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**POTUS Press Conference -
Q&A 2/4/98**

Questions and Answers on Immigration
February 4, 1998

Q: The final report of the Commission on Immigration Reform recommended the dismantling of the INS. This week, the NY Times reported support on the Hill for just such a proposition. Does the Administration endorse this approach to reform?

A: We have studied the Commission's proposal, and others, and are developing a plan to enhance immigration law enforcement while improving the delivery of immigration services and benefits. That plan will fundamentally reform the way the federal government conducts immigration activities -- although it will not dismantle the INS. I'm not going to talk about the details now because we're still working on them, but I will say something about the general principles. First, that enforcement and benefits are interrelated and that neither should be addressed without the other in mind. But second, that we can improve immigration activities by more strictly separating enforcement and service operations at every level, in order to strengthen accountability and lines of authority.

The reforms we have in mind will support and sustain the Administration's progress over the last five years in enforcing our immigration laws and fulfilling the nation's commitment to its immigration heritage.

Q: The Attorney General has acted to defer the deportation of tens of thousands of Haitian immigrants. Do you still intend to seek permanent legislative relief for Haitians?

A: Yes. Last December I directed the Attorney General and the INS to defer for one year the deportation of Haitians who were paroled into the United States or applied for asylum prior to December 31, 1995. I took this action to protect these Haitians against deportation while we worked with Congress to provide them long-term legislative relief. That remains our goal. These Haitians, like the Central Americans who were granted legislative relief in the last session, were forced to seek the protection of our country because of persecution and civil strife. Many of them have, over time, established strong ties to this country and have made significant contributions to our communities. Moreover, while we are encouraged by the progress made in Haiti since the restoration of democracy in 1994, the situation there remains fragile. Obtaining legislative relief for these Haitians will help support a democratic Haiti, which is the best safeguard against a renewed flow of Haitian migrants to the United States.

Q: Your budget includes \$2.5 billion to restore food stamps to legal immigrants. What justifies such an enormous spending package?

A: I believe that legal immigrants should have the same opportunity, and bear the same responsibility, as other members of society. When I signed the 1996 welfare law, I pledged to work toward reversing the harsh, unnecessary cuts in benefits to legal immigrants that had nothing to do with moving people from welfare to work. This proposal is part of fulfilling that pledge. Our proposal restores Food Stamp benefits to approximately 730,000 legal immigrants, including families with children, elderly and disabled immigrants, refugees and asylees, and certain special immigrants (e.g., the Hmong). It's important to note, that we would first require immigrants in need to seek assistance from those who sponsored them into the country.

Tobacco/Budget Q&A
February 3, 1998

Q: Are you concerned by comments by some members of Congress that tobacco legislation may be getting stalled -- that you may not be serious about getting a bill -- and that you should take a more active role in pushing legislation?

A: I am committed to enacting comprehensive bipartisan tobacco legislation. So any comments to the contrary are just wrong. We are making very solid progress towards enacting comprehensive tobacco legislation that will reduce teen smoking. I've proposed a very clear set of principles about what should be in the bill. I've met personally with senior members involved in this. Our staff has met with members of both parties and will continue to do so. And my budget contains a great deal of details on how I think we should get this done -- on how much money the tobacco companies should pay and where it should go. This has been a long battle we have been fighting and we will stay with it, and it will make a difference to the health of millions of children over the next few years.

Q: Last week, several Republicans came out against tobacco legislation that would grant the industry limits on liability. Many public health leaders are also saying that tobacco legislation must not include limits on liability. Do you still favor a settlement that would include limits on industry liability?

A: I will evaluate tobacco legislation as a whole to determine whether it protects the public health. Liability limits are not necessarily a deal-breaker for us. What's important is achieving comprehensive legislation that includes, for example, a large per-pack price increase, penalties for marketing to children, and broad restrictions on children's access to tobacco.

I hope that these kinds of statements (statements by Republican senators on liability) don't mean that some members are seeking to walk away from their responsibility to protect children by enacting comprehensive tobacco legislation.

Piecemeal legislation won't accomplish our goal. It's not enough just to say we did something if we don't pass comprehensive legislation that really accomplishes our goals.

Q: In September, you said the focus of tobacco legislation should not be about money. In the budget you unveiled this week, more than 60 percent of the proposed increase in discretionary spending is paid for by tobacco legislation. Why have you changed course?

A: My course has not changed -- Congress should send me legislation that will dramatically

reduce youth smoking. Experts all agree the single most important step we can take to reduce youth smoking is to raise the price of a pack of cigarettes significantly. That is why last September, and again in the State of the Union speech, I called for Congress to pass legislation that raises cigarette prices by up to \$1.50 per pack over the next ten years as necessary to reduce youth smoking. Our budget simply scores that part of the plan, and allocates the revenues to programs that promote public health and assist children.

Q: How can you assume revenues from tobacco legislation when it's not at all certain whether this legislation will pass?

A: It is a normal part of the budget process to account for any revenues that will be raised from proposed legislation. And we believe strongly that Congress will pass comprehensive tobacco legislation this year. If everyone who says they are committed to protecting children from tobacco rolls up their sleeves and gets to work, we will pass a significant piece of legislation.

Q: Why is it that some of the programs funded with tobacco revenues have no relation to tobacco?

A: Most of the spending is directly related to tobacco, such as health-related research and smoking cessation programs. The rest goes to programs that will assist our children. I wanted to ensure that states get a substantial share of the resources, because of the states' contribution in negotiating the original proposed settlement. It is this state-directed money that goes to children's programs -- to improve child care and reduce class size -- in recognition that these are shared federal and state goals.

Q: Doesn't attaching tobacco legislation to particular spending initiatives hurt the chance of passing this legislation?

A: No. It is a normal part of the budget process to propose how to spend any revenues raised from proposed legislation. And we will work on a bipartisan basis with Congress if it has other ideas on the best way to allocate these revenues. There is no reason why allocation issues should hold up the process of comprehensive legislation.

Q: Doesn't using tobacco legislation as a funding source for important policy proposals -- such as improving child care and reducing class size -- hurt the chances of achieving those proposals?

A: No. I believe Congress will pass tobacco legislation that imposes significant financial burdens on tobacco companies. Of course, no offset proposed in a budget is guaranteed; Congress can reject any proposed way of financing a program. If Congress does not pass

comprehensive tobacco legislation, we will work with Congress to find other offsets. These are high priorities, and we will find effective funding mechanisms.

Q: How much money do you expect to raise from tobacco legislation next year? What about over five years? How did you come to this figure?

A: This budget is designed to reduce youth smoking by 30% in five years and 50% in seven years, which are the goals I've set out. We calculate that the necessary increase in the price per pack will result in about \$10 billion in revenue next year and \$65 billion over five years.

Q: How much does your plan increase the cost of cigarettes?

A: In order to reach the goal of reducing youth smoking by 30% in five years, and 50% in seven years, my budget projects about a \$1.10 increase in the price of cigarettes over five years.

Q: What programs is tobacco money used for in the budget?

A: In general, tobacco revenues go toward protecting public health and assisting children. First, the budget provides for funds for anti-smoking activities that will help us meet the goals of reducing youth smoking rates. In addition, there are funds in the budget to support the commitment I made when I announced my plan for tobacco legislation in September to fund a dramatic expansion of health-related research in America. Finally, in recognition of the states' role in bringing suit against tobacco companies, the budget provides for a substantial amount of money to revert to the states. Some of this money can be used for any purpose. Other funds must be used on state-administered programs to assist children (specifically, for child care, Medicaid child outreach, and class size reduction).

Q: How much money is there for states in the budget?

A: The states will receive as much money over five years as they would have received under the original settlement agreement. A large part of this money will be unrestricted; states can use it for whatever purposes they choose. The rest of the money will go to states for state-administered programs to provide child care subsidies and reduce class size. This money represents the usual federal share of Medicaid recoveries, which I believe should go back to the states in recognition of the important role the states played in bringing about this legislation.

Q: Does your budget assume that the revenues from tobacco legislation will come from increased excise taxes, or from industry payments pursuant to a settlement?

A: The budget assumes that the money will come from annual industry payments pursuant to a settlement.

Q: Do recent events -- the tobacco settlement in Texas or the release of documents showing some companies were marketing to children -- diminish the need for legislation or the chance that it would get passed?

A: No. It is a good sign that industry is being held accountable for the harms it has caused, and that we are getting information out about how the industry has hurt children. That should serve as still further impetus for comprehensive legislation. We need a comprehensive system of penalties to make sure companies reduce teen smoking; we need the FDA to have authority over tobacco products to protect our health; and we need to make sure tobacco companies don't market to children. I think all the attention from these events makes it clear why we need a national solution, and why it's so important to get it done soon.

Q: Lawyers in both Texas and Florida have asked for obscene amounts of money for their role in bringing about settlements with the tobacco industry. Will you support a provision in national legislation to limit fees for lawyers?

A: I'm primarily concerned with ensuring that tobacco legislation reduces youth smoking and protects the public health -- not with collecting and distributing money from a settlement. The lawyers who brought these suits have expended lots of time and effort, and deserve to be well recompensed for their work. But everyone agrees that fees shouldn't be out of proportion to the work that was done.

**Questions and Answers on Child Care
February 3, 1998**

Q. What is your child care initiative?

A. I believe we need to make child care better, safer and more affordable. My child care initiative will help working families pay for child care, build the supply of good after-school programs, improve the safety and quality of care, and promote early learning.

