadvantaged youth.

## III. PARTICIPANTS

Pre-Brief
Gene Sperling
Ceci Rouse
Doug Sosnik

Event
Secretary Herman
Secretary Riley
Mirian Graddick, Senior VP of Human Resources, AT & T
Person (TBD)

## IV. SEQUENCE OF EVENTS

- Off-stage announcement of **YOU**, Secretary Herman, Secretary Riley, Mirian Graddick, Senior Vice President of Human Resources, and Person.
- Mirian Graddick makes welcoming remarks and introduces Secretary Riley
- Secretary Riley makes brief remarks and introduces Secretary Alexis Herman
- Secretary Herman makes brief remarks and introduces Person TBD
- Person TBD makes brief remarks and introduces **YOU**
- **YOU** make remarks, work a ropeline, and depart

## V. PRESS COVERAGE

Open Press.

## VI. REMARKS

To be provided by speechwriting.

D

'99 JAN 27 PM5:29

Draft 1/27/99 5:25pm
Lowell Weiss

**PRESIDENT WILLIAM J. CLINTON**
**REMARKS ON CLOSING THE SKILLS GAP**
**OAKTON, VA**
**January 28, 1999**

Recently, my life-long friend Carolyn Staley told me about a 50-year old conveyor-belt operator from Van Buren County, Arkansas, whose story sums up for me why we're here today. Not too long ago, this man's company, Beldon Wire and Cable, converted to a new computerized transport system. But this man had only an 8th grade education and had never touched a computer before. He thought he was sure to get laid off. Fortunately, he had the chance to enroll in a remarkable training program like the one I saw here today. His classes helped him learn how to use computers and helped him improve his reading and math skills so he could master complicated technical manuals. Instead of losing his job, he actually earned a raise. I want to replicate his experience, and your experience, in every community in America.

Over the past decade, our economy has changed more than in any other decade in our history. Most of these changes are for the good. The new economy is leveling old hierarchies on the factory floor and knocking out glass ceilings in high-rise offices. The new economy and new technologies are creating new opportunities for people who live nowhere near a city or an interstate, for people with disabilities, for people who work at home. But until every American has a chance to learn the skills that this new economy rewards, our work is not done.

When I took office, this country faced two great deficits -- a $290 billion budget deficit and an equally worrisome deficit in skills -- both of which threatened our nation's long-term economic growth. Through hard work and hard decisions, we have now erased the budget deficit. But the skills deficit still remains. Many working families are still struggling to adapt to the new economy, and many of our industries are facing shortages of skilled workers. In manufacturing, 88 percent of companies are having trouble finding qualified applicants to fill at least one type of job. One in five companies can't expand its business because its workers don't have the right skills. These statistics represent a wake up call as loud as any 5 o'clock whistle I've ever heard.

That is why the Vice President and I have been working so hard to ensure that no American's education stops after high school or even after college. In our fast-paced global economy, we know we must give every American the chance to go on learning for a lifetime.

America has already taken several giant leaps in that direction. Thanks to new $1,500 HOPE Scholarships, Lifetime Learning Tax Credits, Education IRAs, and expanded Pell grants, we have opened the doors of college to all Americans. Thanks to a new mentoring and tutoring initiative we passed last year, we are working to guide students from our hardest-pressed families through those open doors. And thanks to the Workforce Investment Act I also signed last year, we have revolutionized the worker training system, combining a tangle of training programs, creating a simple skills grant that allows workers to choose precisely the training they want.

Today, we will take the next giant leaps. The balanced budget I will submit to Congress on

Monday will be the largest, most ambitious budget ever for closing America's skills gap and helping unemployed workers get back on their feet.

First, I am proposing to mount a national campaign for adult education and family literacy to help the millions and millions of adults who struggle with basic reading or math or English. Right now, every one of these men and women is locked out of the new economy; it is hard for them to fill out a job application much less fill a 21st Century job. So we will seek to create new tax credits for businesses like AT&T and Lucent which provide basic skills classes to their workers. And we will also work to greatly expand the funding for basic adult education, to allow states and communities to provide quality classes in reading, math, English, civics, and life skills -- using the most up-to-date computers and software.

Second, I recommend a large new investment in the worker training system we revolutionized last year, so that we can provide, over the next five years, appropriate training and re-employment services for <u>all</u> Americans who lose their jobs. Next year alone, we will increase funding for skills grants, high-tech community career centers, and rapid-response teams by more than $360 million. We will also launch a new 1-800 telephone service, to let all unemployed workers know right away where they can go for help and what help they can receive. We will say to every unemployed worker in America: You will not be left behind.

Third, I am proposing to greatly increase our commitment to helping disadvantaged youth. For example, we will nearly double funding for Youthbuild -- an innovative program that gives young people a chance to learn construction skills as they build homes for low-income families. We will double funding for Gear Up, the mentoring and tutoring initiative I mentioned earlier, to encourage more young people to raise their sights, stay in school, and take the right classes to prepare for college. We will continue our vital investments in Youth Opportunity Areas, to use every tool at our disposal to get young people in our poorest communities off the streets and into jobs with a future. And we will launch a new $100 million initiative, called Right Track Partnerships, to help schools, businesses, and community organizations work together to reduce teen dropout rates and to help former dropouts complete their high school degrees.

In all these ways, we will help people of all ages gain the skills they need to fill 21st Century jobs and earn a full stake in our nation's growing prosperity.

Before World War II, sending children to high school -- not just college -- was a luxury that many working families could not afford. That's the way it was in our family. After my Uncle Roy finished 8th grade, my grandfather needed him to go to work at the family grocery store, in Hot Springs. Now, Roy did just fine for himself. He went on to open his own feed business and eventually served three terms in the state legislature. But as we all know, things are different today. In this new economy, which values knowledge and skills and ideas more then ever before, a formal and continuous education is indispensable. I am grateful that companies like AT&T and Lucent recognize that -- grateful that you accept your responsibility to help your workers realize their full potential. We are committed to helping all companies in America follow your lead. If we want to grow and prosper in the 21st Century, there can be no other course. Thank you and God bless you.

# # #

E

THE WHITE HOUSE

WASHINGTON

January 27, 1999

**1998 Stanley Cup Champions: The Detroit Red Wings**

| | |
|---|---|
| DATE: | January 28, 1999 |
| LOCATION: | East Room |
| TIME: | 6:10 pm |
| FROM: | Ben Johnson<br>Ilia Velez |

## I. PURPOSE

To meet with the 1998 Stanley Cup Champions: The Detroit Red Wings.

## II. BACKGROUND

The Detroit Red Wings, one of the oldest franchises in the National Hockey League, won their ninth Stanley Cup and their second in a row in the 1998 season with a four game sweep of the Washington Capitols. The Red Wings had an extra incentive on their road to the Stanley Cup. Vladimar Konstantinov, the Wings' standout defenseman, was seriously injured in an automobile accident just six days following the 1997 Cup victory. However, Konstantinov was able to join his team on the ice for the 1998 victory celebration.

Joining the team will be Coach Scotty Bowman, the winningest coach in the history of the NHL. He has won the Stanley Cup eight times as a coach and the only person to win the Cup with three different teams.

In addition, Captain Steve Yzerman has been a member of the Red Wings since 1983 and captain since 1986. He was the leading scorer in the 1998 playoffs and was voted the Conn Smythe trophy as playoff MVP.

This is the second consecutive visit to the White House for the Red Wings as Stanley Cup Champions.

## III. PARTICIPANTS

You
Players (Please See Attached)
NHL Staff (Please See Attached)
Ilitch Family (Please See Attached)

## IV. PRESS PLAN

Fox Sports and NHL Productions will be doing a "behind the scenes" of the Detroit Red Wings visit to the White House.

## V. SEQUENCE

Please see Social Office Briefing.

## VI. REMARKS

Will be provided by Speechwriting.

## VII. ATTACHMENTS

A list of players and staff from the Red Wings organization and the National Hockey League.

'99 JAN 27 PM5:56

THE WHITE HOUSE

WASHINGTON

| | |
|---|---|
| **TO:** | **THE PRESIDENT** |
| WHAT: | DETROIT RED WINGS |
| WHEN: | THURSDAY, JANUARY 28, 1999 |
| WHERE: | EAST ROOM |
| NOTES: | APPROX. 200 GUESTS/OPEN PRESS/BUSINESS ATTIRE |

---

**5:35 p.m.** **THE PRESIDENT** receives briefing at the Elevator.

> Briefing Participants
> Ilia Velez
> Josh Gottheimer

**5:40 p.m.** **THE PRESIDENT** proceeds to the Blue Room for a receiving line.
*Note: Video Crew from the NHL and FOX Sports will be present when the team proceeds through line.*

**6:10 p.m.** Detroit Red Wings are announced into the East Room.

**THE PRESIDENT**, accompanied by event participants are announced from the Blue Room into the East Room to Honors.

**PROGRAM BEGINS**

**THE PRESIDENT** makes remarks and introduces Commissioner Gary Bettman.

Commissioner Bettman makes remarks and introduces Ms. Denise Ilitch.

Ms. Ilitch makes remarks and introduces Coach Scotty Bowman.

Coach Bowman makes remarks, presents **THE PRESIDENT** with a miniature Stanley Cup and introduces Team Captain Steve Yzerman.

Steve Yzerman presents a Red Wings jersey to **THE PRESIDENT**.

**6:35 p.m.** Following remarks, **THE PRESIDENT** takes group photo with the team and departs.

# F

THE REMARKS

FOR THE DETROIT REDWINGS EVENT

WILL BE FORWARDED

G

**Attendees for the 1998 Stanley Cup Champions: The Detroit Red Wings Event**
**January 28, 1999**

**Players**

Doug Brown
Mathieu Dandenault
Kris Draper
Anders Eriksson
Sergei Fedorov
Brent Gilchrist
Todd Gill
Kevin Hodson
Tomas Holstrom
Joe Kocur
Vyacheslav Kozlov
Uwe Krupp
Martin Lapointe
Igor Larionov
Nicklas Lidstrom
Jamie Macoun
Kirk Maltby
Norm Maracle
Darren McCarty
Larry Murphy
Chris Osgood
Stacy Roest
Brendan Shanahan
Aaron Ward
Steve Yzerman

**Special Team Guests**

Vladimir Konstantinov
Irina Konstantinov
Sergei Mnatsakanov
Elena Mnatsakanov
Maxim Mnatsakanov

**Ownership**

Denise Ilitch (representing Michael Ilitch)
Sam Lites
Jim Scalici
Glenn Murray
Troy Murray
Tyler Murray

**Management and Staff**

Ken Holland
Jim Nill
Dan Belisle
Jim Bedard
Scotty Bowman
Dave Lewis
Barry Smith
Paul Boyer
Jihn Wharton
Tim Abbott
Bob Huddleston
John Hahn
Mark Hicks
Michael Kuta

**National Hockey League Staff**

Gary Bettman
Brittany Bettman
Amy Solomon Charney
Jonathan Charney
Mary Pat Clarke
Christopher James Creed
Michell Layton
R. Bernadette Fogel Mansur
Walter John Neubrand
Stephen Solomon

Friday, January 29, 1999

| | | |
|---|---|---|
| 9:20 AM | U.S. Conference of Mayors Breakfast | Tab A |
| | - Remarks | Tab B |
| | - Agenda for American Communities | Tab C |
| | - Briefing Attendees | Tab D |
| 11:00 AM | Phone Call to Prime Minister Vajpayee of India | Distributed Separately |
| 12:00 PM | Telephone Interview with Adam Clymer | Distributed Separately |
| 12:25 PM | Meeting | Distributed Separately |
| 1:00 PM | Tape Radio Address | Tab E |
| | - Remarks | Tab F |

# SCHEDULE OF THE PRESIDENT
FOR
FRIDAY, JANUARY 29, 1999

*Final Schedule*

| | | |
|---|---|---|
| SCHEDULING DIRECTOR: | STEPHANIE STREETT | |
| | HOME: | 202-332-5651 |
| | OFFICE: | 202-456-2823 |
| | WHCA PAGER: | 4824 |
| PRESS DESK: | DORI SALCIDO | |
| | HOME: | 703-548-6466 |
| | OFFICE: | 202-456-5771 |
| | WHCA PAGER: | 4844 |
| EVENT COORDINATOR: | LAURA SCHWARTZ | |
| | HOME: | 202-331-4339 |
| | OFFICE: | 202-456-5655 |
| | WHCA PAGER: | 4293 |

WEATHER: WASHINGTON, D.C.
*Mostly cloudy with isolated rain ending early in the morning. Winds north to northeast at 8 to 12 knots. Low 41 to 46. High 46 to 51.*

# Schedule of the President
# for
# Friday, January 29, 1999
*Final Schedule*

| | | |
|---|---|---|
| 8:45 am-<br>9:00 am | | **MEETING**<br>MAP ROOM<br>Staff Contact: John Podesta |
| 9:00 am-<br>9:20 am | | **BRIEFING**<br>MAP ROOM<br>Staff Contact: Mickey Ibarra, Capricia Marshall |
| 9:20 am-<br>9:25 am | | **MEET AND GREET**<br>BLUE ROOM<br>Staff Contact: Mickey Ibarra, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**CLOSED PRESS** |
| 9:30 am-<br>10:30 am | | **U.S. CONFERENCE OF MAYORS BREAKFAST**<br>EAST ROOM<br>Remarks: Michael Waldman<br>Staff Contact: Mickey Ibarra, Capricia Marshall<br>Event Coordinator: Laura Schwartz<br>**POOL PRESS (REMARKS ONLY)** |

-- Off-stage announcement of **the President**, accompanied by Secretary Alexis Herman, Secretary Andrew Cuomo, Mayor Dee Dee Corradini, and Mickey Ibarra, into the East Room.

