

Now, we can fix the Medicare trust fund. It doesn't have anything to do with what we've been talking about here today.

NOTE: The President spoke at 10:12 a.m. in the Oval Office at the White House. In his remarks, he referred to Arthur Flemming, chair, Save Our Security.

Statement on the Death of Major Richard J. Meadows

July 29, 1995

I mourn the passing today of Major Richard J. Meadows, USA (Ret.), whose dedicated and exceptional service is cherished by everyone who knew of his extraordinary courage and selfless service.

I recently had asked General Wayne Downing, the commander-in-chief of the U.S. Special Operations Command, to present the Presidential Citizens Medal to Major Meadows. I am gratified to know that Major Meadows' wife, Pamela, his son, Mark, a U.S. Army captain, and daughter, Michele, will receive this award tonight at a gathering of those involved in the Sontay raid at Hurlburt Field. Although this will now be a posthumous honor, I am pleased that Major Meadows knew of this honor before he died.

To Major Meadows' family and friends and to the Special Operations community, I extend my heartfelt condolences. We will all remember him as a soldier's soldier and one of America's finest unsung heroes.

Remarks to the National Governors' Association in Burlington, Vermont

July 31, 1995

Thank you very much, Governor Dean. And thank you for the gift of those proceedings. I discovered two things looking through that book very quickly, which will be interesting perhaps to some of you. One is that the first Governors' conference—one thing I knew and one I didn't—the first Governors' conference was called by President Theodore Roosevelt to bring all the Governors together to develop a plan to conserve our Nation's resources. It was an environmental Governors' conference.

The second thing was that they really set the tone of bipartisanship which has endured through all these years—something I didn't know—I saw that the two special guests at the Governors' conference were William Jennings Bryan and Andrew Carnegie. So they were spanning the waterfront even then.

I really look forward to this, but I kind of got my feelings hurt. I understand Senator Dole came in here and told you that my cholesterol was higher than his. [*Laughter*] I came to Vermont determined to get my cholesterol down with low-fat Ben & Jerry's Cherry Garcia. [*Laughter*] I do want you to know that my standing heart rate, however—pulse rate—is much lower than Senator Dole's. But that's really not his fault, I don't have to deal with Phil Gramm every day. [*Laughter*] I think on matters of health, age, and political anxiety, we have come to a draw.

I thank you very much for having me here. I love looking around the table and seeing old friends and new faces. I thank Governor Dean for his leadership of the Governors' conference. And Governor Thompson, I wish you well, and I thank you for the work that we have done together over so many years. I thank all the State officials from Vermont who came out to the airport to say hello and the mayor here of Burlington. I know that your former Governor, Madeleine Kunin, is here, the Deputy Secretary of Education. She has done a very great job for us, and I thank her for that.

I want to talk to you today primarily about welfare reform. But I'd like to put it in the context of the other things that we are attempting to do in Washington. I see Senator Leahy and Congressman Sanders back there; Senator Jeffords may be here. I think I'm taking him back to Washington in a couple of hours.

I ran for President because I was genuinely concerned about whether our country was ready for the 21st century, because of the slow rate of job growth, 20 years of stagnant incomes, 30 years of social problems. I knew that we were still better than any other country in the world at so many things, but we seemed to be coming apart when, clearly, we've always done better when we went forward together as a nation.

I have this vision of what our country will look like 20 or 30 or 40 years from now. I want America to be a high-opportunity, smart-work country, not a hard-work, low-wage country. I want America to be a country with strong families and strong communities, where people have the ability to make the most of their own lives and families and communities have the ability to solve their own problems, where we have good schools and a clean environment and decent health care and safe streets.

I think the strategy to achieve that is clear. We have to create more opportunity and demand more responsibility from our people, and we have to do it together. I have concluded, having worked at this job now for 2½ years, that we cannot achieve the specific strategies of creating opportunity or providing for more responsibility unless we find a way to do more together.

In the last 2½ years, as Governor Dean said, I have spent most of my time working on trying to make sure we had a sound economic policy, to bring the deficit down and increase trade and investment in technology and research and development and education, to open up new educational opportunities, and to work with you to achieve standards of excellence with less direction from the National Government.