- **Doubles the number of children receiving child care subsidies** to more than two million by the year 2003 by increasing funding for the Child Care and Development Block Grant by \$7.5 billion over 5 years.
- **Increases tax credits for three million working families to help them pay for child care** by investing \$4.8 billion over 5 years in the Child and Dependent Tax Credit. The President's proposal also provides a new tax credit for businesses that offer child care services for their employees.
- **Provides after-school care for 500,000 children per year** by expanding the 21st Century Community Learning Center program by \$800 million over 5 years to provide funds to school-community partnerships to establish or expand programs for school-age children.
- **Improves child care safety and quality and enhances early childhood development** by establishing a new Early Learning Fund as well as supporting enforcement of state child care health and safety standards, providing scholarships to up to 50,000 child care providers per year, and investing in research and consumer education.

Child Care Block Grant Increase	\$7.5 billion over five years
Child and Dependent Tax Credit Reform	\$4.8 billion over five years
Tax Credit for Businesses	\$500 million over five years
After-School Program	\$800 million over five years
Early Learning Fund	\$3 billion over five years
Head Start Increase	\$3.8 billion over five years
Standards Enforcement Fund	\$500 million over five years
Child Care Provider Scholarship Fund	\$250 million over five years
Research and Evaluation Fund	\$150 million over five years
TOTAL:	\$21.3 billion over five years

Q. Republicans are offering alternatives to your child care proposal, many of which specifically target stay-at-home parents. What do you think of these initiatives?

A. First, I am pleased with the bipartisan discussions that are now taking place in Congress. Just last week, Republican Senators Chafee, Hatch, Snowe, Roberts, Specter and Collins proposed a child care package that, like mine, significantly increases child care subsidies for poor children, provides additional tax relief to help low- and middle-income families pay for child care, creates a tax credit for businesses that provide child care for their employees, and improves state enforcement of health and safety standards. Senator Helms is now also a co-sponsor of that measure. All of them have made an important contribution and have moved us significantly closer to enacting child care legislation that is right for America's children.

Second, there are a number of interesting proposals on the Hill to help stay-at-home parents, all of which we are currently examining. I believe that we should respect and support parents in whatever choices they make, whether they work or stay at home. I have tried to support that choice through a variety of actions to increase family income, such as expanding the Earned Income Tax Credit, increasing the minimum wage, and passing the \$500 per-child tax credit. I believe that by continuing to work together on a bipartisan basis and by taking the best proposals from both sides of the aisle, we will achieve legislation that benefits all America's families and children.

Q. Since much of the funding of this proposal is based on the tobacco settlement, aren't you counting your chickens before they've hatched? What will you do if the tobacco settlement does not go through?

A. First, the initiative is paid for in a number of ways -- only one part comes from tobacco revenues. Second, and more important, we believe that a national tobacco settlement will pass. I support strong tobacco legislation, and many Republicans and Democrats alike are working vigorously to craft comprehensive legislation. If Congress does not pass comprehensive tobacco legislation, we will work with Congress to find other offsets. Child care is a high Administration priority, and we will find an effective funding mechanism.

Q. Some conservatives claim that your child care initiative promotes institutionalized, center-based day care. Is this true?

A. No. My proposal supports individual choice and state flexibility. Today, parents choose a wide range of child care situations -- be it relative care, family day care, or center-based care. My child care initiative makes child care more affordable by expanding both the Child Care and Development Block Grant as well as the Child and Dependent Care Tax Credit. Through the block grant, states provide vouchers to parents, which they may use for any and all forms of paid child care. The Child and

Dependent Care Tax Credit is similarly flexible, providing a credit for family day care, center-based care, or paid relative care. My entire package is tailored to provide maximum flexibility to parents so that they can make whatever choices are best for their families.

Questions and Answers on Welfare Reform
February 3, 1998

Q: There have recently been some reports of growing lines at food pantries. Do you think this is due to welfare reform?

A: We are always concerned about any report that hunger may be increasing, and we will continue to monitor the situation closely. I do believe that this Administration's economic policies -- which produced an unemployment rate at its lowest level in a generation and reduced the poverty rate from 15.1 percent in 1993 to 13.7 percent in 1996 -- have gone a long way to help American families make ends meet.

One reason for a possible increase in hunger is the fact that the welfare reform law contained cuts to legal immigrants that had nothing to do with the real goal of welfare reform, which is to move people from welfare to work. Last year in the Balanced Budget Act we were able to restore SSI and Medicaid for legal immigrants, and I believe that we should finish the job this year. That's why my budget provides \$2.5 billion to restore food stamps to all legal immigrant families with children, elderly and disabled immigrants who entered the U.S. before August 1996, and certain refugees, asylees, and special immigrant groups like the Hmong who fought alongside our soldiers in Vietnam.

Q: Even with the good economy, some people are concerned that there won't be enough jobs for all the welfare recipients who need work. Are you concerned about this issue?

A: Right now, the nation's jobless rate is at its lowest level in a generation. We've created more than 14 million jobs since I took office. Nationally, we are creating enough jobs for individuals leaving welfare -- for example, the economy created 370,000 new jobs in December, far more than the number of adults who leave welfare each month.

But to make sure there will be enough jobs in every area of the country, I fought for and won a \$3 billion welfare-to-work fund in the Balanced Budget Act targeted specifically to high unemployment and high poverty areas where jobs may be scarce. I have also challenged companies all across the nation to hire welfare recipients -- nearly 3,000 have agreed so far -- and have committed the federal government to hire its fair share of workers from the welfare rolls.

Q: You've said "We know now that welfare reform works." Can you tell us why you think so? Although the welfare rolls have gone down, isn't that due to the economy and harsh new rules like time limits?

A: Welfare caseloads are the best measure we have right now of the success of welfare reform. As I announced in the State of the Union, we've met -- two years ahead of schedule -- the challenge I made in last year's State of the Union to move two million

more Americans off of welfare by the year 2000. New caseload numbers show that welfare caseloads fell by 4.3 million since I took office -- a drop of 30 percent.

I asked my Council of Economic Advisors to look at the role of the economy in reducing the welfare rolls, and they attributed about 40 percent of the decline to the strong economic growth, about one-third to the welfare reform waivers we granted, and the rest to other factors -- such as our decisions to increase the Earned Income Tax Credit, strengthen child support enforcement, and increase funding for child care.

Not enough time has passed for full scale research studies to be completed to tell us what recipients are doing once they leave the rolls, but we do know that almost all have left the rolls voluntarily, since very few time limits of any kind have gone into effect yet. Preliminary studies show that most people are leaving welfare for work, and I think even welfare reform critics have been pleasantly surprised by the progress so far.

Q: The Indianapolis Star reported that Elaine Kinslow, the former welfare recipient whom you praised during the State of the Union, was evicted from her last apartment. Would you have cited her as a welfare to work success story had you known that?

A: As I think the Star's follow-up article makes clear, Ms. Kinslow was not evicted. Ms. Kinslow earlier this month was able to move to a better apartment in a better neighborhood, something she had wanted to do for a long time but was only now able to afford. My understanding is that Ms. Kinslow's December check to her former landlord did bounce and she has tried numerous times to present him with payment. We've been told that the landlord finally accepted payment, and the matter is settled. None of this takes away from the congratulations this woman deserves for moving from welfare to work.

Questions and Answers on Education
February 3, 1998

Voluntary National Tests

Background

Despite the agreement worked out during the appropriations process last fall, the House Education and Workforce Committee has approved a measure (23-16, basically along party lines) that would prohibit further development work on the national tests absent prior authorization from Congress. The measure is expected to reach the House floor on Thursday. This bill is likely to pass the House, but Democrats are expected to be more united in their support of your position than they were during the last session of Congress. New Democratic support is in part due to the Administration's new proposals for investing in education, such as our school construction and class-size reduction initiatives.

Q: Just recently the National Assessment Governing Board voted to delay the proposed national tests until after you leave office in 2001. This week the House voted to approve a measure that would kill the tests. The Senate is considered likely to go along. Is it time to give up on these tests?

A: Absolutely not. High national standards and national tests in the basics are critical for all of our students, and especially students in our poorest communities. There is nothing worse than allowing a tyranny of low expectations to limit a child's future. We need to have rigorous expectations for students and then do everything we can to help them succeed.

I am pleased that the independent, bipartisan National Assessment Governing Board has taken full charge of developing national tests, and is moving forward as provided in the agreement we worked out with Congress last year. In its last meeting, NAGB made clear that it would continue to develop and implement the tests. NAGB's work has put us another step closer to having the first ever national tests in the basic skills.

The vote in the House was wrongheaded, and I will not accept such a bill. Instead of maintaining the status quo, we must act boldly to strengthen our public schools. I have presented a comprehensive plan for doing this by raising standards, demanding accountability, and providing smaller classes with well trained teachers in modern school buildings. As I have said many times before, when it comes to education, politics must stop at the schoolhouse door. Once again I call on the Congress to end partisan fights on education, and to unite behind an American agenda to strengthen our public schools.

California Bilingual Education Initiative

Q: What is the Administration's view of bilingual education and do you plan to intervene in California and campaign against the Unz Initiative?

A: It is very important that all students become proficient in English. That is the language for success in school, and for success in life. New immigrants and other students whose native language is not English need extra help in order to learn to speak, read and write in English. The federal bilingual education program is designed to do exactly that. It permits a variety of different approaches to helping students master English, including both bilingual and English immersion instruction. We are gathering more information on the California initiative as events develop. However, the Administration supports the approach of the federal program, which permits a variety of different instructional strategies.