-- Secretary Andrew Cuomo makes brief welcoming remarks and introduces Mayor Dee Dee Corradini.

-- Mayor Dee Dee Corradini, Salt Lake City, Utah, makes brief remarks and introduces **the President**.

Note: **Mayor Dee Dee Corradini and Secretary Andrew Cuomo proceed to seats in the front row.**

-- **The President** makes remarks and introduces Secretary Alexis Herman

-- Secretary Alexis Herman makes brief remarks and initiates question and answer session.

-- **The President** takes three questions from audience.
**CLOSED PRESS**

-- **The President** concludes the discussion and departs.

| | |
|---|---|
| 10:45 am- 11:00 am | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 11:00 am- 11:20 am | **FOREIGN POLICY PHONE CALL**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 11:20 am- 11:35 am | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 11:40 am- 11:50 am | **MEETING**<br>OVAL OFFICE<br>Staff Contact: Stephanie Streett |
| 11:55 am- 12:00 pm | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Joe Lockhart |
| 12:00 pm- 12:15 pm | **TELEPHONE INTERVIEW WITH ADAM CLYMER**<br>OVAL OFFICE<br>Staff Contact: Joe Lockhart |
| 12:20 pm- 12:25 pm | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Ben Johnson |
| 12:25 pm- 12:35 pm | **MEETING**<br>OVAL OFFICE<br>Staff Contact: Ben Johnson<br>**CLOSED PRESS** |
| 12:45 pm- 1:00 pm | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Ann Lewis, Megan Moloney |

| | | |
|---|---|---|
| 1:00 pm-<br>1:30 pm | | **TAPE RADIO ADDRESS**<br>ROOSEVELT ROOM<br>Remarks: Jordan Tamagni<br>Staff Contact: Ann Lewis, Megan Moloney<br>**CLOSED PRESS** |
| 1:30 pm-<br>6:00 pm | | **PHONE AND OFFICE TIME**<br>OVAL OFFICE |
| BC/HRC RON | | **THE WHITE HOUSE**<br>**WASHINGTON, DC** |

# A

'99 JAN 28 PM6:55

THE WHITE HOUSE

WASHINGTON

January 28, 1999

**MEETING WITH THE U.S. CONFERENCE OF MAYORS**

| | |
|---|---|
| DATE: | Friday, January 29, 1999 |
| LOCATION: | East Room |
| TIME: | 9:30 - 10:30 a.m. |
| FROM: | Mickey Ibarra Mickey |
| | Lynn Cutler |

## I. PURPOSE

To address a bipartisan group of over 250 mayors to highlight the strong U.S. economy and your urban empowerment agenda for cities.

## II. BACKGROUND

The U.S. Conference of Mayors (USCM) is convening in Washington for their annual Winter Meeting from January 27 - 29, 1999. The meeting focuses primarily on community empowerment, gun and drug violence, and cities in the global economy. Since the beginning of your Presidency, the mayors have been strong and vocal partners of the Administration, and have been successful advocates of your agenda on the Hill.

In your remarks, you will announce new GDP numbers and highlight how the economic expansion is raising real wages for all Americans, including higher incomes for African American and Hispanic families. Additionally, you will highlight the Administration's budget initiatives that make up your community empowerment agenda -- the New Markets Investment Initiative; your education agenda, including school modernization and class size; Community Development Financial Institutions Fund (CDFIs), housing vouchers, the Low-Income Housing Tax Credit, Youth Opportunity Areas, and the 21st Century Policing Initiative.

Secretary Cuomo and Secretary Herman will participate in the program with you. Additionally, ten Cabinet members will attend: Administrator Browner, Director LaChance, Director Lew, General McCaffrey, Attorney General Reno, Secretary Riley, Secretary Slater, Secretary West, Director Witt, Administrator Alvarez and CEA Director Yellen. Many of the secretaries spoke to this group earlier in the week.

Yesterday, Mrs. Gore addressed the plenary session on youth and fitness. The First Lady will address the closing luncheon participants this afternoon.

The U.S. Conference of Mayors is the official nonpartisan organization of cities with populations of 30,000 or more. There are approximately 1,050 such cities in the country today. Mayor Deedee Corradini (D-Salt Lake City, UT), who will be introducing you on the program, is the current President of the USCM. Mayor Wellington Webb (D-Denver, CO) is the current Vice President and Mayor Brent Coles (R-Boise, ID) is the chair of the Advisory Board. The mission of the USCM is to aid the development of effective national urban policy, to strengthen federal-city relationships, to ensure that federal policy addresses urban needs, and to provide mayors with leadership and management tools.

You addressed the USCM Winter Meeting last January, and you addressed the Mayors via satellite from the White House this past June during their annual summer meeting in Reno. You also hosted a session during the Mayors' Conference on Public Schools in the East Room this past May.

## III. PRE-BRIEF PARTICIPANTS

Mickey Ibarra
Lynn Cutler
Paul Weinstein
Jonathan Orszag
Karen Tramontano
Michael Waldman

## IV. EVENT PARTICIPANTS

Secretary Andrew Cuomo
Secretary Alexis Herman
Mayor Deedee Corradini (D- Salt Lake City, UT), President, U.S. Conference of Mayors
Mayor Wellington Webb (D- Denver, CO), Vice President, U.S. Conference of Mayors
Mayor Brent Coles (R- Boise, ID), Chair of the USCM Advisory Board
Tom Cochran, Executive Director, USCM
Approximately 267 mayors (list attached).

## V. PRESS PLAN

Formal program is pool press. After your remarks, Secretary Herman will speak while the press is escorted out of the room. Question and answer session which follows, is closed press.

## VI. SEQUENCE OF EVENTS

- o You proceed to Blue Room and greet Mayor Deedee Corradini, Mayor Wellington Webb, Mayor Brent Coles, and Tom Cochran. **NOTE:** Mayor Corradini has announced she will not run for re-election.
- o You, Mayor Corradini, Secretary Cuomo, Tom Cochran, Secretary Herman, and Mickey Ibarra are announced into the East Room. Secretary Cuomo, Mayor Corradini accompany you to the stage. You then take your seat.
- o Secretary Cuomo makes brief remarks and introduces Mayor Corradini.
- o Mayor Corradini makes brief remarks and introduces you.
- o You make remarks.
- o You invite Secretary Herman to briefly discuss details on the announcement made yesterday on the Administration's efforts to help dislocated workers get back on their feet and ensure economic opportunities for young people across the nation.
- o Secretary Herman makes brief remarks while the press is escorted out of room.
- o You return to the podium to take questions from the audience.
- o You work a ropeline and depart.

**NOTE:** Several Mayors will proceed to the North Lawn to do regional press and radio.

## VII. REMARKS

To be provided by speech writing.

**Attachments:**

List of participating mayors
President Clinton and Vice President Gore's Agenda for America's Communities

B

'99 JAN 28 PM9:06

# Topper on Kosovo

**Before I begin, let me say a few words about the situation in Kosovo.**

**Two weeks ago, after the massacre in the village of Racak, we called on Serbian authorities to cease their repression and meet their commitments. Today, with our partners in the Contact Group – France, Germany, Great Britain, Italy and Russia – we agreed on a common diplomatic strategy to achieve compliance. And with our allies in NATO, we stand ready to back that strategy with the threat of force.**

**Our goal is not merely to respond to the recent violence in Kosovo, but to help resolve the conflict so the violence will stop. The Contact Group has now approved the terms of an interim settlement that would do just that – by protecting the rights of all the people of Kosovo and by giving them the self-government they so clearly deserve.**

**Both sides must start talks on a settlement by early next week and pursue their objectives by peaceful means. Today's decisions send a clear message to the authorities in Belgrade: The time for denial and delay is past. NATO is united and ready to act if you do not.**

FINAL 1/28/99 7pm
Waldman

**PRESIDENT WILLIAM J. CLINTON**
**REMARKS TO**
**THE U.S. CONFERENCE OF MAYORS**
**THE EAST ROOM**
**January 29, 1999**

Acknowledgments: Mayor Corradini -- Thank you all for your leadership on the Census. While the Supreme Court struck down the use of 'sampling' for congressional apportionment, it reaffirmed our use of these scientific methods for other purposes. And we are committed to making the Year 2000 census both accurate & fair.

Seven years ago, when I first sought the Presidency, nothing shook me more deeply than the wasted potential of our nation's cities and communities. Our great urban centers -- the gateway of opportunity for millions, the hubs of commerce and creativity -- were too often islands of decay and despair.

I believed that America could renew itself -- that, as I said almost exactly six years ago when I became President, there is nothing wrong with America that cannot be cured by what is right with America. And I knew that -- together -- we could renew America's cities.

We set forth in 1993 with a new strategy to create a new economy. Fiscal discipline. Investing in our people. Seeking new markets for our goods abroad. We balanced the budget for the first time in 30 years -- and we increased investment in education and training by 40%.

This strategy has helped steer our nation through new and turbulent economic currents.

Today, our economy leads the world. This morning, we received more good news about America's economy. I can now report that in the 4th quarter of 1998, the economy grew at a rate of [4½%] -- and at a rate of [3+%] in 1998. America's growth in the 1990s is built not on the vapors of deficit spending but on the solid foundation of private sector investment. And this expansion is both wide and deep. Four of our ten largest cities have cut their unemployment rate in half since 1993. We have the highest real wage growth in over two decades -- growing at twice the rate of inflation; the lowest African American and Hispanic unemployment rate recorded since we began keeping such statistics in 1972. And average family income is up by $3,500. At long last, this rising tide is lifting all boats.

Today we are releasing an interim State of the Cities report that tells the story of economic growth in many of our cities. For the first time ever, most city residents now own their own homes.

Unemployment in our central cities has fallen by 40% since 1992. Large cities have seen violent crime drop by nearly 27%. All of you here in this room -- and all our people around the country -- have begun a renaissance in America's cities. And I have been proud to be your partner.

My friends, this economic good fortune poses a profound question for all of us: What will we do with these good times? If we simply relax and bask in our prosperity, we will look back at this moment of opportunity as a time of missed opportunity. I believe we have a duty to make certain that prosperity spreads throughout our nation -- that hope replaces despair in every corner of every community -- that every American be given the tools to reap the rewards of the new economy. We have a duty to rise to the challenges of the 21st Century.

We are committed to press forward with the new strategy that has helped to renew our cities.

We rejected the idea that the solutions to the problems of the cities were miles of concrete and acres of regulations, that the answer to your problems was a fiat from Washington. And we have decisively rejected the misguided idea that cities should be left to sink or swim on their own. Our approach -- our "third way" -- has been to offer empowerment, to help provide the tools to succeed, and to insist on results.

We have worked to be an effective partner. Over the past six years, we have transformed the Department of Housing and Urban Development from a bureaucratic backwater to a streamlined innovator. David Osborne -- the intellectual godfather of reinventing government -- says HUD is "a model for reinvention in the 1990s."

So the balanced budget I will submit to Congress will increase HUD's overall budget by $2.5 billion to $28 billion. It will support HUD's Community Empowerment fund ... 100,000 new vouchers to make housing more affordable ... a comprehensive housing plan for seniors ... and dozens of other innovative steps. I ask you to support this commitment -- and to make your voices heard in the halls of Congress.

With new resources for a reinvented HUD, we can and must press forward with our new urban strategy. Our communities face stiff challenges -- stubborn pockets of poverty, shrinking populations, the flight of the middle class. We can and must act together to meet these challenges. Here's how.

**First, strong cities in the 21st Century will depend above all on economic opportunity.** The best poverty program, the best crime program, the best urban program is a private sector job.

So we created 31 Empowerment Zones, to bring the spark of private enterprise into inner cities and isolated rural areas. VP Gore announced the 20 newest zones earlier this month. I will ask Congress to fully fund this round of Empowerment Zones to help support 90K jobs. We created a network of Community Development Financial Institutions. And we strengthened and streamlined the Community Reinvestment Act, encouraging banks to make more than $1 Trillion in financial commitments -- nearly 95% of all commitments since CRA has been law -- even as bank balance sheets have grown stronger. CRA is under fire once again. Please join me in fighting any attempt to weaken it.

In all these ways, we have sought to extend the horizons of opportunity into the hardest pressed urban areas.

But even today, the flows of capital too often bypass under served areas. The largest pool of untapped investment opportunities and new customers are not beyond our shores, they're in our backyard. They are in Harlem or Watts or Appalachia -- the kinds of communities that, according to a recent Harvard Business School study, control more than $85 billion a year in purchasing power, more than the entire retail market in Mexico.

So I am proposing a bold initiative to bring jobs and opportunity into the 'New Markets' here in America: We should write into law a "New Markets Tax Credit" - - $1 billion of tax credits over five years worth 25% of the amount of equity placed in investment funds, community development banks and investment vehicles targeted for these untapped markets.