We also have tried to put some more specific responsibilities into the programs that benefit the American people. That's what the national service program was all about. We'll help you go to college, but you need to serve your country at the grassroots level. We reformed the college loan program to cut the cost and make the repayment terms better, but we toughened dramatically the collection of delinquent college loans so that the taxpayers wouldn't be out more money. We passed the family leave law, but we've also tried to strengthen child support enforcement, as so many of you have.

I want to help people on welfare, but I also want to reward people who, on their own, are off of welfare, on modest incomes, which is why we have dramatically expanded the earned-income tax credit, the program that President Reagan said was the most pro-family, pro-work initiative undertaken by the United States in the last generation. Now,

this year, families with children with incomes of under \$28,000 will pay about \$1,300 less in income tax than they would have if the laws hadn't been changed in 1993.

We also tried to change the way the Government works. It's smaller than it used to be. There are 150,000 fewer people working for the Federal Government than there were the day I became President. We have dramatically reduced Government regulations in many areas. We're on the way to reducing the regulatory burden of the Department of Education by 40 percent, the Small Business Administration by 50 percent. We are reducing this year the time it takes to comply with the EPA rules and regulations by 25 percent and establishing a program in which anybody, any small business person who calls the EPA and honestly asks for help in dealing with a problem cannot be fined as a result of any discovery arising from the phone call while the person is trying to meet the requirements of Federal law.

We have also tried to solve problems that have been ignored. We reformed the pension system in the country to save 8½ million troubled pensions and stabilize 40 million more. Secretary Cisneros has formed an unbelievable partnership to expand homeownership with no new tax dollars, which will get us by the end of this decade more than two-thirds of Americans in their own homes for the first time in the history of the Republic.

The results of all this are overwhelmingly positive but still somewhat troubling. On the economic front, we have 7 million more jobs, 1½ million more small businesses—the largest rate of small business formation in history—2.4 million new homeowners, record stock markets, low inflation, record profits. And yet—and a record number of new millionaires, which is something to be proud of in this country, people who've worked their way into becoming millionaires; they didn't inherit the money. But still, the median income is about where it was 2½ years ago, which means most wage-earning Americans are still working harder for the same or lower wages. And the level of anxiety is quite high.

On the social front, you see the same things. The number of people on food stamps is down. The number of people on welfare

is down. The divorce rate is down. The crime rate is down in almost every major metropolitan area in the country. The rate of serious drug use is down. But the rate of random violence among very young people is up. The continuing, gnawing sense of insecurity is up. The rate of casual marijuana smoking among very young people is up, even as serious drug use goes down.

So, what we have is a sense in America that we're kind of drifting apart. And this future that I visualize, that I think all of you share, is being rapidly embraced by tens of millions of Americans and achieved with stunning success. But we are still being held back in fulfilling our real destiny as a country because so many people are kind of shut off from that American dream.

I am convinced that the American people want us to go forward together. I am convinced that there really is a common ground out there on most of these issues that seem so divisive when we read about them in the newspaper or see them on the evening news. I think if just ordinary Americans could get in a room like this and sit around a table, two-thirds of them or more would come to the same answer on most of these questions. And I believe that we cannot bring the country together and move the country forward unless we deal with some issues that we still haven't faced.

I've tried to find a way to talk about really controversial issues in a way that would promote a discussion instead of another word combat. I've given talks in the last few days about family and media, about affirmative action, about the relationship of religion and prayer to schools in the hope that we could have genuine conversations about these things.

But I am convinced that almost more than any other issue in American life, this welfare issue sort of stands as a symbol of what divides us, because most Americans know that there are people who are trapped in a cycle of dependency that takes their tax dollars, but doesn't achieve the goals designed that they have, which is to have people on welfare become successful parents and successful workers and to have parents who can pay, pay for their children so the taxpayers don't have to do it. I am convinced that unless we

do this, and until we do it, there will still be a sort of wedge that will be very hard to get out of the spirit and the life of America.