Private School Vouchers

Q: Republicans in Congress are continuing to push private school voucher programs as a solution for failing public schools. Why do you and most other Democrats continue to oppose private school vouchers?

A: We need to focus on strengthening the public schools that serve nearly 90% of students and expanding choice within the public education system, such as through charter schools.

Vouchers would siphon critical dollars from neighborhood public schools that are already short on resources in order to send a few selected students to private schools. They would distract attention from the hard work of reform needed to change failing schools into good schools and good schools into outstanding schools.

As I made clear in Chicago recently, no child deserves to get a second class education. Where schools are failing, local and state education officials must step in and redesign them, or close them down and reopen them with new, more effective leadership and staff who will raise standards, put into place effective reforms, and create safe, disciplined learning environments where students can succeed.

Q: Some argue that vouchers are vital to help children escape ineffective, dangerous schools. What is your response to that?

A: My opposition to vouchers is based more on what happens to students who do not participate in a voucher program than on what may happen to the few who do. The fact is that 90% of our students attend public schools, and our primary responsibility, especially with limited federal resources, is to make sure that the public schools they attend are

among the best in the world. This means concentrating our time and money on raising academic standards, improving teaching, providing schools with technology and other up-to-date learning tools, and creating charter schools and other forms of choice within the public school system. Vouchers only drain financial resources and energy away from our most important task -- improving our public schools.

We worked hard to reach a bipartisan agreement allowing the tests to move forward under an independent board, and I will work with Congress in a bipartisan fashion this year to ensure continued progress, as a part of my broad agenda for raising standards, reducing class size, modernizing schools, helping all children learn to read and log-on to the Internet, and insuring that students get the information and support they need to go on to college. Americans know that high standards and national tests fit together with strategies to help all children succeed, and I am pleased that we have actually gained ground in the House from where we were last year.

Questions and Answers on Medicare
February 3, 1998

Q. How do you respond to critics of the Medicare buy-in proposal who charge that it is not and cannot be self-financing?

A: We simply do not believe they understand the policy.

First of all, the President's proposal for Americans ages 62 to 65 explicitly would direct the Medicare actuary to set premiums at levels necessary to pay for the cost of this program. Unlike any other previous changes to the Medicare program, this policy asks the people benefiting to pay for the costs associated with this coverage. Each year, the actuary would be required to adjust those premiums to reflect actual experience to ensure that they are sufficient to offset costs. [This is the same career actuary whose projections about the financial status of Medicare are relied upon by Medicare's Trustees, Republicans and Democrats alike. We have full confidence that his estimates are sound.]

Second, from the beginning, we have acknowledged --and paid for -- any up-front costs associated with this proposal. The day the President announced the proposal we laid out the \$2 billion cost that was associated with this proposal. We also committed to completely offset these costs through a package of fraud, waste and abuse initiatives that will be included in the President's budget proposal.

Follow Up: If this is self-financed, why is there any cost associated with this proposal?

A. To ensure that the premium is affordable, we designed the 62-65 buy-in proposal so that there were two premium payments. Since the second premium is not paid until age 65, there is a short-term "loan" to participants to cover this cost. It is paid back, with interest, by the participants and the temporary cost is completely offset by anti-fraud, waste and abuse savings.

BACKGROUND: The first premium payment, about \$300, reflects the average cost of this age group and would be paid monthly before participants turn 65. The second premium, about \$15 per month per year for each year participants enrolled in Medicare before age 65, would be paid at the time of Medicare eligibility (at age 65). This amount offsets the additional costs resulting from the fact that participants are expected to be sicker than average.

Q: How do you feel about the selection of Senator Breaux as the Chair of the Medicare Commission and Congressman Bill Thomas as the Administrative Chair?

A: I believe that Senator Breaux is a fine choice to chair the Commission. His years of experience on the Finance and Aging Committees, as well as his strong track record of successful bipartisan negotiations on numerous policy fronts will serve the Commission and the nation well. I am also confident that Congressman Thomas will make significant contributions to the Commission in his capacity as administrative chair. As Chair of the Ways and Means Subcommittee on Health, he has demonstrated extraordinarily leadership and an impressive knowledge about Medicare and the challenges it faces. I look forward to the Commission getting their important work underway.

Q. Isn't your new Medicare buy-in policy just another example of a government take-over of the private health insurance system?

A. Absolutely not. This is a carefully targeted proposal that is designed to make sure that older Americans have access to health care coverage. Currently, older Americans have less access to employer-based health insurance, are twice as likely to have health problems, and are at greater risk of losing coverage. Some have no insurance options, and others are left to buy into the individual insurance market, which can be prohibitively expensive because of their poorer health. This policy helps this vulnerable population get access to health care coverage by:

- **Enabling Americans Ages 62 to 65 Buy into the Medicare Program**, by paying a full premium.
- **Providing Vulnerable Displaced Workers over 55 Access to Medicare** by offering those who have involuntarily lost their jobs and their health care coverage a similar Medicare buy-in option.
- **Providing Americans Over 55 Whose Companies Reneged on Their Commitment to Provide Retiree Health Benefits A New Health Option**, by extending (COBRA) coverage until age 65.

Q: Isn't this policy a Medicare entitlement expansion, at a time when Medicare can least afford it?

A. Absolutely not. There is no impact on the Medicare Trust Fund because participants would pay their full premium over time, and any of the temporary costs associated with this proposal are completely offset by Medicare fraud, abuse and waste savings.

This Administration has made strengthening and preserving the Medicare Trust Fund a top priority since I took office. In 1993, we enacted a budget --without the vote of a single Republican -- that extended the life of the Trust Fund through 2002. The Balanced

Budget I signed into law last summer extended the life of the Trust Fund beyond 2010. This new policy is a carefully targeted policy that will in no way compromise our commitment to strengthen the Medicare program.

Q. Shouldn't you wait for the Medicare Commission to make its recommendations before you propose such policies?

A. The purpose of the Commission is to develop proposals for the overall financing of Medicare. Because this policy is fully financed, it has no overall impact on the Medicare Trust Fund, and will not conflict with the Commission's work in this area. The proposal addresses an important problem in our health care system without interfering in any way with the overall financing of Medicare, which the Commission is looking into

Q: Won't this policy cause people to retire early?

A: No. There is no financial incentive to retire since participants would pay a higher premium than they would in their current, subsidized employer health plans. And, since participants would have to pay the full premium, they may need to continue to work to afford the coverage. In fact, this option may actually encourage people to start second careers (e.g., opening their own stores; becoming a consultant) since they could purchase Medicare if they leave their current job.

Q. Does this proposal create incentives for employers to drop retiree health coverage?

A. For today's retirees, this proposal actually lessens the incentives for employers to drop their health coverage. Such employers would have to allow their retirees to buy into their current workforce's health plan if they break their promise of providing retiree health benefits.

Q: Are you planning to endorse the Norwood/D'Amato consumer bill of rights legislation?

A: I applaud Congressman Norwood and Senator D'Amato for their leadership on this issue. We are encouraged that so many Republicans and Democrats understand the need for national legislation to ensure quality health care. There are a number of bills on the Hill at this time. Some Members have indicated their interest in modifying their legislation. We look forward to working with all Republicans and Democrats as we move forward throughout this process.

Q: Isn't the Health Care Consumer Bill of Rights that you have called on Congress to pass really just "Clinton Care II"?

A: That's just inflammatory rhetoric used by people who don't want to give consumers these protections. These recommendations will provide Americans with essential protections and give them confidence in their health care system.

Both Democrats and Republicans recognize the importance of this issue, and nearly 100 Republicans have co-sponsored legislation that focuses on these issues. Moreover, each of the rights proposed by the President's commission has been enacted by a Republican Governor.

The bill of rights is a sensible, moderate approach to fixing some of the problems that are plaguing consumers, providers, and health plans as we move through a historic transition in the nation's health care system.

Q: Aren't these new consumer rights going to raise health insurance premiums and cause more people to become uninsured?

A: No. The Quality Commission asked for an independent analysis of the few rights that are thought to be the most expensive and concluded that the cost impact was quite minimal. Also, nearly every state around the country has enacted some type of consumer protections without seeing a rise in health care premiums or a rise in the number of uninsured. Finally, those who are the greatest advocates of this legislation are consumers, advocates, and experts who are extremely concerned about the number of uninsured in this country. They do not believe that a consumer bill of rights that guarantees Americans quality care will increase the number of uninsured.

Question & Answers on Campaign Finance Reform
February 3, 1998

Q: The General Counsel of the FEC recently proposed a rulemaking on soft money. Does this proposal meet your call for the FEC to ban soft money??

A: While this proposed rulemaking does not fully meet my request for a complete ban of "soft money," it would significantly decrease the impact of soft money on our political system, and I call on the Commission to adopt it. The FEC's proposal would virtually eliminate "soft money" fundraising by the national party committees, and require them to defray nearly all of their expenses, including their mixed activity expenses, with hard dollars.

Q: If the FEC adopts the General Counsel's proposed rulemaking, why should Congress take any further action on soft money?

A: The proposed rulemaking of the General Counsel is not the total solution. It remains imperative that Congress pass legislation that deals with other soft money issues such as state party spending and issue advocacy. I challenge Congress to pass the McCain-Feingold and Shays-Meehan bills this Spring.