We help businesses invest abroad through the Overseas Private Investment Corporation. We should help them invest here at home through new <u>American</u> Private Investment Companies -- that can spur $1.5 billion each year in equity for investment in underserved America.

We will create New Market Venture Capital firms, to bring capital and technical assistance to small businesses in distressed areas. Thousands of entrepreneurs need only a little capital and expert guidance to expand their businesses and create new jobs -- these funds will give it to them.

All told, this New Markets initiative will bring $15 billion in new private sector investment -- our most significant opportunity in years to break the cycle of poverty and joblessness. But it will only happen if together, we persuade Congress to make it happen. I ask your support.

We shouldn't stop there.

Today, welfare is at its lowest level in 3 decades, and the welfare rolls have been cut nearly in half. But we should use this prosperity to move the hardest cases off of welfare. We should reauthorize the Welfare to Work initiative and help 200,000 people move to the dignity and pride of work.

We must do more to clean up and redevelop abandoned industrial sites. My balanced budget will propose a new Abandoned Buildings initiative so that brownfields can stop being eyesores and start being places of opportunity.

And we should expand the Low Income Housing Tax Credit, which has strong bipartisan support.

Every one of these initiatives will require Democrats and Republicans to work together. Every one of them requires Congress to act. I ask your help.

**Here's the second step we must take together: Strong cities in the 21st Century simply must be safe cities.**

Crime is down for six years in a row. Violent crime is at its lowest level in three decades. This year we will achieve our goal of 100,000 new community police, under budget and ahead of schedule. In all this, we worked with you on the frontlines to develop and deploy new strategies to fight crime. Now we must focus our efforts on neighborhoods where violent criminals still hold sway.

So I will propose a 21st Century crime bill that helps communities hire and redeploy at least 30,000 new officers for high crime neighborhoods ... that enlists probation and parole officers, school officials and faith-based organizations to take our streets back from crime ... and that gives police high-tech tools to fight crime, from digital mugshots to crime-mapping computers in squad cars. For years, drug dealers have used pagers, scam artists have used the Internet, and gangs have had high-tech weapons. It's time for police to have the benefit of 21st Century technology, too.

I thank you for all you are doing to take guns out of the hands of criminals. So I ask your support as we seek to restore the five-day waiting period for buying a handgun -- to extend the Brady Bill to prevent juveniles who commit violent crimes from buying a gun -- and to pass legislation to require child trigger locks.

**Third, strong cities depend on strong schools.** With 53 million children in school, one in five of them from immigrant families, in the 21st Century that will be more true than ever.

Across our nation, test scores are up. But too many schools are still failing too many children. In my State of the Union Address I set out a new agenda for America's schools. We should finish the job of hiring 100,000 new teachers to reduce class size in the early grade. We should act this year to build or modernize 5000 schools.

And I will soon propose an Education Accountability Act -- a dramatic change in the way the federal government invests in elementary and secondary education. We will invest only in what works, only in the things that cities like Chicago and Boston have proven works. No social promotion. Quick action to turn around failing schools. Qualified teachers. Report cards on schools. Discipline codes.

Our goal is not to put our children down, but to lift them up. So my balanced budget will triple the support for after school programs where children can learn after the regular school bell has rung -- the hours when juvenile crime soars.

You know and I know that the issue is not whether the national government will be involved in education -- it already is. Our answer must be: we should invest in what works.

**Fourth, as I said in the State of the Union Address, our communities face a preservation challenge, with 7,000 acres of farmland and green space lost every day.** So I have proposed a $1-billion Livability Agenda to help communities save open space, ease traffic congestion, and grow in ways that enhance every citizen's quality of life ... and a $1-billion Lands Legacy Initiative to preserve places of natural beauty all across America -- from the most remote wilderness to the nearest city park. [And we will continue to fight proposals -- such as the so-called property rights legislation being pushed by the Republican leadership -- that would undermine your ability to chart your community's future.]

In all these ways -- expanding economic empowerment, pressing our fight against crime, renewing our schools, keeping our growing communities livable -- we can meet our duty to make our cities and towns strong and vibrant for the 21st Century.

That new millennium is less than a year away. As the First Lady will tell you later today, it is an opportunity to honor the past and imagine the future. That is why we established the White House Millennium Council -- to use the millennium as an inspiration for communities and individuals to leave gifts to future generations. And that is why we are launching the Millennium Communities program. The First Lady will invite you to apply on behalf of your community to receive national designation as a Millennium Community by launching projects that save our history, and prepare our children for the 21st century. I hope every one of you takes advantage of this.

The turn of a century often marks a true turning point in how people see themselves and their world. We think back to the last turn of the century, and we see now that it was a time when America's cities literally created themselves.

From the World's Colombian Exposition in Chicago, to the unification of the boroughs of New York, to the rebuilding of San Francisco after the earthquake, in the early years of the 20th Century, America's cities were melting pots not only of people but of ideas -- the most remarkable in human history. Changes in technology and commerce and patterns of living don't make our cities obsolete. They give us a chance to come together as only great and growing communities can, to make our cities more dynamic, more exciting, more livable for more people than ever before. I look forward to that challenge.

# # #

C

# PRESIDENT CLINTON AND VICE PRESIDENT GORE'S AGENDA FOR AMERICA'S COMMUNITIES

**PRESENTED TO THE U.S CONFERENCE OF MAYORS**
**JANUARY 29, 1999**

# CLINTON/GORE ADMINISTRATION'S AGENDA FOR COMMUNITIES

## Crime/Drugs

**21st Century Policing Initiative**
In order to keep crime coming down to record low levels and the number of officers walking the beat at an all-time high, the President is committing nearly $1.3 billion for a new 21stCentury Policing Initiative. The new 21st Century Policing Initiative builds on the President's successful COPS program by: (1) helping communities to hire and redeploy between 30,000 and 50,000 more law enforcement officers over five years, with an effort to target new police officers to crime "hot spots" and to help retain those officers recently hired; (2) giving law enforcement access to the latest crime-fighting technologies, such as improved police communications, crime mapping software, laptop computers, and crime lab improvements; and (3) making an unprecedented commitment to engage entire communities in the hard work of preventing and fighting crime --by funding new community-based prosecutors, and partnerships with probation and parole officers, school officials, and faith-based organizations.

**Zero Tolerance Drug Supervision**
Numerous studies confirm that the vast majority of prisoners report drug use and that many prisoners commit their crimes to buy drugs or while high. To help break this iron link between crime and drugs, the President will propose $215 million for Zero Tolerance Drug Supervision that works to keep offenders drug-and crime-free. This initiative will provide new funds to help states and localitiesimplement tough new systems to drug test, treat, and punish prisoners, parolees, and probationers. In addition, this initiative provides increased funds for innovative drug courts throughout the country and intensive drug treatment for state prisoners with the most serious drug problems.

**Making the Brady Waiting Period Permanent**
The Brady Law, which requires background checks of all prospective firearms purchasers, has stopped well over a quarter of a million illegal handgun sales since its enactment in 1993 --proving itself to be one of the most effective law enforcement tools ever. But the Brady Law's "cooling off" or waiting period recently expired, and handguns can now be purchased on the spot in some states. To make sure that local law enforcement officers have enough time to conduct the best background check possible, the President will call for a new national waiting period of up to five days before the purchase of a handgun.

**Preventing Violent Juveniles from Buying Guns**
Violent juveniles should be treated as adults for their adult crimes, and stopped from gettingweapons to hurt again. The President will propose legislation to ban violent juveniles from buying guns for life. The President's proposal would extend the Brady Law to violent juveniles, closing the loophole under current law which permits youths convicted in juvenile court for certain violent and drug offenses to buy handguns on their 21st birthday.

**Child Safety Locks for Handguns**
Child safety locking devices can reduce the unauthorized use of handguns, by a child at play or a teen looking to commit a crime. And many youths have to look no further than their own home to get access to a gun: a third of all privately-owned handguns are left both loaded and unlocked. To address this problem, the President's proposal would require federally-licensed firearms dealers to sell a child safety lock with every handgun --to help prevent youths from hurting themselves or each other.

**Helping Make All Schools Safe, Disciplined, and Drug-Free**
President Clinton is proposing a significant overhaul of the nearly $600 millibn Safe and Drug-Free Schools and Communities Program to provide more effective prevention programs for the reduction of drugs and violence in schools, more accountability for results, and better targeting to those schools that need the most assistance.. Under the President's proposal, schools would be required to adopt rigorous, comprehensive school safety plans that include: tough, but fair, discipline policies; safe passage to and from schools; effective drug and violence policies and programs; annual school safety and drug use report cards; links to after school programs; efforts to involve parents; and crisis management plans.

## Economic Empowerment

**New Markets Investments Initiative**
One of the great still unmet challenges for the start of the 21st century is building economically vibrant communities in those places that our prosperity has not yet reached --inner cities and distressed rural areas. These new markets here at home have great potential. We must build a bridge between Wall Street and our great untapped markets. The President's new markets initiative will spur $15 billion in new capital investment in businesses in these underserved areas through a package of tax credits and guarantees.

Specifically:

- ***New Markets Tax Credit:*** A billion dollars of tax credits over five years worth up to 25% of the amount of equity invested in a variety of vehicles for providing equity and credit to businesses in underserved areas.

- ***America's Private Investment Companies (APICs):*** Modeled after the Overseas Private Investment Corporation's (OPIC) successful investment fund program, this program would create, each year, five new private investment partnerships of up to $300 million. For each new APIC, HUD and the SBA would provide up to $200 million in loan guarantees to match $100 million in private investment, creating a fund of $300 million for investment in mid-sized firms expanding or relocating into underserved areas.

- ***New Market Venture Capital Firms (NMVCs):*** SBA will match equity investment and technical assistance funds to finance 10-20 new investment partnerships selected to provide both patient growth capital and expert guidance to entrepreneurs who need both in order to transform their small businesses and great ideas into thriving companies.

- ***SBICs targeted to new markets:*** Over 40 years, the SBIC program has helped more than 85,000 small companies grow, some from start-ups to household names like AOL; but the program has not done enough to help spur growth in underserved areas. SBA will provide more flexibility and new financing terms, along with aggressive outreach, to promote investment in low-and moderate-income areas by SBICs.

- ***New Market Lending Companies (NMLCs):*** SBA will approve approximately 10 new non-bank lenders who have a strategy to target their lending to underserved areas.

- *Other:* Other elements include seed money to expand BusinessLINC partnerships to encourage large businesses to work with small businesses in new markets and reforms to the Specialized Small Business Investment Company (SSBIC) tax credit to make it easier to use.

**Empowerment Zones**

Earlier this month, Vice President Gore named 20 economically distressed communities as new Empowerment Zones (EZs). Tonight, the President is reaffirming his Administration's commitment to securing full funding of flexible grant funding for the new EZs. If Congress approves full funding for the EZs, federal investment is expected to help create and retain about 90,000 jobs and stimulate $20.3 billion in private and public investment in the next 10 years.

**Community Development Financial Institutions Fund (CDFI)**

In 1994, the President proposed and Congress established the CDFI Fund. This Fund further expands the availability of credit, investment capital, financial services, and other development services in distressed communities. The President is proposing to expand funding for the CDFI program to $125 million --a $30 million increase from FY 1999.

**Working to Ensure a Fair and Accurate Census**

As the President said in his 1999 State of the Union Address, "since every person in America counts, every American ought to be counted. We need a census that uses modern scientific methods to do that." The Clinton-Gore Administration is working to ensure that Census 2000 is the most accurate census possible. Recently, the Supreme Court ruled against the use of "sampling" for apportioning congressional seats among States, but affirmed the Administration's use of scientific methods for other purposes. The Census Bureau has already begun the work necessary to make sure that Census 2000 is accurate and accommodates the Court's ruling.

The Clinton-Gore Administration understands what is at stake. The President is mindful that, according to the Census Bureau, the last decennial census, conducted in 1990, missed 8.4 million people and double-counted 4.4 million others. The Administration knows that the American people rely on census data every day and that over $180 billion in federal funding is distributed annually based on census figures. The President and Vice President also understand that census information is relied upon by communities to help determine where to locate schools, build roads and bridges, and establish child care facilities and job training centers. The Clinton-Gore Administration believes that a fair and accurate census is a fundamental part of a representative democracy and is the basis for providing equality under the law. That is why the President is determined to have a fair and full count in 2000.

**Helping America's Communities Redevelop Abandoned Buildings**

This new Federal initiative would attack one of the primary causes of blight in urban neighborhoods: abandoned apartment buildings, single family homes, warehouses, office buildings, andcommercial centers. Under the proposal, HUD will provide $50 million in competitive grant funds in FY2000 to local governments to support the demolition or deconstruction of blighted, abandoned buildings, as long as there is a plan -- with significant private-sector participation -- to redevelop the property for commercial use or multi-family and single family housing. To ensure no incentive is created to abandon buildings, the program would be sunsetted after three years and no building abandoned after October 1, 1999 would be eligible for redevelopment. Preferences will be given to communities that link existing youth training programs with the property's redevelopment.

