The White House,
October 13, 1994.

NOTE: H.R. 4217, approved October 13, was assigned Public Law No. 103–354.

Statement on Signing the Government Management Reform Act of 1994
October 13, 1994

Today I have signed into law S. 2170, the "Government Management Reform Act of 1994."

In September of last year, Vice President Gore and his team at the National Performance Review (NPR) stated this simple fact in their report entitled, "From Red Tape to Results":

> "Management isn't about guessing, it's about *knowing*. Those in positions of responsibility must have the information they need to make good decisions. Good managers have the right information at their fingertips. Poor managers don't."

By passing the Government Management Reform Act of 1994, which is largely based on ideas developed by the NPR, the Congress has helped ensure that the Federal Government's managers will have the financial information and flexibility they need to make sound policy decisions and manage resources.

The Act expands the coverage initially mandated by the Chief Financial Officers Act so that 24 major Government departments and agencies will now provide annual audited financial reports of all their activities, spending, and revenues. Not later than 1998, the Federal Government will produce a consolidated financial statement covering virtually all of the $1.5 trillion annual budget authority of the Government and the revenues it receives.

The NPR report also stated that "we believe Americans deserve numbers they can trust" and recommended that the Federal Government provide an annual accountability report to our citizens. This Act's requirement for an audited consolidated financial report is a step in achieving this goal. To advance the process of accountability, I have requested that the Secretary of the Treasury, with the Director of the Office of Management and Budget (OMB), also produce an Annual Accountability Report to the Citizens in 1995, as recommended by the Vice President in the NPR report. The Accountability Report will be a straightforward description of the money spent and its effects on achieving results.

Measuring results is an important management goal of this Administration. The financial statements promise to be an excellent tool for providing agency performance and financial data, so we can have a closer look at results and whether Government indeed works better and costs less.

S. 2170 contains a number of other significant provisions. These include: the establishment of pilot programs to create franchising operations that will consolidate administrative support services, improve competition, and cut costs; expansion of the use of electronic funds transfers for Federal payments; and authority for the OMB Director to streamline management reporting to the Congress.

The Franchise Fund Pilot Program authorized by this Act will create internal markets through "franchising" common administrative support services to many agencies so the service providers may compete with one another. Injecting competition and market forces into the delivery of these services will reduce duplication, lower overhead costs, and better serve the American people.

Starting on January 1, 1995, S. 2170 promotes the use of direct deposit through electronic funds transfer for Federal wages, salaries, and retirement payments. The costs of disbursing money electronically are considerably less than the costs of printing, mailing, and processing paper checks.

The Act also provides tools to the OMB Director to consolidate and streamline management reporting processes. In particular, the Director will have the flexibility to determine the most meaningful timing and presentation of financial management reports from agencies to OMB and the Congress.

By expanding the scope of the financial statement requirements, the Act ensures the American people will have financial information they can trust. We will be better able to show the

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taxpayers what they are getting for their dollar. In short, this law means greater accountability. I commend the Congress for passing the Government Management Reform Act of 1994, and I am pleased to sign this legislation into law.

WILLIAM J. CLINTON

The White House,

October 13, 1994.

NOTE: S. 2170, approved October 13, was assigned Public Law No. 103-356.

Teleconference Remarks to Broadcasters Associations

October 13, 1994

Thank you, Marcy. Good morning to you and to the hundreds of distinguished members of the broadcast journalism industry gathered there with you. I'm honored to help kick off the very first joint undertaking of the Radio Television News Directors Association and the National Association of Broadcasters Radio.

You know, I've talked a lot about building new partnerships all over America; I must say that after the last 20 months I never expected it would be the journalists who would be the first to take me seriously. But I'm glad you're leading the way.

I've had the chance to review the ambitious agenda you've had for this week—discussing issues involving programming, ethics, technology, marketing—in one of the most dynamic industries on Earth. I applaud you for accepting these challenges as well as for the decades of leadership in your industry. I know Reed Hunt, our Chairman of the FCC, will join many of you soon for an in-depth discussion of these and other issues.

I'm delighted that you're honoring Charles Kuralt with the Paul White Award for lifetime achievement. I've admired him for a long time. "On The Road" was a true celebration of the unsung heroes and the enduring values of America. I'm told he got the idea for the show one night when he was on a plane looking down at the lights below. He said he thought the following: "There are a lot of Americans who don't live in cities and don't make headlines. I was interested in finding out about them." Well, for most of my life I was one of them, and I'm proud that Charles Kuralt found out so much about them. He taught us about the steadiness and the joys of daily life that are so often masked by the daily headlines.

Before I get into the body of my remarks today, I'd like to give you an update on the situations in the Persian Gulf and Haiti. First, let me say how very proud I am of the men and women of our Armed Forces who are serving in both areas. We've asked an awful lot of them, and they're delivering with great skill and professionalism. They are the power behind our diplomacy.

Last week, in the face of Iraq's threatening troop movements on the Kuwaiti border, I ordered the deployment to the Gulf of an aircraft carrier battle group, cruise missile ships, Marine and Army troops, and several hundred attack aircraft. Our policy is clear: We will not allow Iraq to threaten its neighbors or to intimidate the United Nations as it ensures that Iraq never again possesses weapons of mass destruction.

I'm pleased to say that Iraq heard our message. Its forces have begun a broad retreat from the border area. Only a few Republican Guard units remain in southern Iraq, and they are withdrawing, too. But the withdrawal is not yet complete, and it's too soon to say where all the troops are going. So we're watching the situation very, very carefully, and we'll continue to deploy our forces in the Gulf until we're satisfied that Iraqi troops no longer pose an immediate danger to Kuwait.

At the same time, Ambassador Albright has proposed a very strong resolution in the United Nations to prevent Iraq from threatening its southern neighbors now or in the future. We're working closely at the Security Council to win broad international support for that resolution.

Now let me add a few words about Haiti. Our troops went there to keep a solemn commitment by the United States and the international community to restore the nation's democratically elected government and to help