Questions and Answers on Crime
February 3, 1998

Crime: General

Q: Mr. President, over the past few months you have taken a lot of credit for the falling crime rates. Do you really think it is fair for the federal government to claim credit for what is overwhelmingly a local issue? And don't changing demographics and the expanding economy have more to do with falling crime rates than your Administration's efforts?

A: I think its appropriate for all of us -- the federal government, police, prosecutors, and community leaders --to claim some credit for driving down the crime rates to their lowest level in 25 years. Together, we fought for more police in our communities, fewer guns on our streets, tougher punishment for violent offenders, and better opportunities for our kids -- and used these tools to make a difference. Sure, our economic plan and other factors have played a role in cutting crime, but our tough, smart anti-crime strategy has definitely had an impact. For instance:

- We have helped to fund over 70,000 more police in thousands of cities across the country. Working with community residents, these new police have taken on all sorts of local crime problems -- but especially violent crime. There were nearly 5,000 fewer murders in 1996 than when I took office.
- We have kept guns out of the hands of criminals. An estimated 300,000 fugitives and felons have been stopped from purchasing guns. We have cut the number of legitimate federal guns dealers by more than two-thirds (from 252,799 to 88,590).
- We have enacted tougher penalties for violent and sex offenders; spent more than \$2 billion to help states incarcerate them; supported community notification of released sex offenders; and established a national sex predator registry.
- We have repeatedly put forth the largest anti-drug budgets ever. My anti-drug budget for FY 99 is over \$17 billion -- an increase of over \$1 billion over FY 98. Last month, we launched an unprecedented paid media campaign to make sure our kids are getting the message about the dangers of drugs. And I recently signed a directive to help close the revolving door of crime and drug use.

Over the coming year, my balanced budget will continue to build on these successful efforts. We will continue to work hand-in-hand with local communities on increasing public safety and reducing drug use.

Also, our top law enforcement priority will be to pass a juvenile crime bill that allows cities across the country to implement tough, smart strategies like the highly successful Boston model -- where no juvenile was killed with a gun for two and half years. Congress should finally pass a juvenile crime bill that provides more prosecutors and probation officers to crack down on gangs, guns and drugs. They should extend the Brady Bill to violent juveniles, and prohibit them from buying guns on their 21st birthday. And they should help principals keep more of our schools open later, so that adults can be more involved in the lives of our youth -- and teach them right from wrong.

Crime: Juvenile Crime

Q. What is your position on juvenile crime legislation under consideration by the Congress?

A. I have made juvenile crime and gangs my top law enforcement priority over the next three years. My goal is to enact a juvenile crime bill that allows cities across the country to implement tough, smart strategies like the highly successful Boston model -- where no juvenile was killed with a gun for two and half years.

America's Anti-Gang and Youth Violence Strategy must declare war on gangs; target funding for additional local prosecutors to pursue, prosecute, and punish gang members; extend the Brady Law so violent teen criminals will never have the right to purchase a gun; and target resources to keep schools open late, on weekends, and in the summer to keep young people off the street and out of trouble.

I opposed the juvenile crime legislation passed in the House last year because it didn't provide any of these necessary measures to give law enforcement, prosecutors, and parents the tools they need to combat gangs and youth violence in their communities. The Senate leadership has said that they plan to take up their own legislation in the early part of this year. We made some progress in the appropriations bill I signed last fall to start funding some new tools to combat juvenile crime. As for any comprehensive juvenile crime bill, I am committed to work with Congress to ensure passage of legislation that will give our children the safest and most secure future as possible.

Crime: Community Prosecutors

Q. Can you explain your "community prosecutors" initiative that you announced at last week's event with Mayors? Is this linked to your

community policing initiative?

- A. My FY 1999 budget proposes a new initiative, funded at \$50 million, to promote community prosecution, which builds on effective community policing strategies. Thousands of police departments have learned how to put police directly in communities and work with citizens to cut crime. Now communities are turning to local prosecutors to play a more active role in the crime fighting effort, by spending time in their neighborhoods, helping to solve local crime problems, and preventing crimes from happening in the first place. My initiative will provide grants to communities across the nation to encourage these efforts.

This initiative will allow hundreds of prosecutors' offices to hire "community prosecutors" or "neighborhood DAs" to strengthen the team of community police, citizens, and prosecutors working to reduce crime. And just as the COPS program has helped bring community policing methods to thousands of police departments across the country, the community prosecutor initiative will help local criminal justice systems become even more responsive to the needs of their citizens.

The initiative will provide direct grants to local prosecutors' offices, with the vast majority funds to be used to hire or reassign prosecutors to work directly with police and community residents. Remaining funds could be used flexibly for other costs such as the development of innovative programs to further link prosecutors to community anti-crime activities.

Crime: Prisons

- Q. The Justice Department recently issued a study showing that we are incarcerating over 1.7 million people in this country. What do you think about the extraordinary rise in incarceration level?**
- A. I am concerned about it. But part of the reason why the incarceration number is so high is because today, serious offenders -- including violent and sex offenders -- are serving more of their sentences and are not being let out because of prison overcrowding. In the historic 1994 Omnibus Crime Act, we enacted Truth-in Sentencing and substantial funding for state prison construction to make sure these dangerous offenders serve their sentences, and I think that's a good thing. I also think it is important to note that crime has been declining for five years in a row, and we've seen a slowing in the growth of state and federal prisoners over the last two years-- both of which are positive signs.

But clearly, prisons alone will not solve the crime problem. We need to attack

the problem on all fronts, which is why I recently signed a directive to address the massive drug problem among our nation's prisoners. With the inmate population, we have an opportunity to shut the revolving door between drug use and crime, by adopting zero tolerance for drug use and trafficking in our prisons and demanding coerced abstinence, testing, and treatment to break prisoners of their drug addictions -- the reason why many of them are incarcerated in the first place. We also need to continue to support community policing across the country, to help communities and law enforcement agencies prevent crime before it happens. And we need to pass a tough, smart juvenile crime bill that cracks down on violent youth gangs, but also gives our young people safe havens in the after school hours to help them stay out of trouble.

That plan will fundamentally
return ~~in~~ the way the
Federal government conducts
immigration activities ~~although~~
it will not dismantle the INS.

Questions and Answers on Immigration
February 4, 1998

I'm not going to talk about
the details now because we're
still working on them, but
~~the~~
~~the thinking about them~~ ~~to~~ ~~be~~ ~~done~~
~~efforts we have~~
I will say something about
the general principles. First,

Q: The final report of the Commission on Immigration Reform recommended the dismantling of the INS. This week, the NY Times reported support on the Hill for just such a proposition. Does the Administration endorse this approach to reform?

A: We have studied the Commission's proposal, and others, and are developing a plan to enhance immigration law enforcement while improving the delivery of immigration services and benefits. ~~The plan recognizes~~ that enforcement and benefits are interrelated ~~and, thus,~~ ^{and that} neither should be addressed without the other in mind. ~~The plan, however,~~ ^{and that} will make Federal immigration activities more efficient and effective by separating enforcement and benefit and service operations, ~~both in headquarters and in the field~~ ^{in order to} thereby strengthening accountability and lines of authority. In addition, the plan will enhance coordination among Federal agencies involved in immigration and establish greater accountability within each agency. ~~That~~

~~The reforms we have in mind~~
Together, these reforms within individual agencies and across the Government will support and sustain the Administration's progress over the last five years in enforcing our immigration laws and fulfilling the nation's commitment to its immigration heritage.

Q: The Attorney General has acted to defer the deportation of tens of thousands of Haitian immigrants. Do you still intend to seek permanent legislative relief for Haitians?

A: Yes. Last December I directed the Attorney General and the INS to defer for one year the deportation of Haitians who were paroled into the United States or applied for asylum prior to December 31, 1995. I took this action to protect these Haitians against deportation while we worked with Congress to provide them long-term legislative relief. That remains our goal. These Haitians, like the Central Americans who were granted legislative relief in the last session, were forced to seek the protection of our country because of persecution and civil strife. Many of them have, over time, established strong ties to this country and have made significant contributions to our communities. Moreover, while we are encouraged by the progress made in Haiti since the restoration of democracy in 1994, the situation there remains fragile. Obtaining legislative relief for these Haitians will help support a democratic Haiti, which is the best safeguard against a renewed flow of Haitian migrants to the United States.

at every level,
This second, that we can improve immigration activities by ^{more strictly} separating enforcement and service operations ~~of course, that could be done within one agency~~

Q: On a recent trip to the Silicon Valley, Secretary Daley stated that the Administration is opposed to raising the cap on temporary visas for highly skilled immigrants. How, then, does the Administration suggest the nation address the shortage of workers in the high tech industry?

A: While we remain open to assessing any legislative proposals to reform the temporary visa programs administered by the INS, it is clear that long term shortages in our nation's workforce cannot be cured through the expansion of any of our non-immigrant (temporary) visa programs. This Administration is very sensitive to the needs of the high-tech industry and is concerned with ensuring that our nation's workforce is able to keep pace with the rapid growth in this field. That is why we have consistently emphasized training and re-training U.S. workers to enable them to move into these high-growth, high-salary positions.

Q: Your budget includes \$2.5 billion to restore food stamps to legal immigrants. What justifies such an enormous spending package?