## Education

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

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

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

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

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

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

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

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

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

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

**Accountability for Results: Adopt Discipline Policies**
Schools must be a place of learning. President Clinton already has challenged states, communities, and schools to take a number of steps to restore order and safety, such as adopting school uniforms, enforcing truancy laws, and imposing curfews. But in some schools, the breakdown of classroom discipline remains one of the biggest obstacles to learning and one of the greatest concerns for teachers, students, and parents alike. The President's proposal will require states and school districts to adopt discipline policies to make sure students have the chance to learn and teachers have the chance to teach.

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

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

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

## Housing

**Low-Income Housing Tax Credit**
Since its creation in 1986, the Low-Income Housing Tax Credit (LIHTC) has given states tax credits of $1.25 per capita to allocate to developers of affordable housing. Even though building costs have increased 40 percent in the last decade, the amount of the credit has not been adjusted for inflation. Therefore, President Clinton and Vice President Gore propose to increase the cap on the LIHTC from $1.25 per capita to $1.75 per capita -- restoring the value of the credit to its 1986 level. Estimates suggest that the LIHTC currently

helps build 75,000-90,000 affordable housing units each year. The President and Vice President's proposal to increase the cap by 40 percent will create an additional 150,000-180,000 new rental housing units for low-income American families over the next five years. Last year, over two-thirds of the House and Senate were co-sponsors on bills to raise the cap on the LIHTC -- more support than any other tax legislation. This proposal will cost $1.7 billion over five years.

**Senior Housing Plan**
To complement the long-term health care initiatives announced by the President in his State of the Union Address, the Department of Housing and Urban Development's plan to meet the changing housing needs of our nation's elders will provide security and peace of mind to coming generations of senior citizens, especially the rapidly growing number of frail elderly over age 85. Priority budget items are $660 million for Section 202 Housing for the Elderly, including reforms to allow for conversion of existing buildings where seniors need assisted living, and $90 million to give elderly people housing vouchers.

**Homelessness**
The President's budget will include an increase of $150 million to a record level of $1.1 billion for expanding the continuum of care for the nation's homeless. The increase in homeless assistance, plus 10,000 new vouchers to create permanent housing solutions, will address the housing needs of the most vulnerable Americans -- those making a transition from the streets back into homes and community life.

## Livability

**Livability Agenda: Easing Traffic Congestion and Community Planning and Collaboration**
To help communities across America grow in ways that ensure a high quality of life and strong, sustainable economic growth, President Clinton and Vice President Gore are proposing a comprehensive Livability Agenda providing new tools and resources for state and local governments. The initiative includes: a record $6.1 billion for public transit, plus $2.4 billion for other innovative programs to promote improved transportation planning and ease traffic congestion so commuters can spend less time in traffic and more with their families; $50 million in matching grants to help neighboring communities develop collaborative "smart growth" strategies; and $10 million to encourage citizen participation in the design of schools as centers of their communities, provide communities with new information tools so they can grow according to their values, and improve public safety by sharing crime data among communities. By delivering tools and resources to the local level, where issues of growth are most appropriately addressed, this initiative helps empower citizens to build more "livable communities" for the 21st century.

**Livability Agenda: Better America Bonds**
To help communities reconnect with their land and water, preserve green space for future generations, and provide attractive settings for economic development, the Administration is proposing a new financing tool generating $9.5 billion in bond authority for investments by state, local and tribal governments. The President's budget will propose tax credits totaling almost $700 million over five years --to support Better America Bonds, which can be used to preserve green space, create or restore urban parks, protect water quality, and clean up brownfields (abandoned industrial sites). The program will be coordinated through an interagency process.

## Welfare Reform

**Welfare Rolls Decline as More Recipients go to Work**
The President announced that welfare is at its lowest level in 30 years and the welfare rolls have fallen by nearly half since he took office. The percent of welfare recipients working has tripled since 1992, and all states met the first overall work participation rates required under the welfare reform law. Two years ago the President challenged the business community to create jobs so that people can move from welfare to work. Today, 10,000 companies of all sizes, industries, and from all regions have joined the Welfare to Work Partnership and are successfully hiring and retaining hundreds of thousands of welfare recipients. The President has announced that his budget will include $530 million toextend for one year the Welfare to Work and Work Opportunity Tax Credits to encourage more employers to hire welfare recipients and other disadvantaged individuals.

**Welfare-to-Work Funds with a Focus on Fathers**
The President's $1 billion Welfare-to-Work initiative will help 200,000 long-term welfare recipients inhigh-poverty areas move into lasting unsubsidized employment. It is an extension of the two-year $3 billion Welfare-to-Work program the President secured in the Balanced Budget Act. The initiative, as reauthorized, will provide at least $150 million to ensure that every state helps fathers fulfill their responsibilities by working, paying child support, and playing a responsible part in their children's lives. Under this proposal, states and communities will use a minimum of 20 percent of theirformula funds to provide job placement and job retention assistance to low-income fathers who sign personal responsibility contracts committing them to work and pay child support. This effort will further increase child support collections, which have risen 80 percent since the President took office, from $8 billion in 1992 to $14.4billion in 1998. Remaining funds will go toward assisting long-term welfare recipients with the greatest barriers to employment to move into lasting jobs. The reauthorized program also will double the welfare-to-work fundingavailable for tribes.

**Transportation and Housing for Families Moving From Welfare to Work**
The President has announced that his budget will contain $580 million for welfare-to-work housing vouchers and transportation assistance to help those on welfare get to work and stay employed. The President's budget will provide $430 million for 75,000 welfare-to-work housing vouchers, including $144 million in new funds for 25,000 additional vouchers. This is a 50 percent increase over the 50,000 vouchers the President secured last year. The vouchers will help families move closer to a new job, reduce a longcommute, or secure more stable housing so they can perform better on the job. The President's budget will also increase Access to Jobs transportation funding from $75 million to $150 million, doubling the number of individuals and communities that can receive transportation assistance. This competitive grant program supports innovative state and local transportation solutions such as shuttles, van pools, new bus routes, and connector services to mass transit to help welfare recipients and other low income workers get to work.

## Workforce Initiatives

**Adult Education And Family Literacy Initiative**
Today, 44 million adults struggle with a job application, cannot read to their children, or cannot fully participate in our economic and civic life because they lack basic skills or English proficiency. The President's $190 million adult education and family literacy initiative would provide $95 million -- or 25 percent -- more for adult education grants and challenges state and local governmentsto join with us to raise

program quality; $70 million for a new English literacy/civics initiative; $20 million to help develop new technology for adult learners; create a new 10% tax credit to employers who establish certain workplace literacy programs; and put in place a new initiative to mobilize state and local communities to implement strategies to promote adult education and lifelong learning.

**Universal Re-employment Initiative.** The President's FY2000 budget makes a five-year commitment to our Nation's reformed job training system. Specifically, President Clinton proposes to put us on a path that ensures that within five years: (1) all displaced workers will receive the job training they want and need -- after nearly tripling funding for dislocated workers since 1993, this initiative makes thefirst-year commitment of an additional $190 million; (2) All people who lose their jobs due to no fault of their own will get the re-employment services -- e.g., job search assistance -- they need; and (3) All Americans will have access to One-Stop Career Centers, including a nationwide toll-free telephone system so that *all* workers will be able to find out what services are available and where they can go to receive them; job search information at 4,000 Community-Based Organizations; 100 mobile One-Stop Career Centers; and increasedaccess for the disabled and the blind.

**Youth Employment Initiative.** The unemployment rate among disadvantaged youth -- especially African American teens -- is significantly higher than the national average. In addition to an increase in JobCorps and the $250 million for the new Youth Opportunity Areas, this initiative includes a 75-percent increase in YouthBuild, fr n $42.5 million to $75 million; create a new $100 million "Right-Track" Partnership initiative to help lower drop-out rates; doubles the funding for GEAR UP -- which helps mentor children and prepare them for college -- from $120 million to $240 million; create a new $50 million initiative to help link Empowerment Zones and Enterprise Communities (EZ/ECs) to their broader metropolitan regional economies in order to increase the employment of disadvantaged youth; and provides $65 million more to prepare disadvantaged youth for success in college, including $30 million increase in outreach, counseling, and educational support through TRIO program, and new $35 million initiative to help disadvantaged students stay in college.

**Minimum Wage Increase**

The President called on Congress to pass an increase in the minimum wage. Despite the strongest economy in a generation, there are still millions of workers trying to raise a family and struggling to make ends meet. The President believes that parents who works hard and play by the rules should not have to raise their children in poverty. That is why, in 1993, he expanded the Earned Income Tax Credit (EITC) and, in 1996, fought for and won a minimum wage increase. The President's proposal would increase the minimum wage from $5.15 to $6.15 over two years -- through a 50-cent increase on September 1, 1999 and a 50-cent increase on September 1, 2000 -- helping to restore the real value of the minimum wageto what it was when President Reagan took office in 1981. This increase will help ensure that -- as costs continue to increase -- parents who work hard and play by the rules can bring up their children out of poverty. For someone who works full-time, this minimum wage increase will mean an additional $2,000 per year. According to data from the Bureau of Labor Statistics, about 12 million hourly paid workers would benefit directly from this pay raise.

D

**The 67th Annual Winter Meeting**
**The U.S. Conference of Mayors**
**White House Briefing Attendees**

**Alabama**
Michael C. Dow (I-Mobile)

**Alaska**
Rick Mystrom (R-Anchorage)

**Arizona**
Richard F. Archer (R-Sierra Vista)
Sam Kathryn Campana (R-Scottsdale)
Neil G. Guiliano (R-Temple)
Marilyn R. Young (I-Yuma)

**Arkansas**
Jim Dailey (D-Little Rock)
Patrick H. Hays (D-North Little Rock)

**California**
Dan Albert (D-Monterey)
Lyle Alberg (NP-Hemet)
Curt Andre (NP-Turlock)
Ralph Appezzato (NP-Alameda)
Les Bronte (NP-Beverly Hills)
Cathlie Brown (D-Livermore)
Willie L. Brown, Jr. (D- San Francisco)
Roberta Cooper (D-Hayward)
Rosemary M. Corbin (D-Richmond)
John Crawley (D-Cerritos)
Andre Curt, (Tunlock)
Tom Daly (D-Anaheim)
Frank G. Fry (R-Westminster)
Daniel E. Furtado (NP-Campbell)
Richard A. Lang (R-Modesto)
Gus Morrison (D-Fremont)
Judy Nadler (NP-Santa Clara)
Beverly O'Neill (D-Long Beach)
Mark R. Paulson (R-Alhambra)
Gary A. Podesto (D-Stockton)
Miguel Pulido (D-Santa Ana)

Gwen Regalia (D-Walnut Creek)
David W. Smith (R-Newark)
Judith Valles (D-San Bernardino)
Patty White (NP-Piedmont)
Sheila Young (D-San Leandro)
Mary Lou Zoglin (NP-Mountain View)

**Colorado**
Ann Azari (NP-Fort Collins)
Mary Lou Makepeace (R-Colorado Springs)
Wellington E. Webb (D-Denver)

**Connecticut**
H. Richard Borer, Jr. (D-West Haven)
Gene F. Eriquez (D-Danbury)
Lucian J. Pawlak (D-New Britain)
Kenneth A. Flatto (D-Fairfield)
Joseph P. Ganim (D-Bridgeport)
Dannel P. Malloy (D-Stamford)
Michael P. Peters (D-Hartford)

**Delaware**
James H. Sills (D-Wilmington)

**District of Columbia**
Anthony Williams (D-Washington, D.C.)

**Florida**
Clarence Anthony (D- South Bay)
Alex G. Fekete (D-Pembroke Pines)
James F. Fielding (Port St. Lucie)
David J. Fischer (D-St. Petersburg)
E. L. Foster (NP-Ocala)
Bruce Grady (NP-Ft. Myers) (Active D)
Nancy Graham (R-West Palm Beach)
Richard Kaplan (Lauderhill)
Neisen Kasdin (NP-Miami Beach)
Sheila K. Mullins (D-Key West)
Michael Natale (North Lauderdale)
Joe I. Rasco (Key Biscayne)

**Georgia**
Floyd Adams, Jr. (D-Savannah)
Bill Campbell (D-Atlanta)
Patsy Jo Hillard (D-East Point)

Jim Marshall (D-Macon)
Bobby Peters (Columbus)

**Idaho**
Brent H. Coles (R-Boise)
Robert D. Corrie (R-Meridian)

**Illinois**
Charles E. Box (D-Rockford)
Karen M. Bushny (R-Oak Brook)
Tom Carper (Macomb)
Mark W. Damisch (NP-Northbrook)
Bill Duruin (Waukegan)
Gerald L. "Skip" Farley (NP-Mount Prospect)
Ross Ferraro (NP-Carol Stream)
Nancy Firfer (R-Glenview)
James L. Gitz (NP-Freeport)
Jerry L. Johnson (D-North Chicago)
Paul W. Jung (Des Plains)
Kent M. Karraker (NP-Normal)
Kevin Kelly (D-Elgin)
Al Larson (Schaumburg)
Catherine J. Melchert (NP-Bartlett)
Lorraine H. Morton (D-Evanston)
Arlene J. Mulder (Arlington Heights)
Rita L. Mullins (R-Palatine)
Edward Rotchford (Prospect Heights)
Charles W. Scholz (D-Quincy)
Joseph C. Szabo (Riverdale)

