

way. That's my position, and I want to follow it.

I want to say also that the Health Care Task Force, which my wife is chairing, has benefited immensely from the contributions of Latinos in community-based health movements all over the United States who have helped us to understand some of the special needs that we must respond to in putting together a real program to provide health security for all the people of the United States, something that we are determined to do this year. And I want you to support us in that.

I also want you to know that—I don't know if this is a commendation or a condemnation in the world of electoral politics—but my wife and I are NPR junkies. When I was Governor of Arkansas, we woke every morning for more than a decade to the NPR station at home, kicking on at 6 a.m. Our radio would come on, and I would hear some thoughtful news broadcast but desperately want to go back to sleep. But the earnest sincerity of NPR always got me up and got me going. As a matter of fact, I was so impressed with the quality—yes, I am—[laughter]—the quality of the programs that I asked NPR's president, Douglas Bennet, to leave his post and join my administration as Assistant Secretary of State for International Organizations. Now, I want you to know that Doug has his hearing on Friday. And after all these years, he's going to get a feel for what it's like to be on the other side of the microphone. That was almost worth making the appointment for. [Laughter]

I also want to say a word of congratulations to NPR's news division and its vice president for news, Bill Buzenberg, for "All Things Considered," which celebrated its 22d anniversary on Monday, a great program. I hope that "Latino USA" does for its audiences what programs like "All Things Considered" and "Morning Edition" do for audiences all across America today. Perhaps 22 Cinco de Mayos from today, you too will be able to look back and remember what an important beginning this really was.

And let me say in general, I am trying to make this administration one of new beginnings. I'm doing my best every day to get up and go to work with people like Henry and Federico, knowing that we don't have

all the answers and knowing that you can't just turn the ship of state around overnight, but believing that our solemn obligation is to get up every day and try to change this country for the better and try to make it possible for Americans to honestly and maturely and with discipline and vision and will face our problems and seize our opportunities, trying to make absolutely sure that our diversity is a cause of strength not a source of division so that every person in this country and every child, like that beautiful little girl I held up a minute ago, can grow up and live to the fullest of their God-given capacities. That is our job.

Thank you, and God bless you all.

NOTE: The President spoke at 10:35 p.m. at the Sequoia Restaurant. In his remarks, he referred to Gilbert Cardenas, executive producer of "Latino USA."

Message to the Congress Transmitting Proposed Legislation on National Service and Student Loan Reform

May 5, 1993

To the Congress of the United States:

I am pleased to transmit today for your immediate consideration and enactment the "National Service Trust Act of 1993" and the "Student Loan Reform Act of 1993." These Acts represent innovative public policy founded on traditional American values: offering educational opportunity, rewarding personal responsibility, and building the American community. In affirming these values, the Acts reject wasteful bureaucracy—instead reinventing government to unleash the ideas and initiative of the American people. Also transmitted is a section-by-section analysis.

Throughout the Presidential campaign last year, Americans of all backgrounds and political persuasions responded to national service like few other ideas. The reasons are clear. Higher education is fundamental to the American Dream, but complex procedures and inflexible repayment plans have created serious problems for many students with education loans to pay back. Defaults are too

high today—and taxpayers are left to foot the bill. Americans are yearning to reaffirm an American community that transcends race, region, or religion—and to tackle the problems that threaten our shared future.

The two Acts are designed to meet these basic American needs. The National Service Trust Act of 1993 establishes a domestic Peace Corps, offering hundreds of thousands of young people the opportunity to pay for school by doing work our country needs. The Student Loan Reform Act of 1993 overhauls the student loan system. Through a one-stop direct student loan program, the Act will save taxpayers billions of dollars, lower interest rates for students, and simplify the financial aid system. And through new EXCEL Accounts and other repayment options, the Act will offer borrowers greater choice and lower monthly payments while reducing the chance of defaults.

The National Service Trust Act of 1993 establishes a definition of national service that is clear but broad. National service is work that addresses unmet educational, environmental, human, or public safety needs. It enriches the lives of those who serve, instilling the ethic of civic responsibility that is essential to our democracy. And national service does not displace or duplicate the functions of existing workers.

Building on the National and Community Service Act of 1990 and the flourishing community service programs of nonprofit organizations and States, the initiative rejects bureaucracy in favor of locally driven programs. In the spirit of reinventing government, the Act will empower those with the greatest expertise and incentives to make national service work.

The Act enables citizens of all backgrounds to serve and use their educational awards where they see fit. While many participants will be recent college graduates, Americans will be eligible to enter the program at any time in their adult lives. Both full-time and part-time service will be encouraged. And whatever their education level, those who complete a term of service will receive an award of \$5,000. The award will be payable toward past, present, or future educational expenses in 4- and 2-year colleges, training

programs, and graduate and professional schools.