A: I believe that legal immigrants should have the same opportunity, and bear the same responsibility, as other members of society. When I signed the 1996 welfare law, I pledged to work toward reversing the harsh, unnecessary cuts in benefits to legal immigrants that had nothing to do with moving people from welfare to work. This proposal is part of fulfilling that pledge. Our proposal restores Food Stamp benefits to approximately 730,000 legal immigrants, including families with children, elderly and disabled immigrants, refugees and asylees, and certain special immigrants (e.g., the Hmong). ~~Though this program would first require immigrants in need to seek assistance from those who sponsored them into the country, it provides a necessary safety net for vulnerable groups of immigrants who are legal, permanent residents of our country.~~

It's important to note, though, that we

Tobacco/Budget Q&A
February 3, 1998

Q: Are you concerned by comments by some members of Congress that tobacco legislation may be getting stalled -- that you may not be serious about getting a bill -- and suggesting that you should take a more active role in pushing legislation?

A: I am committed to enacting comprehensive bipartisan tobacco legislation. So any comments to the contrary are just wrong. We are making very solid progress towards enacting comprehensive tobacco legislation that will reduce teen smoking. I've proposed a very clear set of principles about what should be in the bill, ~~the first issue being that this is about protecting kids, not money or political advantage~~ I've met personally with senior members involved in this issue, ~~I've assured them that we want to get this done, that we will.~~ Our staff has met with members of both parties and will continue to do so. And my budget contains a great deal of details on how I think we should get this done -- on how much money the tobacco companies should pay and where it should go. This has been a long battle we have been fighting and we will stay with it, and it will make a difference to the health of millions of children over the next few years. ~~We have to get it done.~~

Q: In September, you said the focus of tobacco legislation should not be about money. In the budget you unveiled this week, more than 60 percent of the proposed increase in discretionary spending is paid for by tobacco legislation. Why have you changed course?

A: My course has not changed -- Congress should send me legislation that will dramatically reduce youth smoking. Experts all agree the single most important step we can take to reduce youth smoking is to raise the price of a pack of cigarettes significantly. That is why last September, and again in the State of the Union speech, I called for Congress to pass legislation that raises cigarette prices by up to \$1.50 per pack over the next ten years as necessary to reduce youth smoking. Our budget simply scores that part of the plan, and allocates the revenues to programs that promote public health and assist children.

Q: How can you assume revenues from tobacco legislation when it's not at all certain whether this legislation will pass?

A: It is a normal part of the budget process to account for any revenues that will be raised from proposed legislation. And we believe strongly that Congress will pass comprehensive tobacco legislation this year. If everyone who says they are committed to protecting children from tobacco rolls up their sleeves and gets to work, we will pass a significant piece of legislation.

Q: Why is it that some of the programs funded with tobacco revenues have no relation to tobacco?

A: Most of the spending is directly related to tobacco, such as health-related research and smoking cessation programs. The rest goes to programs that will assist our children. I wanted to ensure that states get a substantial share of the resources, because of the states' contribution in negotiating the original proposed settlement. ~~It is~~ money that goes to children's programs -- to improve child care and reduce class size -- in recognition that these are shared federal and state goals.

It is this state-directed

Q: Doesn't attaching tobacco legislation to particular spending initiatives hurt the chance of passing this legislation?

A: No. It is a normal part of the budget process to propose how to spend any revenues raised from proposed legislation. And we will work on a bipartisan basis with Congress if it has other ideas on the best way to allocate these revenues. There is no reason why allocation issues should hold up the process of comprehensive legislation.

Q: Doesn't using tobacco legislation as a funding source for important policy proposals -- such as improving child care and reducing class size -- hurt the chances of achieving those proposals?

A: No. I believe Congress will pass tobacco legislation that imposes significant financial burdens on tobacco companies. Of course, no offset proposed in a budget is guaranteed; Congress can reject any proposed way of financing a program. If Congress does not pass comprehensive tobacco legislation, we will work with Congress to find other offsets. These are high priorities, and we will find effective funding mechanisms.

Q: How much money do you expect to raise from tobacco legislation next year? What about over five years? How did you come to this figure?

A: This budget is designed to reduce youth smoking by 30% in five years and 50% in seven years, which are the goals I've set out. We calculate that the necessary increase in the price per pack will result in about \$10 billion in revenue next year and \$65 billion over five years.

Q: How much does your plan increase the cost of cigarettes?

A: In order to reach the goal of reducing youth smoking by 30% in five years, and 50% in

seven years, my budget projects about a \$1.10 increase in the price of cigarettes over five years.

Q: What programs is tobacco money used for in the budget?

A: In general, tobacco revenues go toward protecting public health and assisting children. First, the budget provides for funds for anti-smoking activities that will help us meet the goals of reducing youth smoking rates. In addition, there are funds in the budget to support the commitment I made when I announced my plan for tobacco legislation in September to fund a dramatic expansion of health-related research in America. Finally, in recognition of the states' role in bringing suit against tobacco companies, the budget provides for a substantial amount of money to revert to the states. Some of this money can be used for any purpose. Other funds must be used on state-administered programs to assist children (specifically, for child care, Medicaid child outreach, and class size reduction).

Q: How much money is there for states in the budget?

A: The states will receive as much money over five years as they would have received under the original settlement agreement. A large part of this money will be unrestricted; states can use it for whatever purposes they choose. The rest of the money will go to states for state-administered programs to provide child care subsidies and reduce class size. This money represents the usual federal share of Medicaid recoveries, which I believe should go back to the states in recognition of the important role the states played in bringing about this legislation.

Q: Does your budget assume that the revenues from tobacco legislation will come from increased excise taxes, or from industry payments pursuant to a settlement?

A: The budget assumes that the money will come from annual industry payments pursuant to a settlement.

Q: Last week, several Republicans came out against tobacco legislation that would grant the industry limits on liability. Many public health leaders are also saying that tobacco legislation must not include limits on liability. Do you still favor a settlement that would include limits on industry liability?

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A: I will evaluate tobacco legislation as a whole to determine whether it protects the public health. Liability limits are not necessarily a deal-breaker for us. What's important is achieving comprehensive legislation that includes, for example, a large per-pack price increase, penalties for marketing to children, and broad restrictions on children's access

to tobacco.

I hope that these kinds of statements (statements by Republican senators on liability) don't mean that some members are seeking to walk away from their responsibility to protect children by enacting comprehensive tobacco legislation.

Piecemeal legislation won't accomplish our goal. It's not enough just to say we did something if we don't pass comprehensive legislation that really accomplishes our goals.

Q: Do recent events, ⁻⁻⁻the tobacco settlement in Texas or ⁻⁻⁻the release of documents showing some companies were marketing to children, diminish the need for legislation or the chance that it would get passed?

A: No. It is a good sign that industry is being held accountable for the harms it has caused, and that we are getting information out about how the industry has hurt children. ~~But~~ that should serve as further impetus for comprehensive legislation. We need a comprehensive system of penalties to make sure companies reduce teen smoking, we need the FDA to have authority over tobacco products to protect our health, to make sure ^{skill} advertising doesn't go after our kids. ~~So we need legislation, and it should be bi-partisan.~~ I think all the attention from these events makes it clear why we need a national solution, and ~~that we should try and~~ get it done soon. ^{and we need}

tobacco companies don't market to children

~~why it's so important to~~

Q: Lawyers in both Texas and Florida have asked for obscene amounts of money for their role in bringing about settlements with the tobacco industry. Will you support a provision in national legislation to limit fees for lawyers?

A: I'm primarily concerned with ensuring that tobacco legislation reduces youth smoking and protects the public health -- not with collecting and distributing money from a settlement. The lawyers who brought these suits have expended lots of time and effort, and deserve to be well recompensed for their work. But everyone agrees that fees shouldn't be ~~wildly~~ out of proportion to the work that was done.

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are new

Questions and Answers on Child Care
February 3, 1998

Q. What is your child care initiative?

A. I believe we need to make child care better, safer and more affordable. My child care initiative will help working families pay for child care, build the supply of good after-school programs, improve the safety and quality of care, and promote early learning.

- **Doubles the number of children receiving child care subsidies** to more than two million by the year 2003 by increasing funding for the Child Care and Development Block Grant by \$7.5 billion over 5 years.
- **Increases tax credits for three million working families to help them pay for child care** by investing \$4.8 billion over 5 years in the Child and Dependent Tax Credit. The President's proposal also provides a new tax credit for businesses that offer child care services for their employees.
- **Provides after-school care for 500,000 children per year** by expanding the 21st Century Community Learning Center program by \$800 million over 5 years to provide funds to school-community partnerships to establish or expand programs for school-age children.
- **Improves child care safety and quality and enhances early childhood development** by establishing a new Early Learning Fund as well as supporting enforcement of state child care health and safety standards, providing scholarships to up to 50,000 child care providers per year, and investing in research and consumer education.

Child Care Block Grant Increase	\$7.5 billion over five years
Child and Dependent Tax Credit Reform	\$4.8 billion over five years
Tax Credit for Businesses	\$500 million over five years
After-School Program	\$800 million over five years
Early Learning Fund	\$3 billion over five years
Head Start Increase	\$3.8 billion over five years
Standards Enforcement Fund	\$500 million over five years
Child Care Provider Scholarship Fund	\$250 million over five years
Research and Evaluation Fund	\$150 million over five years
TOTAL:	\$21.3 billion over five years

Senator Helms is now also a co-sponsor
of that measure. All of them

Q. Republicans are offering alternatives to your child care proposal, many of which specifically target stay-at-home parents. What do you think of these initiatives?