**Indiana**
Duane W. Dedelow (R-Hammond)
Douglan B. England (New Albany)
John Fernandez (D-Bloomington)
Paul Helmke (R-Fort Wayne)
Scott King (D-Gary)
Robert A. Pastrick (D-East Chicago)
James P. Perron (Elkhart)
Joseph R. Zichgraf (Columbia City)

**Iowa**
Lee Clancey (R-Cedar Rapids)
John R. Rooff (R-Waterloo)

**Kansas**

Joan Wagnon (D-Topeka)

**Kentucky**
David Armstrong (D-Louisville)
William I. May Jr. (D-Frankfort)
Eldon J. Renaud (NP-Bowling Green)

**Louisiana**
Marc Morial (D-New Orleans)
Edward G. Randolph (D-Alexandria)

**Maine**
Keileigh A. Tara (D-Lewiston)

**Maryland**
Rose G. Krasnow (D-Rockville)
Kurt Schmoke (D- Baltimore)

**Massachusetts**
Michael J. Albano (Springfield)
John Barrett, III (D-North Adams)
Mary Carrier (Newburyport)
David B. Cohen (D-Newton)
Nicholas J. Costello (D-Amesbury)
Eileen M. Donoghue (Lowell)
Patricia A. Dowling (D-Lawrence)
Gerald S. Doyle, Jr. (Pittsfield)
Patrick Guerriero (Melrose)
Fredrick M. Kalisz (D-New Bedford)
Richard J. Kos (R-Chicopee)
Edward M. Lambert, Jr. (D-Fall River)
Charles Lyons (Arlington)
Dean J. Mazzarella (Leominster)
Michael J. McGlynn (Medford)
Thomas M. Menino (D-Boston)
Robert G. Nunes (D-Taunton)
James A. Sheets (D-Quincy)
Bruce Tobey (D-Gloucester)
Daniel J. Szostkiewicz (Holyoke)
Mary H. Whitney (Fitchburg)
Clyde L. Younger (Watertown)
John T. Yunits, Jr. (Brockton)

**Michigan**

Michael A. Guido (Dearborn)
Robert Jones (D-Kalamazoo)
Walter Moore (D-Pontiac)
Gregory E. Pitoniak (Taylor)
Frank M. Sall (NP-Lincoln Park) (Active D)
Woodrow Stanley (D-Flint)
Gary L. Zych (Hamtramck)

**Minnesota**
Karen J. Anderson (Minnetonka)
Charles J. Canfield (NP-Rochester)
Norm Coleman (R-St. Paul)
Jean Harris (NP-Eden Prairie)
Elizabeth B. Kautz (Burnsville)
Sharon Sayles Belton (D-Minneapolis)

**Mississippi**
Larry L. "Butch" Brown (Natchez)
Harvey Johnson (D- Jackson)
John Robert Smith (Meridian)

**Missouri**
Thomas W. Brown (St. Peters)
Emanuel Cleaver, II (D-Kansas City)
Robert L. Moeller (St. Charles)
Jerry L. Wilford (R-Chillicothe)
Darwin Hindman (D-Columbia)

**Montana**
Charles F. Tooley (NP-Billings)

**Nebraska**
Hal Daub (R-Omaha)
Jerry Ryan (Bellevue)
Dale L. Young (R-Lincoln)

**Nevada**
Jeff Griffin (R-Reno)

**New Jersey**
J. Christian Bollwage (D-Elizabeth)
Sara B. Bost (D-Irvington)
Robert L. Bowser (East Orange)
David DelVecchio (Lawrenceville)
Mims Hackett, Jr. (D-Orange)

Sharpe James (D-Newark)
Thalia C. Kay (Pemberton)
Timothy C. McDonough (D-Hope)
Douglas H. Palmer (D-Trenton)
Ralph Peterson, Sr. (Pleasantville)
Bret Schundler (R-Jersey City)
George A. Spadoro (D-Edison)
James Whelan (Atlantic City)

**New Mexico**
Jim Baca (D-Albequerque)

**New York**
Roy A. Bernardi (Syracuse)
Richard Bucci (Binghampton)
Richard A. Burns (Midland)
Ernest D. Davis (D-Mount Vernon)
James A. Garner (R-Hempstead)
William F. Glacken (NP-Freeport)
Joseph Griffo (R-Rome)
William A. Johnson (D-Rochester)
Albert P. Jurczynski (R-Schenecrady)
Anthony M. Masiello (D-Buffalo)
Eugene J. Murray (Rockville Centre)
Thomas R. Suozzi (D-Glen Cove)

**North Carolina**
Jack Cavanagh, Jr. (R-Winston-Salem)
Hamilton E. Hicks, Jr. (Wilmington)
Susan W. Kluttz (Salisbury)
George W. Liles (Concord, NC)
Patrick McCrory (R-Charlotte)
Porter L. McAteer (Gastonia)
Leni Sitnick (D-Asheville)

**North Dakota**
Bruce W. Furness (NP-Fargo)

**Ohio**
David Berger (Lima, OH)
Dennis M. Clough (West Lake)
Gregory Lashutka (R-Columbus)
Chuck Kranstuber (NP-Dublin)
James F. Mears (Franklin)
Donald L. Plusquellic (D-Akron)

Don L. Robart (R-Cuyahoga Falls)
Cha:les Sanders (D-Waynesville)
Marilou W. Smith (NP-Kettering) (Active R)
Michael R. Turner (Dayton)
David Wagner (Lima)

**Oklahoma**
Jim Bushnell (NP-Muskogee)
Susan Savage (D-Tulsa)

**Pennsylvania**
Joseph Bendel (D-McKeesport)
Donald T. Cunningham (D-Bethlehem)
Thomas D. McGroarty (D-Wilkes-Barre)
Edward G. Rendell (D-Philadeliphia)

**Puerto Rico**
Sila Calderon (I-San Juan)
Julio Lopez Genera (I-Humacao)
Santiago Martinez (R-Juana Diaz)
Anibal Melendez Rivera (I-Fajardo)
Cesar Mendez Otero (D-Rio Grande)
William Marin Miranda (D-Caguas)
Bernardo Negron Montalvo (R-Villalba)
Edwin Galarza Ouinonez (R-Guarnica)
Carmelo Perez Rivera (I-Isabela)
Edwin Rivera Sierra (R-Catano)
Victor Soto Santiago (R-Toa Baja)
Eustaguio Velezs (I-Moca)

**Rhode Island**
Vincent A. Cianci, Jr. (I-Providence)
Ralph A. Mollis (D-North Providence)
John O'Leary (Cranston, RI)

**South Carolina**
Joseph P. Riley Jr. (D-Charleston)

**Tennessee**
Victor Ashe (R-Knoxville)
Sharon Goldsworthy (NP-Germantown)
Willie Herenton (D-Memphis)
Jon Kinsey (D-Chattanooga)
Tom Rowland (NP-Cleveland)

**Texas**
Kenneth Barr (NP-Fort Worth)
Robert E. Burns (R-Midland)
Elizabeth G. Flores (D-Laredo)
Ronald Kirk (D-Dallas)
John Longstreet (Plano)
Jack Miller (NP-Denton)
David W. Moore (D-Beaumont)
Michael Morrison (Waco)
Lloyd Neal (Corpus Christi)
Carlos M. Ramirez (D-El Paso)
Richard Rozier (DeSoto)
Mart Lib Saleh (Euless)
Charles Scoma (North Richland Hills)
Kel Seliger (NP-Amarillo)
Bill Souder (Hurst)

**Utah**
Janice Auger (Taylorsville)
Lewis K. Billings (Provo)
Deedee Corradini (D-Salt Lake City)
Donna Evans (West Jordan)
Gearld L. Wright (NP-West Valley City)

**Virginia**
David A. Bowers (Roanoke)
Paul D. Fraim (Norfolk)
Dr. James W. Holley III (D-Portsmouth)
Timothy M. Kaine (Richmond)
Meyera E. Oberndorf (Virginia Beach)
William E. Ward (D-Chesapeake)

**Washington**
Brian Ebersole (Tacoma)
Barbera Fahey (R-Edmonds)
Edward Hansen (NP-Everett)
Paul Schell (D-Seattle)
Earl Tilly (R-Wenatchee)

**West Virginia**
John Lipphardt (NP-Wheeling)

**Wisconsin**
John M. Antaramian (D-Kenosha)
Susan J.M. Bauman (D-Madison)

Paul F. Jadin (NP-Green Bay)
Linda Lawrence (Wausau)
Timothy Seider (I-Greenfield)
Maricolette Walsh (NP-Wauwarosa)

E

'99 JAN 28 PM5:30

THE WHITE HOUSE

WASHINGTON

January 28, 1999

**LIVE WEEKLY RADIO ADDRESS**

DATE: January 29, 1999
LOCATION: Roosevelt Room
TIME: 1:00 PM
FROM: Megan Moloney

I. **PURPOSE**

You will announce a new $14 million Equal Pay Initiative to crack down on wage discrimination in the workplace and build stronger families. You will also renew your call on Congress to pass the Paycheck Fairness Act, which improves enforcement of wage discrimination laws and provides for research, education, and outreach at the EEOC.

II. **BACKGROUND**

The Equal Pay Initiative includes $10 million to improve training for EEOC employees to better identify wage discrimination issues, increase technical assistance to businesses, and launch an equal pay public service announcement campaign. The Department of Labor will receive the remaining $4 million, including funds for a program to assist contractors in recruiting and retaining qualified women in non-traditional occupations.

"The Paycheck Fairness Act," introduced by Senator Daschle, is designed to strengthen laws prohibiting wage discrimination. The highlights of this legislation include: increased penalties for violations of the Equal Pay Act (EPA); a non-retaliation provision that would prohibit employers from punishing employees for sharing salary information with their co-workers; and funding for increased training, research, and the establishment of a Pay Equity Award.

III. **PARTICIPANTS**

<u>Briefing</u> Oval Office 12:45 - 1:00 PM
The President
Doug Sosnik
Ann Lewis
Bruce Reed
Tom Freedman
Jordan Tamagni

<u>Taping</u> Roosevelt Room 1:00 - 1:30 PM
The President
Megan Moloney
Mary Morrison
White House Communications Agency (WHCA) Staff
White House Television (WHTV)
White House photographer
Approx. 35 guests (see attached for list)

**NOTE:** Following the radio address you will greet approximately 50 additional guests, comprised of recently appointed federal district court judges and their families.

IV. **PRESS PLAN**

The ABC, AP, C-SPAN, CBS, Westwood One, NPR, UPI, USA, American Urban Radio, Standard News and Armed Forces Radio networks will carry the address in its entirety to their thousands of stations worldwide this Saturday at 10:06 AM.

V. **SEQUENCE OF EVENTS**

Briefing
Tape Radio Address
Greet Guests

VI. **REMARKS**

To be forwarded by the Office of Speechwriting.

F

'99 JAN 28 PM7:04

Final
Tamagni/Shesol

**PRESIDENT WILLIAM J. CLINTON**
**RADIO ADDRESS ON EQUAL PAY**
**THE WHITE HOUSE**
**January 30, 1999**

Good morning. Americans have always believed that people who work hard should be able to provide for themselves and their families. That is a fundamental part of America's basic bargain. Today, I want to talk to you about what we are doing to make sure that bargain works for all of our people, by ensuring that women and men earn equal pay for equal work.

We are living in a time of remarkable promise. Our economy is the strongest in a generation -- with nearly 18 million new jobs, the lowest unemployment in 29 years, family incomes rising by $3,500, and the greatest real wage growth in over two decades. I believe we have an opportunity -- and an obligation -- to make sure that every American can benefit from this moment of prosperity.

One of the most important ways we can meet this challenge is by putting an end to wage discrimination. When President Kennedy signed the Equal Pay Act thirty-five years ago, women were entering the workforce in ever-increasing numbers -- but their work was undervalued. At the time, for every dollar a man brought home to his family in his paycheck, a woman doing the same job earned only 58 cents.

We have made a lot of progress since since those days. Last June, the President's Council of Economic Advisors' reported that the gender gap has narrowed considerably -- in fact, we have nearly cut it in half. Today, women earn 76 cents for every dollar a man earns.

We can and should be proud of this progress -- but 76 cents on the dollar is only three quarters of the way there. Americans cannot be satisfied until we are all the way there.

One big reason that the pay gap persists -- despite women's gains in education and experience -- is the demeaning practice of wage discrimination in our workplaces. There are still too many women whose work is not being fully valued by employers.

Make no mistake: When a woman is denied equal pay, it doesn't just hurt her -- it hurts her family. Between 1995 and 1996 alone, the number of families with two working parents increased by nearly two million. And in hundreds of thousands of families, the mother is the only breadwinner.

Just think what that 24 percent wage gap means in real terms. Over the course of a working year, it means hundreds, even thousands of bags of groceries ... visits to the doctor ... rent and mortgage payments. Over the course of a working life, it can mean hundreds of thousands of dollars ... smaller pensions ... and less to put aside for retirement.

To prepare our nation to meet the challenges of the 21st Century, we must do more to ensure equal pay, equal opportunity, and equal dignity for working women.