The Act demands that programs meet tough guidelines for excellence and requires measurable performance goals and independent evaluations. Within these limits, however, the Act enables the people who run programs to design them. The smallest community-based organizations and largest Federal agencies will be able to compete for funding. A variety of program models will be eligible, ranging from youth corps that enable at-risk youth to meet community needs, to preprofessional programs that give college students ROTC-like training and then placements in specific problem areas, to diverse community corps that involve Americans of all backgrounds in meeting common goals.

With the economic market as a model, there is competition at every level of the system: programs compete for State approval, States compete for Federal approval, and programs at the national level compete against each other and States for Federal approval. To build public/private partnerships that earn support far beyond government, the Act requires programs to make a cash match and to increase nongovernment support as time passes.

The Act is designed to reduce waste and promote an entrepreneurial government culture. The Act establishes a new Government Corporation for National Service that combines two existing independent agencies, the Commission on National and Community Service and ACTION. With flexible personnel policies and a small, bipartisan Board sharing power with a Chairperson, the Corporation will operate as much like a lean nonprofit corporation as a Government agency.

The State level will mirror the Federal level and build a strong partnership between the two. Bipartisan State commissions on national service will be responsible for selecting programs to be funded by States. To ensure genuine Federal/State cooperation, a representative of the Corporation will sit on State commissions and a representative of the States on the Corporation Board.

The National Service Trust Act of 1993 encourages Americans to join together and serve our country—at all ages and in all forms. The Act enhances the Serve-America

program for schoolage youth; extends and improves the VISTA and Older Americans Volunteer Programs authorized under the Domestic Volunteer Service Act; supports the Civilian Community Corps and Points of Light Foundation; and pulls these efforts under the new Corporation. The Act will help instill an ethic of service in elementary and secondary school students, encourage them to serve in their college years, and give them further opportunities later in their lives.

The Student Loan Reform Act of 1993 will taken an important first step toward comprehensive reform of the student loan system. It saves money, makes loan repayment more affordable, and holds students more accountable. The measures in no way replace the Pell Grant program, which will remain the cornerstone of financial aid for millions of students.

The Student Loan Reform Act of 1993 replaces the current Federal Family Education Loan program with the Federal Direct Student Loan Program over a 4-year period. By eliminating subsidies to private lenders and making loans directly to students, direct lending will save taxpayers \$4.3 billion through Fiscal Year 1998 and still allow interest rates to drop for student borrowers. Many schools will make loans directly to students on campus, though none will be forced to do so. In addition, no institution will service or collect loans. This reform simplifies the system for many students, enabling most to receive all their aid through "one-stop shopping" at their institutions' financial aid offices.

The lending reform expands choice and reduces burdens for all student borrowers by offering a variety of repayment plans—including fixed, extended, graduated, and income-contingent schedules. In the same way that multiple financing options help homeowners, these plans offer real choice to all and lower monthly payments to those who want them. Income-contingent repayments—through the new EXCEL Accounts—also encourage service by students who do not participate in service under the National Service Trust Act. With more manageable monthly payments, more students will be able to take jobs that pay less but do more for their communities, without risk-

ing default. And whatever plan they first choose, students will be able to change their repayment schedule as their circumstances change.

The Student Loan Reform Act of 1993 will also reduce default rates. By electing income-contingent repayment schedules, students with lower incomes will be able to repay their loans on a manageable plan, without defaulting. Through cooperation with the IRS, the Act will improve collection and monitoring of student loans. And for those who are able to pay but do not, the Act will give the Secretary of Education authority to require payment on an income-contingent basis.

Opportunity, responsibility, and community go beyond politics. They are basic American ideals. Enactment of these two Acts will express the Nation's commitment to these ideals and to our shared future. I urge the Congress to give the legislation prompt and favorable consideration.

William J. Clinton

The White House,
May 5, 1993.

NOTE: This message was released by the Office of the Press Secretary on May 6.

Remarks to the Export-Import Bank Conference

May 6, 1993

Thank you very much. Good morning everyone. I'm delighted to see all of you here in such large numbers. I want to thank my good friend Ken Brody for inviting me to come and speak with you for a few moments. He's the President-designate of the Ex-Im Bank. That's a delicate way of saying that it takes a long time to get confirmed in today's Washington. [*Laughter*] I know a little about that in another context.

I have thought a good deal about what I wanted to say to you today about the subject which brings you here. I hope you will understand if I ask for a few moments to address the situation in Bosnia first, not only because the national press is here but because you are very much a part of the world which will