A. First, I am pleased with the bipartisan discussions that are now taking place in Congress. Just last week, Republican Senators Chafee, Hatch, Snowe, Roberts, Specter and Collins proposed a child care package that, like mine, significantly increases child care subsidies for poor children, provides additional tax relief to help low- and middle-income families pay for child care, creates a tax credit for businesses that provide child care for their employees, and improves state enforcement of health and safety standards. ~~They~~ have made an important contribution ~~that has~~ moved us significantly closer to enacting child care legislation that is right for America's children.

~~to a little~~ and have

Second, there are a number of interesting proposals on the Hill to help stay-at-home parents, all of which we are currently examining. I believe that we should respect and support parents in whatever choices they make, whether they work or stay at home. I have tried to support that choice through a variety of actions to increase family income, such as expanding the Earned Income Tax Credit, increasing the minimum wage, and passing the \$500 per-child tax credit. I believe that by continuing to work together on a bipartisan basis and by taking the best proposals from both sides of the aisle, we will achieve legislation that ~~helps Americans fulfill their responsibilities as workers, and their even more important responsibilities as parents,~~ benefits all America's families and children.

Q. Since much of the funding of this proposal is based on the tobacco settlement, aren't you counting your chickens before they've hatched? What will you do if the tobacco settlement does not go through?

A. First, the initiative is paid for in a number of ways -- only one part comes from tobacco revenues. Second, and more important, we believe that a national tobacco settlement will pass. I support strong tobacco legislation, and many Republicans and Democrats alike are working vigorously to craft comprehensive legislation. If Congress does not pass comprehensive tobacco legislation, we will work with Congress to find other offsets. Child care is a high Administration priority, and we will find an effective funding mechanism.

Q. Some conservatives claim ^{that} your child care initiative promotes institutionalized, center-based day care. Is this true?

A. No. My proposal supports individual choice and state flexibility. Today, parents choose a wide range of child care situations -- be it relative care, family day care, or center-based care. My child care initiative makes child care more affordable by expanding both the Child Care and Development Block Grant as well as the Child and Dependent Care Tax Credit. Through the block grant, states provide vouchers to

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parents, which they may use for any and all forms of paid child care. The Child and Dependent Care Tax Credit is similarly flexible, providing a credit for family day care, center-based care, and paid relative care. My entire package is tailored to provide maximum flexibility to parents so that they can make whatever choices are best for their families.

or

| #1 you have approved
| #2 has been updated
| #3+4 same answers
| with new #5

Questions and Answers on Welfare Reform
February 3, 1998

Q: The Indianapolis Star reported that Elaine Kinslow, the former welfare recipient whom you praised during the State of the Union, was evicted from her last apartment. Would you have cited her as a welfare to work success story had you known that?

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A: As I think the Star's follow-up article makes clear, Ms. Kinslow was not evicted. Ms. Kinslow earlier this month was able to move to a better apartment in a better neighborhood, something she had wanted to do for a long time but was only now able to afford. My understanding is that Ms. Kinslow's December check to her former landlord did bounce and she has tried numerous times to present him with payment. We've been told that the landlord finally accepted payment, and the matter is settled. None of this takes away from the congratulations this woman deserves for moving from welfare to work.

Q: There ^{have recently} been ~~some~~ reports of growing lines at food pantries. Do you think this is due to welfare reform?

A: We are always concerned about ^{STET} any report that hunger may be increasing, and ^{we} will continue to monitor the situation closely. I do believe that this Administration's economic policies -- which produced an unemployment rate at its lowest level in a generation and reduced the poverty rate from 15.1 percent in 1993 to 13.7 percent in 1996 -- have gone a long way to help American families make ends meet.

which is to move
One reason for a possible increase in hunger is the fact that the welfare reform law contained cuts to legal immigrants that had nothing to do with the real goal of welfare reform, moving people from welfare to work. Last year in the Balanced Budget Act we were able to restore SSI and Medicaid for legal immigrants, and I believe that we should finish the job this year. That's why my budget provides \$2.5 billion to restore food stamps to all legal immigrant families with children, elderly and disabled immigrants who entered the U.S. before August 1996, and certain refugees, asylees, and special immigrant groups like the Hmong who fought alongside our soldiers in Vietnam.

Q: Even with the good economy, some people are concerned that there won't be enough jobs for all the welfare recipients who need work. Are you concerned about this issue?

A: Right now, the nation's jobless rate is at its lowest level in a generation. We've created more than 14 million jobs since I took office. Nationally, we are creating enough jobs for individuals leaving welfare -- for example, the economy created 370,000 new jobs in December, far more than the number of adults who leave welfare each month.

But to make sure there will be enough jobs in every area of the country, I fought for and won a \$3 billion welfare-to-work fund in the Balanced Budget Act targeted specifically to high unemployment and high poverty areas where jobs may be scarce. I have also challenged companies all across the nation to hire welfare recipients -- nearly 3,000 have agreed so far -- and have committed the federal government to hire its fair share of workers from the welfare rolls.

Q: You've ^{think}said "We know now that welfare reform works." Can you tell us why you say so? Although the welfare rolls have gone down, isn't that due to the economy and harsh new rules like time limits?

A: Welfare caseloads are the best measure we have right now of the success of welfare reform. As I announced in the State of the Union, we've met -- two years ahead of schedule -- the challenge I made in last year's State of the Union to move two million more Americans off of welfare by the year 2000. New caseload numbers show that welfare caseloads fell by 4.3 million since I took office -- a drop of 30 percent.

I asked my Council of Economic Advisors to look at the role of the economy in reducing the welfare rolls, and they attributed about 40 percent of the decline to the strong economic growth, about one-third to the welfare reform waivers we granted, and the rest to other factors -- such as our decisions to increase the Earned Income Tax Credit, strengthen child support enforcement, and increase funding for child care.

Not enough time has passed for full scale research studies to be completed to tell us what recipients are doing once they leave the rolls, but we do know that almost all have left the rolls voluntarily, since very few time limits of any kind have gone into effect yet. Preliminary studies show that most people are leaving welfare for work, and I think even welfare reform critics have been pleasantly surprised by the progress so far.

#1 Question New

you have seen the

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Questions and Answers on Education
February 3, 1998

Voluntary National Tests

Background

Despite the agreement worked out during the appropriations process last fall, the House Education and the Workforce Committee has approved a measure (23-16, basically along party lines) that would prohibit further development work on the national tests absent prior authorization from Congress. The measure is expected to reach the House floor on Thursday. This bill is likely to pass the House, but Democrats are expected to be more united in their support of the President's position on testing this time than they were during the last session of Congress, ~~in part because of~~ the Administration's new proposals for investing in education, such as school construction and class-size reduction initiatives.

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New Democratic support is in part due to

Q: Just recently the National Assessment Governing Board voted to delay the proposed national tests until after you leave office in 2001. This week the House voted to approve a measure that would kill the tests. The Senate is considered likely to go along. Is it time to give up on these tests?

A: Absolutely not. High national standards and national tests in the basics are critical for all of our students, and especially students in our poorest communities. There is nothing worse than allowing a tyranny of low expectations to limit a child's future. We need to have rigorous expectations for students and then do everything we can to help them succeed.

In its last meeting, NAGB made clear that it would continue to develop and implement the tests.

I am pleased that the independent, bipartisan National Assessment Governing Board has taken full charge of developing national tests, and is moving forward as provided in the agreement we worked out with the Congress last year. Their work has put us another step closer to having the first ever national tests in the basic skills.

NAGB's

I will not accept such a bill.

The vote in the House was wrongheaded, and is unacceptable to me. Instead of maintaining the status quo, we must act boldly to strengthen our public schools. I have presented a comprehensive plan for doing this by raising standards, demanding accountability, providing smaller classes with well trained teachers in modern school buildings. As I have said many times before, when it comes to education, politics must stop at the schoolhouse door. Once again I call on the Congress to end the partisan fights on education, and to unite behind an American agenda to strengthen our public schools.

and

California Bilingual Education Initiative

Q. What is the Administration's view of bilingual education and do you plan to intervene in California and campaign against the Unz Initiative?

A: It is very important that all students become proficient in English. That is the language for success in school, and for success in life. New immigrants and other students whose native language is not English need extra help in order to learn to speak, read and write in English. The federal bilingual education program is designed to do exactly that. It permits a variety of different approaches to helping students master English, including both bilingual and English immersion instruction. We are gathering more information on the California initiative as events develop. However, the Administration supports the approach of the federal program, which permits a variety of different instructional strategies.

Private School Vouchers

Q: Republicans in Congress are continuing to push private school voucher programs as a solution for failing public schools. Why do you and most other Democrats continue to oppose private school vouchers?

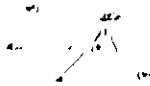
A: We need to focus on strengthening the public schools that serve nearly 90% of students and expanding choice within the public education system, such as through charter schools.

Vouchers would siphon critical dollars from neighborhood public schools that are already short on resources in order to send a few selected students to private schools. They would distract attention from the hard work of reform needed to change failing schools into good schools and good schools into outstanding schools.

As I made clear in Chicago recently, no child deserves to get a second class education. Where schools are failing, local and state education officials must step in and redesign them, or close them down and reopen them with new, more effective leadership and staff who will raise standards, put into place effective reforms, and create safe, disciplined learning environments where students can succeed.

Q: Some argue that vouchers are vital to help children escape ineffective, dangerous schools. What is your response to that?