Today, I am pleased to announce a new $14 million Equal Pay Initiative, included in my balanced budget, to help the Department of Labor and the Equal Employment Opportunity Commission expand opportunities in the workplace for women and make wage discrimination a thing of the past. With more resources to identify wage discrimination, to educate employers and workers about their rights and responsibilities, and to bring more women into better-paying jobs, we will be closer than ever to making equal pay a reality for every American.

In my State of the Union address, I called on Congress to ensure equal pay for equal work -- and it brought members of both parties to their feet in an unanimous show of support. We know that equal pay is not a political issue -- it is a matter of principle, a question of what kind of country we want American to be today, and in the 21st Century, when our daughters grow up and enter the workplace.

So once again, I ask the Congress to take the next step and pass the Paycheck Fairness Act, sponsored by Senator Daschle and Representative DeLauro -- legislation that strengthens enforcement of our equal pay laws, expands opportunity for women, and helps working families to thrive.

If we meet this challenge, if we value the contributions of <u>all</u> America's workers, then we will be a more productive, prosperous and proud nation in the 21st century.

Thanks for listening.

# Clinton Presidential Records
# Digital Records Marker

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

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

Divider Title: **February 1999**

Monday, February 1, 1999

| | | |
|---|---|---|
| 10:20 AM | Budget Meeting | Tab A |
| | - Remarks | Tab B |
| | - Background | Tab C |
| | - Members Attending | Tab D |
| 11:10 AM | Foreign Policy Meeting | Distributed Separately |
| 4:30 PM | Address to National School Boards Association | Tab E |
| | - Remarks | Tab F |

# SCHEDULE OF THE PRESIDENT
# FOR
# MONDAY, FEBRUARY 1, 1999

*Final Schedule*

| | | |
|---|---|---|
| SCHEDULING DIRECTOR: | STEPHANIE STREETT | |
| | HOME: | 202-332-5651 |
| | OFFICE: | 202-456-2823 |
| | WHCA PAGER: | 4824 |
| PRESS DESK: | DORI SALCIDO | |
| | HOME: | 703-548-6466 |
| | OFFICE: | 202-456-5771 |
| | WHCA PAGER: | 4844 |
| EVENT COORDINATOR: | LAURA SCHWARTZ | |
| | HOME: | 202-331-4339 |
| | OFFICE: | 202-456-5655 |
| | WHCA PAGER: | 4293 |
| EVENT COORDINATOR: | CECILY WILLIAMS | |
| | HOME: | 202-726-0009 |
| | OFFICE: | 202-456-5039 |
| | WHCA PAGER: | 4063 |

WEATHER:

WASHINGTON, D.C.
*Partly cloudy becoming mostly cloudy by evening. Winds east at 8 to 12 knots. Low in the low 30s. High in low 40s.*

CAMP DAVID, MARYLAND
*Partly sunny. Winds southeast at 8 to 12 knots. Low 22 to 27. High 40 to 45.*

# Schedule of the President
# for
# Monday, February 1, 1999
## *Final Schedule*

| | |
|---|---|
| 8:45 am | **THE PRESIDENT** and the First Lady depart Camp David, Maryland via Marine One en route The White House<br>[flight time: 30 minutes] |
| 9:15 am | **THE PRESIDENT** and the First Lady arrive The White House |
| 9:30 am-<br>9:45 am | **MEETING**<br>MAP ROOM<br>Staff Contact: John Podesta |
| 9:45 am-<br>10:05 am | **BRIEFING**<br>MAP ROOM<br>Staff Contact: Gene Sperling |
| 10:05 am-<br>10:20 am | **MEET AND GREET**<br>STATE DINING ROOM<br>Staff Contact: Gene Sperling<br>Event Coordinator: Laura Schwartz<br>**CLOSED PRESS** |
| 10:20 am-<br>11:00 am | **BUDGET EVENT**<br>EAST ROOM<br>Remarks: Jeff Shesol<br>Staff Contact: Gene Sperling<br>Event Coordinator: Laura Schwartz<br>**OPEN PRESS** |

-- **The President**, accompanied by the Vice President, Secretary Robert Rubin, Assistant Secretary Larry Summers, Gene Sperling, Jack Lew, Janet Yellen, Larry Stein, and Sylvia Matthews, is announced onto stage.

-- John Podesta makes remarks and introduces the Vice President.

-- The Vice President makes remarks and introduces **the President**.

-- **The President** makes remarks.

-- **The President** and the Vice President depart.

| | | |
|---|---|---|
| 11:10 am-<br>12:10 pm | | **FOREIGN POLICY MEETING**<br>OVAL OFFICE<br>Staff Contact: Samuel Berger |
| 12:15 pm-<br>12:25 pm | | **MEETING**<br>OVAL OFFICE<br>Staff Contact: Stephanie Streett |
| 12:30 pm-<br>4:00 pm | | **PHONE AND OFFICE TIME**<br>OVAL OFFICE |
| 4:00 pm-<br>4:20 pm | | **BRIEFING**<br>OVAL OFFICE<br>Staff Contact: Bruce Reed, Ben Johnson |
| 4:25 pm | | **THE PRESIDENT** departs The White House via motorcade en route The Grand Hyatt Hotel<br>[drive time: 5 minutes] |
| 4:30 pm | | **THE PRESIDENT** arrives The Grand Hyatt Hotel |

| | | |
|---|---|---|
| 4:30 pm-<br>5:30 pm | | **ADDRESS TO NATIONAL SCHOOL BOARDS ASSOCIATION**<br>INDEPENDENCE A<br>The Grand Hyatt Hotel<br>Remarks: Paul Glastris<br>Staff Contact: Bruce Reed, Ben Johnson<br>Event Coordinator: Cecily Williams<br>**OPEN PRESS** |

**Note: The Board of Directors of the National School Boards Association, Senator Edward Kennedy, Senator John Kerry, and Senator Gordon Smith will be seated on stage when the President arrives.**

**Note: There will be approximately 800 guests in attendance.**

-- Off-stage announcement of **the President**.

-- Barbara Wheeler, President, National School Boards Association, makes remarks and introduces **the President**.

-- **The President** makes remarks.

-- Upon conclusion of remarks, **the President** poses for a photograph with stage participants.

-- Upon conclusion of the photograph, **the President** works a ropeline and departs.

| | |
|---|---|
| 5:35 pm | **THE PRESIDENT** departs The Grand Hyatt Hotel via motorcade en route The White House<br>[drive time: 5 minutes] |
| 5:40 pm | **THE PRESIDENT** arrives The White House |
| 6:00 pm-<br>7:00 pm | **HOLD 1 HOUR** |

**EVENING OFF**

| | |
|---|---|
| BC/HRC RON | **THE WHITE HOUSE**<br>**WASHINGTON, DC** |

A

THE WHITE HOUSE

WASHINGTON

**January 31, 1999**

**FY 2000 BUDGET EVENT**

| | |
|---|---|
| DATE: | February 1, 1999 |
| TIME: | 9:45am-10:05am (Pre-brief)<br>10:05am-10:20am (Meet & Greet)<br>10:20am-11:00am (Budget Event) |
| LOCATION: | Blue Room (Pre-brief)<br>State Dining Room (Meet& Greet)<br>Budget Event (East Room) |
| FROM: | Jack Lew<br>Gene Sperling |

## I. PURPOSE

To announce the release of your FY2000 budget. You will be joined by the Vice President, your Chief of Staff and Economic team, and a strong showing of Members of Congress.

## II. BACKGROUND

Your new budget represents a turning point for the country that befits the year 2000 label on its cover. The nation's fiscal and economic strength have been restored. The record $290 billion deficit you inherited has been erased and replaced with surpluses. The economy is sounder than it has been in decades. Your new budget does not rest on this success but seizes the opportunity our prosperity provides. It charts a bold course for the country to meet its long-term challenges.

The centerpiece of the budget is your framework for Social Security reform, strengthening Medicare, providing Universal Savings Accounts, and meeting other critical national needs, such as education and defense.

The budget advances your economic strategy that has worked so well: fiscal discipline coupled with strategic investments. We have put together a budget packet for the event. It includes a summary document that highlights the return to fiscal strength, your framework for the surpluses, our tax cuts and investment priorities.

The packet also includes a comparison of the economy you inherited and today's, highlighting, for example, how the unemployment rate has fallen from 7.5 percent in 1992 to just 4.3 percent today, while 17.7 million jobs have been added. It also highlights our fiscal improvement, including how government spending today is at its lowest level as a share of the economy in 25 years.

The packet also include two-three page overviews in each of the key priority areas, including education and training, health, the environment and research and development. The education document, for example, highlights your crucial efforts to hire more teachers and build modern schools, while also showcasing your effort to close the skills gap.

The summary of your tax cuts highlights your new initiatives, such as the $1,000 long-term care tax credit, plus drives home how USA Accounts are a $536 billion 15 year tax cut that is the right tax cut for America's working families.

The summary from the budget packet is attached and it contains details of your victories on the budget.

Every Democratic member of Congress has been invited to the event and Legislative Affairs expects a strong showing.

## III. PARTICIPANTS

**Pre-brief**
The Vice-President
John Podesta
Secretary Rubin
Jack Lew
Gene Sperling
Bruce Reed
Janet Yellen
Sylvia Mathews

**Meet and Greet**
The Vice-President
John Podesta
Secretary Rubin
Jack Lew
Gene Sperling
Larry Stein
Bruce Reed
Janet Yellen
Sylvia Mathews
All Democratic members attending

## IV. SEQUENCE OF EVENTS

- **YOU** and the Vice President receive briefing in the Blue Room.
- **YOU** and Vice President meet Members of Congress in the State Dining Room.
- **YOU** accompanied by the Vice President, Secretary Rubin, Deputy Secretary Summers, John Podesta, Gene Sperling, Jack Lew, Larry Stein, Janet Yellen, and Sylvia Mathews are announced into the East Room.
- John Podesta makes remarks and introduces the Vice President
- The Vice President makes remarks and introduces **YOU**
- **YOU** make remarks
- **YOU** and the Vice President depart.

## V. PRESS COVERAGE

Open

## VI. REMARKS

To be provided by speechwriting.

## VII. ATTACHMENTS

Budget Packet summary
List of Members

L

B

Final 01/29/99 6:30pm
Jeff Shesol

**PRESIDENT WILLIAM J. CLINTON**
**REMARKS ON SUBMISSION OF THE 2000 BUDGET**
**THE WHITE HOUSE**
**February 1, 1999**

Acknowledgments: VP; John Podesta; Jack Lew; Gene Sperling; rest of budget team TBD; Cabinet members TBD; and all the members of Congress who are with us today

Today I am submitting my budget for the year 2000 -- the first budget of the 21st Century. It is a budget that charts a prudent, progressive path for America's future. It is a balanced budget; it is fiscally responsible; and it makes vital investments in the people of our nation.

Seven years ago, when I ran for President, I said that we had to put our fiscal house in order. More and more Americans were coming to agree with that -- with the idea that our government had to return to living within its means. But, as the Vice President just told us, few were confident it would ever do so again. Irresponsible policies in Washington had quadrupled the national debt over the previous 12 years. The budget deficit was projected at about $300 billion for 1993 alone. Interest rates were rising, growth was slowing. And the government, it seemed, was failing to meet its most basic obligations.

When I took office we charted a new, fiscally responsible course for a new economy. And today, following that path, Americans have created the longest peacetime expansion in our history -- with nearly 18 million new jobs, wages rising at twice the rate of inflation, the highest home ownership in history, the smallest welfare rolls in history, and the lowest peacetime unemployment since 1957.

Last year, for the first time in three decades, we turned red ink into black: our surplus of nearly $70 billion is the largest in history. And it is projected to be only the first of many: as I said in my State of the Union Address, America is on course for budget surpluses for the next quarter century. And our estimates, optimistic as they sound, are even more conservative than those of the Congress.

**Indeed, America's economic house is in order, and it stands strong. If we manage the surplus right, we can uphold our responsibility to future generations. We can do it by dedicating the lion's share of the surplus to Social Security, Medicare, and paying down the debt. We can -- and therefore we must -- do it now.**

Our fiscal discipline has given us this rare and hard-won opportunity. We can see now that balancing the budget -- an idea that once might have seemed almost abstract or academic --

has made a real difference in people's lives. Fiscal discipline has transformed the vicious cycle of budget deficits and high interest rates into a virtuous cycle of budget surpluses and low interest rates. When interest rates fall, more Americans can buy homes, pay mortgages, retire student loans, start new businesses. And when deficits disappear, capital -- more than $1 trillion so far -- is liberated to create wealth, create jobs, and create opportunity at every level of our economy. Simply put, the less money we tie up in publicly held debt, the more money we free up for private sector investment. In an age of worldwide capital markets, this is the way a nation prospers -- by saving and investing, not by running big deficits.

The budget I submit today keeps America on that prudent path toward a more prosperous future. It has taken hard work and tough choices to get this far. It will take more of the same to move ahead. But with our economy expanding and our budget surplus growing, we can walk that path with confidence rising. We must seize this opportunity to meet America's long-term challenges, to fulfill our obligations to Americans young and old.

