

Memorandum on Facilitating the Growth of Electronic Commerce November 29, 1999

*Memorandum for the Heads of Executive
Departments and Agencies*

Subject: Facilitating the Growth of Electronic
Commerce

The rapid growth of the Internet and its increasing use throughout the world for electronic commerce holds great promise for American consumers and for the Nation. Consumers will have significantly greater choice and convenience and will benefit from enhanced competition for their businesses.

It is essential for consumers and the health of the economy that government facilitate not only retail activity, which has increased substantially, but also the movement to the online environment of other categories of transactions. We must update laws and regulations developed before the advent of the Internet that may have the unintended effect of impeding business-to-business and business-to-consumer online transactions. Impediments may include regulatory or licensing requirements and technical standards and other policies that may hinder electronic commerce in particular goods or services. While some of these legal restrictions are the subject of pending legislation, other potential barriers are outside the scope of those legislative proposals.

Under the Government Paperwork Elimination Act, Federal agencies are addressing issues regarding electronic transactions within the Federal Government and between the Federal Government and other parties. We should provide for similar consideration of laws and regulations governing electronic commerce in the private sectors.

In adapting laws and regulations to the electronic environment, it is critical that consumers and the public at large be assured of a level of protection in electronic commerce equivalent to that which they now enjoy in more traditional forms of commerce. Any disparity in protection may undermine consumer confidence in electronic commerce and impede the growth of this important new trade medium. At the same time, we must recognize that different media may require different approaches and that public interest protections designed for the physical world may not fit in the electronic commerce arena.

We should attempt to develop an equivalent level of protection, recognizing that different means may be necessary to accomplish that goal.

The United States Government Working Group on Electronic Commerce (the Working Group) shall establish a subgroup, led by the Department of Commerce, to: (1) identify Federal, State, and local laws and regulations that impose barriers to the growth of electronic commerce, and (2) recommend how these laws and regulations should be revised to facilitate the development of electronic commerce, while ensuring that protection of the public interest (including consumer protection) is equivalent to that provided with respect to offline commerce. This subgroup shall carry out the responsibilities identified below on behalf of the Working Group, with the exception of reporting to the President.

Within 60 days of the date of this memorandum, the Working Group shall invite the public to identify laws or regulations that may obstruct or hinder electronic commerce, including those laws and regulations that should be modified on a priority basis because they are currently inhibiting electronic commerce that is otherwise ready to take place. The Working Group also shall invite the public to recommend how governments should adapt public interest regulations to the electronic environment. These recommendations should discuss ways to ensure that public interest protections for online transactions will be equivalent to that now provided for offline transactions; maintain technology neutrality; minimize legal and regulatory barriers to electronic commerce; and take into account cross-border transactions that are now likely to occur electronically.

The Working Group shall request each Federal agency, including independent regulatory agencies, to identify any provision of law administered by such agency, or any regulation issued by such agency, that may impose a barrier to electronic transactions or otherwise impede the conduct of commerce online or by electronic means, and to recommend how such laws or regulations may be revised to allow electronic commerce to proceed while maintaining protection of the public interest.

The Working Group shall invite representatives of State and local governments to identify laws and regulations at the State and local level that may impose a barrier to electronic transactions or otherwise to the conduct of commerce online or by electronic means, to discuss how State and local governments are revising such laws or regulations to facilitate electronic commerce while protecting the public interest, and to discuss the potential for consistent approaches to these issues.

The Working Group shall report to the President in a timely manner identifying:

- (1) laws and regulations that impose barriers to electronic commerce or that need to be amended to facilitate electronic commerce, and
- (2) recommended steps for addressing the barriers that will facilitate the growth of electronic commerce and will ensure continued protection for consumers and the public at large.

WILLIAM J. CLINTON

Statement on Signing Consolidated Appropriations Legislation for Fiscal Year 2000

November 29, 1999

I have signed into law H.R. 3194, the Consolidated Appropriations Act for FY 2000. I am pleased that my Administration and the Congress were able to reach agreement on the first budget of the 21st Century—producing a hard-won victory for the American people.

This legislation makes progress on several important fronts. It puts education first, honoring our commitment to hire 100,000 qualified teachers to lower class size in the early grades and doubling the funds for after-school and summer school programs.

It makes America a safer place. The bill provides an acceptable funding level for my 21st Century Policing Initiative, which builds on the success of the Community Oriented Policing Services (COPS) program. To date, the COPS program has funded more than 100,000 additional police officers for our streets. This bill funds the first increment of the 21st Century Policing initiative, which will place an additional 30,000 to 50,000 police officers on the street over the next 5 years, while expanding the concept of community policing to include community prosecution and law enforcement technology assistance. I appreciate the Congress' efforts to forge a bipartisan commitment to the program, which will build upon our successful efforts to reduce crime in our communities.

The bill strengthens our effort to preserve natural areas and protect our environment by its support of my Lands Legacy Initiative. I am very pleased that the bill does not include most

of the environmental riders that would have put special interests above the national interest.

This budget agreement also strengthens America's leadership role in the world by paying our dues and arrears to the U.N.; by meeting our commitments to the Middle East peace process; by making critical investments in debt relief for the poorest countries, by enhancing the security of our overseas personnel; by providing for new, critical peacekeeping missions; and by funding efforts to safeguard nuclear weapons in Russia.

Labor/Health and Human Services/Education Bill

Specifically, I am pleased that the legislation provides \$1.3 billion for the second installment of my plan to help reduce class size in the early grades. The Republican proposal did not guarantee funding for the teachers hired last year and would have instead allowed Class Size dollars to be used for virtually any activity, including vouchers. The final budget agreement supports the over 29,000 teachers hired last year plus an additional 2,500 teachers.

The bill appropriately includes several other high priority education initiatives. One million students will continue to be served by the Reading Excellence Initiative and 375,000 more students than last year will have access to 21st Century Community Learning Centers. By providing \$145 million for Public Charter Schools,