A: My opposition to vouchers is based more on what happens to students who do not participate in a voucher program than on what may happen to the few who do. The fact is that 90% of our students attend public schools, and our primary responsibility, especially with limited federal resources, is to make sure that the public schools they attend are among the best in the world. This means concentrating our time and money on raising academic standards, improving teaching, providing schools with technology and other up-to-date learning tools, and creating charter schools and other forms of choice within the public school system. Vouchers only drain financial resources and energy away from our most important task -- improving our public schools.



We worked hard to reach a bipartisan agreement allowing the tests to move forward under an independent board, and I will work with Congress in a bipartisan fashion this year to ensure continued progress, as a part of my broad agenda for raising standards, reducing class size, modernizing schools, helping all children learn to read and log-on to the Internet, and insuring that students get the information and support they need to go on to college. Americans know that high standards and national tests fit together with strategies to help all children succeed, and I am pleased that we have actually gained ground in the House from where we were last year.

Questions and Answers on Medicare
February 3, 1998

Q. How do you respond to critics of the Medicare buy-in proposal who charge that it is not and cannot be self-financing?

A: We simply do not believe they understand the policy.

First of all, the President's proposal for Americans ages 62 to 65 explicitly would direct the Medicare actuary to set premiums at levels necessary to pay for the cost of this program. Unlike any other previous changes to the Medicare program, this policy asks the people benefiting to pay for the costs associated with this coverage. Each year, the actuary would be required to adjust those premiums to reflect actual experience to ensure that they are sufficient to offset costs. [This is the same career actuary whose projections about the financial status of Medicare are relied upon by Medicare's Trustees, Republicans and Democrats alike. We have full confidence that his estimates are sound.]

Second, from the beginning, we have acknowledged --and paid for -- any up-front costs associated with this proposal. The day the President announced the proposal we laid out the \$2 billion cost that was associated with this proposal. We also committed to completely offset these costs through a package of fraud, waste and abuse initiatives that will be included in the President's budget proposal.

Follow Up: If this is self-financed, why is there any cost associated with this proposal?

A. To ensure that the premium is affordable, we designed the 62-65 buy-in proposal so that there were two premium payments. Since the second premium is not paid until age 65, there is a short-term "loan" to participants to cover this cost. It is paid back, with interest, by the participants and the temporary cost is completely offset by anti-fraud, waste and abuse savings.

BACKGROUND: The first premium payment, about \$300, reflects the average cost of this age group and would be paid monthly before participants turn 65. The second premium, about \$15 per month per year for each year participants enrolled in Medicare before age 65, would be paid at the time of Medicare eligibility (at age 65). This amount offsets the additional costs resulting from the fact that participants are expected to be sicker than average.

Q: How do you feel about the selection of Senator Breaux as the Chair of the Medicare Commission and Congressman Bill Thomas as the Administrative Chair?

A: I believe that Senator Breaux is a fine choice to chair the Commission. His years of experience on the Finance and Aging Committees, as well as his strong track record of successful bipartisan negotiations on numerous policy fronts will serve the Commission and the nation well. I am also confident that Congressman Thomas will make significant contributions to the Commission in his capacity as administrative chair. As Chair of the Ways and Means Subcommittee on Health, he has demonstrated extraordinarily leadership and an impressive knowledge about Medicare and the challenges it faces. I look forward to the Commission getting their important work underway.

Q. Isn't your new Medicare buy-in policy just another example of a government take-over of the private health insurance system?

A. Absolutely not. This is a carefully targeted proposal that is designed to make sure that older Americans have access to health care coverage. Currently, older Americans have less access to employer-based health insurance, are twice as likely to have health problems, and are at greater risk of losing coverage. Some have no insurance options, and others are left to buy into the individual insurance market, which can be prohibitively expensive because of their poorer health. This policy helps this vulnerable population get access to health care coverage by:

- **Enabling Americans Ages 62 to 65 Buy into the Medicare Program**, by paying a full premium.
- **Providing Vulnerable Displaced Workers over 55 Access to Medicare** by offering those who have involuntarily lost their jobs and their health care coverage a similar Medicare buy-in option.
- **Providing Americans Over 55 Whose Companies Reneged on Their Commitment to Provide Retiree Health Benefits A New Health Option**, by extending (COBRA) coverage until age 65.

Q: Isn't this policy a Medicare entitlement expansion, at a time when Medicare can least afford it?

A. Absolutely not. There is no impact on the Medicare Trust Fund because participants would pay their full premium over time, and any of the temporary costs associated with this proposal are completely offset by Medicare fraud, abuse and waste savings.

This Administration has made strengthening and preserving the Medicare Trust Fund a top priority since I took office. In 1993, we enacted a budget --without the vote of a single Republican -- that extended the life of the Trust Fund through 2002. The Balanced

Budget I signed into law last summer extended the life of the Trust Fund beyond 2010. This new policy is a carefully targeted policy that will in no way compromise our commitment to strengthen the Medicare program.

Q. Shouldn't you wait for the Medicare Commission to make its recommendations before you propose such policies?

A. The purpose of the Commission is to develop proposals for the overall financing of Medicare. Because this policy is fully financed, it has no overall impact on the Medicare Trust Fund, and will not conflict with the Commission's work in this area. The proposal addresses an important problem in our health care system without interfering in any way with the overall financing of Medicare, which the Commission is looking into

Q: Won't this policy cause people to retire early?

A: No. There is no financial incentive to retire since participants would pay a higher premium than they would in their current, subsidized employer health plans. And, since participants would have to pay the full premium, they may need to continue to work to afford the coverage. In fact, this option may actually encourage people to start second careers (e.g., opening their own stores; becoming a consultant) since they could purchase Medicare if they leave their current job.

Q. Does this proposal create incentives for employers to drop retiree health coverage?

A. For today's retirees, this proposal actually lessens the incentives for employers to drop their health coverage. Such employers would have to allow their retirees to buy into their current workforce's health plan if they break their promise of providing retiree health benefits.

Q: Are you planning to endorse the Norwood/D'Amato consumer bill of rights legislation?

A: I applaud Congressman Norwood and Senator D'Amato for their leadership on this issue. We are encouraged that so many Republicans and Democrats understand the need for national legislation. There are a number of bills on the Hill at this time. Some Members have indicated their interest in modifying their legislation, ~~before Congress comes back~~. We look forward to working with all Republicans and Democrats as we move forward throughout this process.

to ensure equality health care.

people who don't want to give consumers ~~more~~ then protections.

Q: Isn't the Health Care Consumer Bill of Rights that you have called on Congress to pass really just "Clinton Care II"?

That's just inflammatory rhetoric
A: ~~Inflammatory and inaccurate rhetoric is only being used by defenders of the status quo.~~ *will* These recommendations ~~are aimed~~ *with* provide Americans essential protections ~~to give them~~ *and* confidence in their health care system.

Both Democrats and Republicans recognize the importance *on* of this issue, and nearly 100 Republicans have co-sponsored legislation that focuses ~~in~~ *on* these issues. Moreover, each of the rights proposed by the President's commission has been enacted by a Republican Governor. ~~We should focus on the national interest rather than special interests.~~

The bill of rights is a sensible, moderate approach to fixing some of the problems that are plaguing consumers, providers, and health plans as we move through ~~this~~ *in the nation's health care system.* historic transition.

Aren't these new consumer rights
Q: ~~Aren't these rights are going to raise health insurance premiums and cause more people to become uninsured?~~

A: No. The Quality Commission asked for an independent analysis of the few rights that are thought to be the most expensive and concluded that the cost impact was quite minimal. Also, nearly every state around the country has enacted some type of consumer protections without seeing a rise in health care premiums or a rise in the number of uninsured. Finally, those who are the greatest advocates of this legislation are consumers, advocates, and experts who are extremely concerned about the number of uninsured in this country. They do not believe that a consumer bill of rights that guarantees Americans quality care will increase the number of uninsured.

**Questions and Answers on Food Safety
February 3, 1998**

Q: What steps is the Administration taking to improve food safety?

A: Last year we launched a new Presidential food safety initiative, and added more than \$40 million to the FY '98 budget. With that money we started putting in place new science-based preventive systems to improve the safety of seafood, meat and poultry and began work on a new early warning system to help detect and respond to outbreaks of foodborne illness. This year, our budget seeks an even more substantial increase in resources, \$101 million, to improve food safety. The resources will go to a variety of initiatives, including: giving FDA authority to prevent the import of produce from countries without safety precautions equivalent to our own; hiring FDA inspectors to improve the safety of our nation's fruits and vegetables, both domestic and imported; developing new ways for federal inspectors to detect food-borne illnesses in meat and poultry and determine the source of contamination; improving educational outreach on proper food handling; and further expanding our early warning system and strengthening state surveillance activities for foodborne illnesses.

Q. A recent story revealed that USDA did not close down a plant despite 1,700 violations. What are you doing to make sure our meat and poultry are safe to eat?

A. We have to keep improving our food safety systems. And I am committing more resources than ever to the problem, and modernizing food safety for meat and fruits and vegetables and the water we drink. There are several important facts to remember in regard to this specific story. First, although the inspectors did not close the plant -- and in my view that was a wrong decision -- they did take actions to correct the plant's bad practices and to prevent all unsafe food they found from reaching the public. Second, those events occurred in 1996 -- before my Administration began implementing the Hazard Analysis and Critical Control Point (HACCP) system for meat. Under this system, inspectors will document food safety violations; they will shut down the plant where there are repeat failures; and they will insist that the plant take a wide range of measures to prevent any future contamination before the plant can reopen. Finally, the Administration has asked Congress for additional enforcement authority to fine companies for violations of food safety standards. Currently, USDA can't fine companies that violate food safety standards.