Recently, in my State of the Union Address, I spoke about the aging of America. The Baby Boom will soon become the Senior Boom; and this first budget of the next century is our first step toward meeting that challenge. I have proposed committing 62 percent of the surplus for 15 years to save Social Security -- and investing a small portion in the private sector, just as any private or state pension would, to earn higher returns. This will keep Social Security sound for 55 years. And if we work together and make tough choices, we can save Social Security for the next 75 years.

My balanced budget also takes steps to strengthen Medicare. Already, we have extended the life of the Medicare trust fund by 10 years -- but we can save it for at least another decade. I have also proposed that we use one out of every six dollars in the surplus for the next 15 years to guarantee the soundness of Medicare. This budget makes a down payment toward that goal. It also commits 11 percent of the surplus to establish universal savings accounts -- U.S.A. Accounts -- that will help Americans to invest, to save for retirement, and to share more fully in our nation's wealth.

This is the economically sound and fiscally responsible course for the new century. If we do this, if we lock in the surplus to save Social Security and strengthen Medicare, we can fulfill our obligation to older Americans.

But the reform of Social Security and Medicare is equally important to younger Americans. It achieves something for our children that, at first glance, seems far removed from their lives, but is in fact essential to their future -- it pays down the debt.

[*Point to chart*] If we set aside 62 percent of the surplus for Social Security and 15 percent for Medicare, over the next 15 years, we will cut the debt by two thirds. As a share of our economy, we will cut it by 84 percent -- achieving the lowest level of publicly held debt since America entered the First World War, in 1917.

Let me explain why this is so important to our children. We have already made deficit spending a thing of the past, but a big debt remains -- an unfortunate legacy of living beyond our means. America is still paying for the irresponsibility of those 12 years -- for all those past budget deficits. That's what the debt is -- it's the sum total of all those deficits, accruing interest, waiting to be paid down. Today, as a share of the economy, the debt is 44 percent. Now, that is down considerably, as you can see, since 1993; but it is still too high. As I said earlier, it consumes capital that would be better invested by the private sector.

The question at hand is really very simple. Will we squander our surplus in the short term? Or will we use it to pay down the debt for the long term, and lift the crushing burden of debt from our children's shoulders? Because the fact of the matter is equally simple. Either <u>we</u> are going to pay it down, or <u>they</u> are. I think it is responsible -- and right -- that we do it ourselves. Beginning <u>now</u>.

There is more we must do for our children. My budget also makes historic investments in our younger Americans -- from quality teaching to school modernization, from the afterschool programs that keep kids safe to the summer school programs that keep kids learning.

But by saving Social Security. . . strengthening Medicare. . . and paying down the debt, my budget meets the critical first tests of the 21st Century. And these are the same challenges that Americans, over the coming months and years, should meet together -- across lines of party and generation. Because none of us wants the choices we made yesterday -- or defer today -- to burden our children tomorrow. Instead, the decisions we make here and now should empower our children, should give them the strength and freedom to make <u>their</u> time even better than our own. Thank you.

C

DRAFT

# President Clinton FY2000 Budget: Meeting the Nation's Long-term Challenges

**Summary Document: February 1, 1999**

## A Return to Fiscal Strength

President Clinton entered office determined to restore the nation's fiscal strength and to put our economy back on a robust upward path. His consistent economic strategy of fiscal discipline, open markets, and strategic investments in our people has proved successful:

- **Record budget deficit has been erased:** In 1992, the deficit stood at a record $290 billion and CBO was projecting it would climb to $357 billion in 1998.
- **Instead, we have the first surplus in a generation:** Last year, the nation recorded its first surplus in three decades -- nearly $70 billion.
- **All while cutting taxes for working families:** The typical American family of four will face the lowest federal tax burden in over two decades (since 1978).
- **And making strategic investments in the Nation's future:** Six years of critical investments in our people from 200,000 more children in Head Start to making the first two years of college universally available.
- **Sparking the longest peacetime expansion in history:** January marks the 94th consecutive month of economic expansion, making it the longest peacetime expansion in American history. Unemployment is at a 29-year low and 17.7 million new jobs have been created.

The President's new fiscal year 2000 budget adopts the same framework that has led to our fiscal and economic success. It makes strategic investments and maintains fiscal discipline. The fiscal year 2000 budget -- with its many important investments in education, research, the environment, health, and foreign policy and defense --is fully paid for, meets the discretionary caps, and adheres to the budget rules that have been so successful to enforce fiscal discipline.

## The Next Step: Meeting the Nation's Long-term Challenges

With the nation's fiscal and economic strength restored, the President is leading the nation to seize this historic opportunity to meet the long-term challenges ahead. The President has charted a bold course:

- **"Save Social Security First."** The President proposes to transfer 62 percent of the projected budget surpluses over the next 15 years -- $2.8 trillion -- to the Social Security system. The President proposes that the trust fund invest about one-fifth of the transferred surpluses in the private sector to achieve higher returns for Social Security -- just as any state or local government, or private pension does.

**Once Social Security has been strengthened:**

- **Strengthen Medicare for the 21st century.** The President's framework will reserve 15 percent of the projected surpluses for Medicare, ensuring the Medicare Trust Fund is secure for 20 years. These additional dedicated dollars should be used in conjunction with important reforms which would modernize the program by providing market-oriented purchasing tools, additional savings, and a long-overdue prescription drug benefit.
- **Create new Universal Savings Accounts – USA Accounts -- a $536 billion tax cut for working families.** The President's framework will reserve 12 percent of the projected surpluses to create new USA Accounts so all working Americans can build wealth to meet their retirement needs.
- **Prepare America for other critical future challenges.** The President's framework will reserve 11 percent of the projected surpluses for military readiness and pressing national domestic priorities, such as education, research, and the security of Americans at home and abroad..

**As a Result of this Fiscal Responsibility:**

- **Debt-to-GDP Ratio Will Fall to Lowest Level Since 1917.** As a share of the economy, the publicly held debt increased from 26% in 1981 to 50% in 1993. Since President Clinton took office, the publicly held debt as a share of GDP has dropped to 44 percent. And under the President's framework, current projections suggest that the publicly held debt, as a share of GDP, will fall from 44% today to 7.1% in 2014 -- its lowest level since 1917.

## Additional Tax Relief for Working Families

**Create USA Accounts -- a $536 billion tax cut over 15 years to help working families save for retirement:** As described above, the President's plan create new Universal Savings Accounts (USAs) so all working Americans can build wealth to meet their retirement needs. Elements of this powerful new tax incentive -- the USA account -- could, for example, include:

- ✔ Automatic flat annual contribution for low and moderate working Americans.
- ✔ An additional tax incentive to match a portion of each dollar on a progressive basis that an individual voluntarily contributes up to a cap -- several hundred dollars more for average working people.

**Plus, targeted tax cuts for working families, including:**

- **A $1,000 Long-term Care Tax Credit** to help pay for formal and informal long term care services for about 2 million Americans, including 1.2 million older Americans, over 500,000 non-elderly adults, and approximately 250,000 children at a cost of $5.6 billion over five years.
- **A $1,000 tax credit for work-related expenses for people with disabilities** to help cover the formal and informal costs that are associated with employment, such as special transportation and technology needs. This tax credit will help 200,000 to 300,000 Americans and costs $700 million over 5 years.
- **Tax Credits to Build Modern Schools for Our Children.** A centerpiece of the President's tax cut agenda is to provide Federal tax credits to pay interest on nearly $25 billion in bonds to build and renovate public schools at a cost of $3.7 billion over 5 years.
- **Tax Relief for Child Care for Three Million Working Families, Plus Tax Relief to Parents Who Stay at Home.** The President's proposal increases the child and dependent care tax credit (CDCTC) for families earning up to $59,000, providing an additional average annual tax cut of $345 for these families. In addition, parents who stay at home with children under one year old will be able to take advantage of CDCTC by allowing them to claim assumed child care expenses of $500, providing an average tax credit of $178 and benefitting 1.7 million families. Overall, this combined proposal costs $6.3 billion over five years.

## Moving Forward on Investment Agenda

### Education and Training:

- **Performance Accountability:** $200 million in Title I to hold States and school districts more accountable for raising student achievement.
- **21st Century Community Learning Centers/After-School and Summer School Programs:** $600 million for the 21st Century/After-School program, an increase of $400 million over FY 1999 levels, as part of a comprehensive approach to fix failing schools and help end social promotion.
- **New Qualified Teachers and Smaller Class Sizes:** $1.4 billion as the second installment of the President's plan to help schools recruit, hire, and train 100,000 new teachers by 2005 and reduce class size in the early grades.

- **Education Technology**: to ensure teachers will be able to effectively integrate technology into their instruction by providing: $450 million for the Technology Literacy Challenge Fund; $65 million for Community-Based Technology Centers; $75 million for the Pre-Service Teacher Training in Technology initiative; and $30 million for a new Middle School Teacher Training initiative.

- **Removing Barriers to Work For People With Disabilities.** 1) full funding of the Work Incentives Improvement Act which will be introduced by Senators Jeffords Kennedy, Roth and Moynihan. 2) expanded access to information and communications technologies.

- **A $965 Million Three-Part Initiative To Close America's Skills Gap.** 1) $190 million increase for adult education and family literacy initiative. 2) $368 Million increase for a universal re-employment initiative. 3) $405 million increase for a youth employment initiative.

<u>Child Care:</u>

- **Child Care and Development Fund:** A $1.2 billion increase to a total of $4.5 billion in funds to provide child care subsidies for 500,000 more poor and near-poor families in 2000.

- **Early Learning Fund**: $600 million to States to provide challenge grants to communities to support child care providers and programs serving children ages 0 to 5, including language development, emergent literacy, and other child development activities aimed at improving readiness for school.

- **Head Start:** A $607 million increase that will add 42,000 new slots for young children, including 7,000 Early Head Start slots, for total enrollment of 877,000 and on track to meet the one million participation goal by 2002.

<u>Health:</u>

- **Health Options for Older Americans:** 1) Allow Americans aged 62 to 65 to buy Medicare coverage. 2) Provide Medicare "buy-in" option to workers between the ages of 55 and 62 who have lost-company sponsored health care coverage because their hours were scaled back or their employer relocated or stopped operations. 3) For "broken promise" retirees between the ages of 55 and 65, employers who have canceled the insurance of these retirees would be required to guarantee access to health insurance, by providing these retirees the option to "buy in" to the company sponsored plan at a fair price.

- **Long-Term Care Initiative:** In addition to the tax credit described above, the budget provides $625 million over 5 years to provide respite, home care services, and information and referral assistance to the approximately 250,000 families caring for elderly relatives who are chronically ill or disabled. It also includes a national campaign to educate Medicare beneficiaries about how best to evaluate long-term care options and a proposal to have the Federal government serve as a model employer by offering private long-term care insurance to Federal employees at group rates.

- **Encouraging Small Businesses to Offer Health Insurance:** 1) Provide a tax credit to small businesses who decide to offer coverage by joining coalitions. 2) Encourage private foundations to support coalitions by allowing their contributions towards these organizations to be tax exempt. 3) offer technical assistance to small business coalitions from the Office of Personnel Management.

- **Providing Access to Health Care Services for Uninsured Workers.** This initiative invests $1 billion over 5 years in comprehensive health care delivery systems that traditionally provide services to the $32 million American adults that are still without health insurance.

- **Medicare Cancer Clinical Trials.** $750 million over three years for a demonstration to give more Americans access to cutting-edge cancer treatments.

- **Ryan White HIV/AIDS Treatment Grants.** $1.5 billion, a 7 percent increase over 1999.

- **Mental Health Block Grants.** $358 million, a 24 percent increase over 1999 and the largest increase ever.

- **Childhood Asthma Initiative in Medicaid.** $50 million in demonstration grants for States to test innovative asthma disease management techniques for children enrolled in Medicaid.

- **Family Planning Services Grants.** $240 million, an 11.6 percent increase over last year's funding level, and the largest increase in 15 years.

<u>Environment:</u>

- **Protecting Our Environment and Public Health:** A five percent increase record $33.9 billion in FY 2000 to protect our natural resources, our communities, and the global environment.

- **Preserving America's Lands Legacy:** A $1 billion Lands Legacy Initiative -- the largest one-year investment ever in the protection of America's land resources and a 125 percent increase over FY 1999 -- includes $442 million to expand federal efforts to save America's natural treasures, and $588 million to help states and communities protect urban parks, threatened farmland and other local green spaces.

- **Building Livable Communities for the 21st Century:** Better America Bonds, a new financing tool generating $9.5 billion for investments by state and local governments to preserve green space, protect water quality, and clean up brownfields and $1.8 billion to support state and local efforts to simultaneously ease traffic congestion and reduce air pollution.

- **Meeting the Challenge of Global Warming**. More than $4 billion to promote clean, efficient energy and for other efforts to reduce greenhouse gas emissions, including: $200 million for a new Clean Air Partnership Fund and $3.6 billion in tax incentives over five years for climate change initiatives including credits for the purchase of energy-efficient homes, cars and appliances.

<u>Community Empowerment:</u>

- **New Markets Initiative:** a new package of tax credit and loan guarantee incentives that will stimulate $15 billion of new private capital in businesses in America's own untapped markets.

- **Community Development Financial Institutions (CDFI) Fund:** A $30 million increase to provide $125 million to increase capital availability and develpoment opportunties in distressed communities.