Question & Answers on Campaign Finance Reform
February 3, 1998

Q: ~~When did the President petition the Federal Elections Commission (FEC) to ban soft money?~~

A: The President petitioned the FEC on June 5, 1997. The President asked the FEC to "ban Soft Money" and to "adopt new rules requiring that candidates for federal office and national parties be permitted to raise and spend only hard dollars."

Q: ~~How far does the FEC'S proposed rulemaking go towards banning soft money? Does the proposal meet the President's challenge to completely ban soft money?~~

A: While this proposed rulemaking does not fully meet my request for a complete ban of "soft money", ^{and I call on the Commission to adopt it.} it would significantly decrease the impact of soft money on our political system ~~and I call on the Commission to adopt the General Counsel's recommendation at their February 12 meeting.~~ The FEC's proposal would virtually eliminate "soft money" fundraising by the national party committees, and require them to defray nearly all of their expenses, including their mixed activity expenses, with hard dollars. ~~less on the~~

Q: ~~If the FEC adopts the General Counsel's proposed rulemaking, why should Congress take any further action on soft money?~~

A: The proposed rulemaking of the General Counsel is not the total solution. It remains imperative that Congress pass legislation that deals with other soft money issues such as state party spending and issue advocacy. I challenge Congress to pass the McCain-Feingold and Shays-Meehan bills this Spring. ~~The American people deserve nothing less.~~

~~I called on the FEC to ban soft money~~

d: ~~The~~ The General Counsel of the FEC recently proposed a rulemaking on soft money. Does this proposal meet ~~the~~ your ~~challenge~~ call for the FEC to ban soft money?

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Questions and Answers on Crime
February 3, 1998

Crime: General

Q: Mr. President, over the past few months you have taken a lot of credit for the falling crime rates. Do you really think it is fair for the federal government to claim credit for what is overwhelmingly a local issue? And don't changing demographics and the expanding economy have more to do with falling crime rates than your Administration's efforts?

A: I think its appropriate for all of us -- the federal government, police, prosecutors, and community leaders --to claim some credit for driving down the crime rates to their lowest level in 25 years. Together, we fought for more police in our communities, fewer guns on our streets, tougher punishment for violent offenders, and better opportunities for our kids -- and used these tools to make a difference. Sure, our economic plan and other factors have played a role in cutting crime, but our tough, smart anti-crime strategy has definitely had an impact. For instance:

- We have helped to fund over 70,000 more police in thousands of cities across the country. Working with community residents, these new police have taken on all sorts of local crime problems -- but especially violent crime. There were nearly 5,000 fewer murders in 1996 than when I took office.
- We have kept guns out of the hands of criminals. An estimated 300,000 fugitives and felons have been stopped from purchasing guns. We have cut the number of legitimate federal guns dealers by more than two-thirds (from 252,799 to 88,590).
- We have enacted tougher penalties for violent and sex offenders; spent more than \$2 billion to help states incarcerate them; supported community notification of released sex offenders; and established a national sex predator registry.
- We have repeatedly put forth the largest anti-drug budgets ever. My anti-drug budget for FY 99 is over \$17 billion -- an increase of over \$1 billion over FY 98. Last month, we launched an unprecedented paid media campaign to make sure our kids are getting the message about the dangers of drugs. And I recently signed a directive to help close the revolving door of crime and drug use.

Over the coming year, my balanced budget will continue to build on these successful efforts. We will continue to work hand-in-hand with local communities on increasing public safety and reducing drug use.

Also, our top law enforcement priority will be to pass a juvenile crime bill that allows cities across the country to implement tough, smart strategies like the highly successful Boston model -- where no juvenile was killed with a gun for two and half years. Congress should finally a pass a juvenile crime bill that provides more prosecutors and probation officers to crack down on gangs, guns and drugs. They should extend the Brady Bill to violent juveniles, and prohibit them from buying guns on their 21st birthday. And they should help principals keep more of our schools open later, so that adults can be more involved in the lives of our youth -- and teach them right from wrong.

Crime: Juvenile Crime

Q. What is your position on juvenile crime legislation under consideration by the Congress?

A. I have made juvenile crime and gangs my top law enforcement priority over the next three years. My goal is to enact a juvenile crime bill that allows cities across the country to implement tough, smart strategies like the highly successful Boston model -- where no juvenile was killed with a gun for two and half years.

America's Anti-Gang and Youth Violence Strategy must declare war on gangs; target funding for additional local prosecutors to pursue, prosecute, and punish gang members; extend the Brady Law so violent teen criminals will never have the right to purchase a gun; and target resources to keep schools open late, on weekends, and in the summer to keep young people off the street and out of trouble.

I opposed the juvenile crime legislation passed in the House last year because it didn't provide any of these necessary measures to give law enforcement, prosecutors, and parents the tools they need to combat gangs and youth violence in their communities. The Senate leadership has said that they plan to take up their own legislation in the early part of this year. We made some progress in the appropriations bill I signed last fall to start funding some new tools to combat juvenile crime. As for any comprehensive juvenile crime bill, I am committed to work with Congress to ensure passage of legislation that will give our children the safest and most secure future as possible.

Drugs: Directive on Drugs in Prisons

Q. A study was recently released by the Center for Addiction and Substance Abuse documenting significant problems of drug abuse among

individuals involved in the criminal justice system. Can you explain what you are doing about this problem?

A. Last month, I signed a directive to the Attorney General calling on her to take the necessary steps to:

(1) Require states to determine the level of drug use in their prisons and report annually on their progress. Under current law and federal guidelines, states are required to submit drug testing and intervention plans for their federal prison grant funding. My directive calls on the Attorney General to amend the guidelines to require states to also include a baseline report of their prison drug abuse problem, and to report every year thereafter to chart the progress they are making to reduce drug use and availability.

(2) Give states the flexibility to use their federal prison funds for drug detection, offender testing, and drug treatment. The Attorney General will draft and transmit to the Congress legislation to give states the flexibility to use their federal prison construction and substance abuse treatment funds for the full range of drug testing, sanctions, and treatment for offenders under criminal justice supervision. This will allow states to tap into the nearly \$8 billion in prison funds authorized by the 1994 Crime Law (about \$2 billion of which already have been appropriated to date).

(3) Require states to enact stiffer penalties for drug trafficking into and within correctional facilities. Finally, my directive calls on the Attorney General to draft legislation, in consultation with the states, that would require states to enhance their penalties for drug trafficking into and within correctional facilities as a condition of receiving prison construction funds. The 1994 Omnibus Crime Bill contains tough penalties for similar crimes. I believe we must have "zero tolerance" for drug use and trafficking within our nation's prison system.

In addition, my FY 99 budget includes \$197 million for a series of initiatives to promote coerced abstinence and treatment in the criminal justice system.

Crime: Community Prosecutors

Q. Can you explain your "community prosecutors" initiative that you announced at last week's event with Mayors? Is this linked to your community policing initiative?

A. My FY 1999 budget proposes a new initiative, funded at \$50 million, to promote community prosecution, which builds on effective community policing strategies. Thousands of police departments have learned how to put

police directly in communities and work with citizens to cut crime. Now communities are turning to local prosecutors to play a more active role in the crime fighting effort, by spending time in their neighborhoods, helping to solve local crime problems, and preventing crimes from happening in the first place. My initiative will provide grants to communities across the nation to encourage these efforts.

This initiative will allow hundreds of prosecutors' offices to hire "community prosecutors" or "neighborhood DAs" to strengthen the team of community police, citizens, and prosecutors working to reduce crime. And just as the COPS program has helped bring community policing methods to thousands of police departments across the country, the community prosecutor initiative will help local criminal justice systems become even more responsive to the needs of their citizens.

The initiative will provide direct grants to local prosecutors' offices, with the vast majority funds to be used to hire or reassign prosecutors to work directly with police and community residents. Remaining funds could be used flexibly for other costs such as the development of innovative programs to further link prosecutors to community anti-crime activities.

Crime: Prisons

Q. The Justice Department recently issued a study showing that we are incarcerating over 1.7 million people in this country. What do you think about the extraordinary rise in incarceration level?

A. I am concerned about it. But part of the reason why the incarceration number is so high is because today, serious offenders -- including violent and sex offenders -- are serving more of their sentences and are not being let out because of prison overcrowding. In the historic 1994 Omnibus Crime Act, we enacted Truth-in Sentencing and substantial funding for state prison construction to make sure these dangerous offenders serve their sentences, and I think that's a good thing. I also think it is important to note that crime has been declining for five years in a row, and we've seen a slowing in the growth of state and federal prisoners over the last two years-- both of which are positive signs.

But clearly, prisons alone will not solve the crime problem. We need to attack the problem on all fronts, which is why I recently signed a directive to address the massive drug problem among our nation's prisoners. With the inmate population, we have an opportunity to shut the revolving door between drug use and crime, by adopting zero tolerance for drug use and trafficking in our prisons and demanding coerced abstinence, testing, and treatment to break

prisoners of their drug addictions -- the reason why many of them are incarcerated in the first place. We also need to continue to support community policing across the country, to help communities and law enforcement agencies prevent crime before it happens. And we need to pass a tough, smart juvenile crime bill that cracks down on violent youth gangs, but also gives our young people safe havens in the after school hours to help them stay out of trouble.