- **National Service:** $848 million, a 19 percent increase over 1999, to encourage Americans of all ages and backgrounds to help solve community problems and provides opportunities to engage in community-based service.

- **Low-Income Housing Tax Credit**: A 40 percent increase in the per-capita cap from $1.25 to $1.75 to create an additional 150,000-180,000 new rental housing units for low-income American families over the next five years at a cost of $1.7 billion over five years.

- **Empowerment Zones and Enterprise Communities:** Mandatory funding for each of the next ten years: $150 million for urban EZs and Strategic Planning Communities; $10 million for rural EZs; and $5 million for rural ECs.

- **Abandoned Buildings:** $50 million in competitive grant funds to local governments to support the demolition or deconstruction of blighted, abandoned buildings, as long as there is a plan -- with significant private-sector participation -- to redevelop the property for commercial use or multi-family and single family housing.

**Research and Development:**

- **Information Technology for the Twenty First Century:** A new $366 million initiative to keep America at the cutting-edge of the Information Revolution.

- **Strong Support for Basic Research:** A 7 percent increase in the National Science Foundation budget, a 5 percent increase in the Department of Energy's science budget, and a 4 percent increase in NASA's space science research.

- **Climate Change Technology:** A $1.8 billion initiative to promote energy efficiency and technologies that reduce greenhouse gas emissions.

- **Research and Experimentation Tax Credit:** To encourage research and experimentation, this credit would be extended for one year through June 30, 2000 at a cost of $2.4 billion over five years.

**Crime:**

- **21st Century Policing Initiative:** A $1.3 billion initiative: 1) $600 million to help put more police on the street, helping communities to hire and redeploy between 30,000 and 50,000 more law enforcement officers over five years; 2) $350 million to help State and local enforcement agencies tap into new technologies that will allow them to communicate more effectively, to use technology to solve more crimes, and to forecast problems; and 3) $200 million to hire, redeploy or train community based prosecutors; and 4) $125 million for community crime prevention.

- **Zero Tolerance Drug Supervision:** $215 million for a new program to promote "zero tolerance" drug supervision for persons under criminal justice supervision.

**Maintaining Military Strength and US Leadership in the World**

- **Supporting the World's Strongest Military Force:** Our military serves as the backbone of our national security strategy, and the President is committed to maintain a strong and capable military that protects our freedoms and our global leadership role as we approach the 21st Century. To achieve these goals, the budget proposes a long-term sustained average annual real increase of about 1 percent in defense funding to enhance the military's readiness and operations, build for the future with weapons system modernization, and take care of military troops and their families by enhancing quality of life, thereby increasing recruitment and retention.

- **International Affairs:** The budget provides $21.3 billion for international affairs programs so that the Unites States maintains its role as world leader and responds to international challenges in a complex and crucial time. The budget includes resources to promote peace in troubled areas, to provide enhanced security for our official representatives abroad, to fund activities to combat weapons of mass destruction, to stabilize the international economy, to promote trade, and to respond to the needs of our neighbors and others who face disaster.

D

**MEMBERS CONFIRMED TO ATTEND (as of 1/29):**

Rep. Brian Baird (D-WA)
Rep. Ken Bentsen (D-TX)
Rep. Shelley Berkley (D-NV)
Rep. Earl Blumenauer (D-OR)
Rep. Donna Christian-Christensen (D-VI)
Rep. Bob Clement (D-TN)
Rep. Calvin Dooley (D-CA)
Rep. Eni Falmeomavaega (D-AS)
Rep. Sam Farr (D-CA)
Rep. Chaka Fattah (D-PA)
Rep. Martin Frost (D-TX)
Rep. Bart Gordon (D-TN)
Rep. Rubin Hinojosa (D-TX)
Rep. Joseph Hoeffel (D-PA)
Rep. Steny Hoyer (D-MD)
Rep. Eddie Bernice Johnson (D-TX)
Rep. Stephanie Tubbs Jones (D-OH)
Rep. John Larson (D-CT)
Rep. Sandy Levin (D-MI)
Rep. Jim Moran (D-VA)
Rep. Grace Napolitano (D-CA)
Rep. David Obey (D-WI)
Rep. Solomon Oritz (D-TX)
Rep. Pelosi (D-CA)
Rep. Loretta Sanchex (D-CA)
Rep. Pete Stark (D-CA)
Rep. Jim Turner (D-TX)
Rep. Robert Wexler (D-FL)

Sen. Robb (D-VA)

**CONGRESSIONAL GUESTS:**
Nathan Winslow (Rep. Stark's grandson, 11 years old)

E

THE WHITE HOUSE

WASHINGTON

January 29, 1999

# ADDRESS TO THE NATIONAL SCHOOL BOARDS ASSOCIATION

**DATE:** February 1, 1999
**LOCATION:** Grand Hyatt Hotel
**BRIEFING TIME:** 4:00pm - 4:20pm
**EVENT TIME:** 4:30pm - 5:30pm
**FROM:** Bruce Reed, Ben Johnson

## I. PURPOSE

To build support for your education initiatives and budget, and to thank the National School Boards Association for its efforts in fostering excellence in public elementary and secondary education.

## II. BACKGROUND

You will address approximately 800 participants in the National School Boards Association's Annual Federal Relations Network Conference. The audience will include NSBA leaders and approximately 700 local school board members from every congressional district in the nation. The theme for the conference is "The Federal Role: Collaboration for Student Achievement." The Federal Relations Network Conference began on Sunday, January 31, and will end on Tuesday, February 2 with participants spending the day on Capitol Hill meeting their representatives and senators.

NSBA has provided strong support for your education initiatives, and has worked closely with the Administration to secure their enactment. The participants in this conference will be especially interested in education appropriations and the upcoming ESEA reauthorization. They will be generally supportive of your accountability proposals, though concerned that they be given adequate flexibility to implement them. They are staunchly opposed to the voucher proposals the Republicans are expected to offer.

## III. PARTICIPANTS

Briefing Participants:
Bruce Reed
Mike Cohen
Ben Johnson

Doug Sosnik
Paul Begala
Joe Lockhart
Paul Glastris

Program Participant:
Barbara Wheeler, President, National School Boards Association

Stage Participants (seated only):
Senator Edward Kennedy
Senator John Kerry
Senator Gordon Smith
National School Boards Association Board of Directors (20)

## IV. PRESS PLAN

Open Press.

## V. SEQUENCE OF EVENTS

- You will be announced onto the stage.
- Barbara Wheeler, President, National School Boards Association, will make remarks and introduce you.
- You will make remarks, pose for a photograph with the stage participants, work a ropeline, and depart.

## VI. REMARKS

Remarks Provided by Speechwriting.

# F

Final 01/31/99 4:30 p.m.
Paul Glastris

**PRESIDENT WILLIAM J. CLINTON**
**REMARKS TO NATIONAL ASSOCIATION OF SCHOOL BOARDS**
**GRAND HYATT HOTEL**
**WASHINGTON, DC**
**Monday, February 1, 1999**

Acknowledgments: Sens. Edward Kennedy, John Kerry, Gordon Smith; NSBA President Barbara Wheeler

In my State of the Union address last month, I had the honor of reporting to the American people that our nation is stronger, healthier, and more prosperous than ever before. But I also said that we have an historic responsibility to use the prosperity we have created to meet the challenges of the 21st Century. There is no greater challenge than educating our children. And there is no group of people who better understand that challenge than the people here in this room.

As school board members, you are on the front lines, dealing with the challenges of education every day. You know that many of our schools are overcrowded because there are more children in our public school system today-53 million children--than at any time in our history. You know that those 53 million children come from more diverse backgrounds and speak more different languages than at any time since the turn of the century. You know that there is a profound need for more teachers, and better-trained teachers. Most of all, you know that because the new global information-based economy prizes knowledge and creativity above all else, that the future of our nation rests more than ever before on how well we educate our children. Your communities have chosen you to guide our public schools in a time of enormous change. It is a vitally important mission. I thank you and salute you.

I believe the federal government has a duty to provide you with the tools you need to face these challenges, and over the last six years we have worked hard to do exactly that. We have made education a new and urgent priority for our national government. Over the past six years, we balanced the budget-moving from a deficit of $290 billion when I took office to a surplus of $70 billion last year. But as we shrank government and balanced the budget, we nearly doubled our investment in education and training.

We have helped every state adopt tougher academic standards. We've helped hundreds of school districts crack down on drugs, gangs, and violence, and the percentage of students who report being threatened or injured at school nationwide is down. We've cut regulations in our elementary and secondary education programs by two-thirds, and granted dozens of waivers so that states and school districts can have the flexibility to try new approaches. We've begun to organize an army of tutors to help elementary school children learn to read and middle school and high school students to prepare for college. We've dramatically increased our investment in early childhood learning through the Head Start program. We're making real progress in connecting every classroom and library to the Internet by early in the next century. We've opened the doors to college with more investments in loans and grants. And last fall, we fought for and won from Congress a down payment on 100,000 new highly trained teachers to reduce class sizes in the early grades.

All these efforts and others are beginning to pay off. SAT scores are up. Math scores have risen in nearly all grades nationwide. But you know and I know that we still have a long way to go. Reading scores have hardly budged. And while our 4th graders outperform their peers in other developed countries in math and science, our 8th graders are around average, and our 12th graders rank near the bottom. Clearly, we must do better. There is no higher priority for our nation than making certain all our children receive the world's best education. For as I have said many times before, the information age is really the education age.

So, in my State of the Union address, I set out an ambitious plan to invest more in education, but also to fundamentally change the way we invest-to put more resources towards what works, and to stop investing in what doesn't. Later this year, as Congress reauthorizes the Elementary and Secondary Education Act, I will send Congress my Education Accountability Act, which will require every state and school district receiving federal help to take five steps-steps many of you are already taking or considering because they have been shown to work. Ending social promotion. Adopting and enforcing reasonable discipline codes. Giving parents report cards on their children's schools. Turning around or shutting down the worst performing schools. And ensuring that all new teachers are trained in the subjects they will be teaching. I will be discussing this in greater detail tomorrow in Boston.

These five steps are steps we know will work. We know because every one of them has been tried and proven at the local and state level. When I ran for President in 1992, I said that every problem in education in America has been solved somewhere in America. I believe that in the 21st Century that we as a nation must say: No child in America should be passed from grade to grade without having mastered the material no child in America should be taught by an unprepared teacher -- no child in America should be trapped in a failing school.

The steps I've outlined are all based on common sense. We must make them common practice. But it would be wrong for us to demand these actions without providing more resources to carry them out. Earlier today, I released our new balanced budget for the year 2000. This new balanced budget provides those extra resources. It is a budget that is both prudent and progressive. It preserves the fiscal soundness that has been key to our prosperity. Yet it also makes vital new investments to help meet our greatest educational challenges.

We must continue to give or students smaller classes with more talented and trained teachers, and my balanced budget makes that possible. It calls on Congress to invest $1.4 billion to hire new, better-trained teachers to reduce class size in the early grades. This is a 17 percent increase over the budget I signed last fall, and it brings us another step closer to our goal of hiring 100,000 teachers over seven years. We must make sure that Congress continues the financial support that you are relying on as you make your hiring plans. I will do everything in my power to remind Congress of that obligation. I urge you to do the same.

My balanced budget also calls for investing $35 million to provide 7000 college scholarships for our brightest young people who commit to teaching where they can do the most good: in our poorest inner city and rural schools. That is over five times the investment Congress made for these kinds of scholarships last year. My balanced budget increases by $25 million funding to train bilingual and English as Second Language teachers. It contains $30 million to train middle school teachers in using technology in the classroom. It calls for $10 million to train 1000 Native Americans to teach on Indian reservations and in other public schools with large Native American enrollments. It calls for $18 million to recruit and train retired members of the U.S. military to become teachers. It continues support for our master teachers program to make sure our finest teachers get the recognition and rewards they deserve. It increases by $26 million funding to mobilize tutors and train teachers to make sure every eight year old knows how to read. And it doubles funding for our effort to provide middle school students with mentors to spark their interest in and prepare for college.

We must address the problem of old and overcrowded school buildings. My balanced budget does that, with tax breaks to build or modernize 5000 schools. Last fall, Congress missed a chance to make this important investment. With your help, we can make sure Congress does not miss that opportunity again.

We must address the vast and growing need for high-quality summer school and after school programs, and my balanced budget does that. Our federal after school grants program began just two years ago with $1 million. We raised that to $40 million the next year, and to $200 million in the budget I signed last year. My new balanced budget will triple that to $600 million, enough to keep a million children in the schoolhouse and off the street during the hours when many parents work and juvenile crime soars.

We must do more to turn around failing schools. My balanced budget does that, with a new, $200 million pool of flexible funds in Title One. States and school districts will be able use these new funds to train teachers, purchase new course material, hire outreach coordinators to get parents more involved in the school, or for a variety of other things as you see fit.

The federal government must not and will not try to micro-manage our public schools. But we must work in partnership with states and school districts, to invest more in our public schools, and to invest in ways that you, out on the front lines of change, have demonstrated will work. With our economy strong, our budget in balance, our people more prosperous and confident, now is the moment to act. If we work together, we can transform our public schools and give all our children the education they will need to make the most of their lives in the 21st Century.

Thank you and God bless you.