There is here—maybe more than on any other issue that we're dealing with that's controversial—a huge common ground in America, maybe not in Washington yet, but out in the country there is a common ground. Not so very long ago there were liberals who opposed requiring all people on welfare to go to work. But now, almost nobody does. And as far as I know, every Democrat in both Houses of Congress has signed on to one version of a bill or another that would do exactly that.

Not so long ago there were conservatives who thought the Government shouldn't spend money on child care to give welfare mothers a chance to go to work. But now nearly everybody recognizes that the single most significant failure of the Welfare Reform Act of '88, which I worked very hard on and which I missed, was that when we decided we couldn't fund it all, we should have put more money into child care even if it meant less money in job training, because there were States that had programs for that, and that you can't expect someone to leave their children and go to work if they have to worry about the safety of the children or if they'll actually fall behind economically for doing it because they don't have child care. We now have a broad consensus on that.

When Governor Thompson and Governor Dean and others came to the White House to the Welfare Reform Conference in January, I was very moved at the broad consensus that while we needed more State flexibility, in one area we had to have more national action and that was on standards for child support enforcement, for the simple reason that over a third of all delinquent child support cases are multi-State cases and there is no practical way to resolve that in the absence of having some national standards. If everybody who could pay their child support and who is under an order to do it, did it, we could lift 800,000 people off the welfare rolls tomorrow. That is still our greatest short-term opportunity, and we all need to do what we can to seize it.

There's also a pretty good consensus on what we shouldn't do. I think most Ameri-

cans believe that while we should promote work and we should fight premature and certainly fight out-of-wedlock pregnancy, it is a mistake to deny people benefits—children benefits—because their parents are under age and unmarried, just for example. And I think most Americans are concerned that the long-term trend in America, that's now about 10 years long, toward dramatic decline in the abortion rate might turn around and go up again, at least among some classes of people, if we pass that kind of rule everywhere in the country.

So I think there is a common ground to be had on welfare reform. I proposed a welfare reform bill in 1994 which I thought achieved the objectives we all needed. I thought it would do what the States need to do. I thought it would set up time limits. It would have requirements for responsible behavior for young people, requiring them to stay at home and stay in school. It would have supported the efforts of States through greater investments in child care and would have given much greater flexibility. It didn't pass.

In the State of the Union this year I asked the new Congress to join me in passing a welfare reform bill. It still hasn't passed because, unfortunately, in 1995 there have been ideological and political in-fights that have stalled progress on welfare reform and have prevented the majority, particularly in the Senate, from taking a position on it.

Some of the people on the extreme right wing of the Republican majority have held this issue hostage because they want to force the States to implement requirements that would deny benefits to young, unmarried mothers and their children. But I believe it's better to require young people to stay at home, stay in school, and turn their lives around, because the objective is to make good workers, good parents, good citizens, and successful children. That's what we're all trying to do.

So I'm against giving the States more mandates and less money, whether the mandates come from the right or the left. I'm also opposed to the efforts in Congress now to cut child care because, I say again, the biggest mistake we made in the Welfare Reform Act of '88 was not doing more in child care. We

would have had far greater success if we had invested more money then in child care for people on welfare.

Now, I believe that it would be a mistake—if we cut child care and do all this other stuff, we could have more latchkey children, we could have more neglected children. And there are all kind of new studies coming out again saying that the worst thing in the world we can do is not to take the first 4 years of a child's life and make sure that those years are spent in personal contact with caring adults, where children can develop the kind of capacities they need. So this is a very big issue if your objective for welfare reform is independence, work, good parenting, and successful children.

Now, you know I believe all this. That's why we worked so hard to grant all these waivers, more in 2½ years than in the past 12 years combined. But I also have to tell you that I'm opposed to welfare reform that is really just a mask for congressional budget cutting, which would send you a check with no incentives or requirements on States to maintain your own funding support for poor children and child care and work.

And I do believe honestly that there is a danger that some States will get involved in a race to the bottom, but not, as some have implied, because I don't have confidence in you, not because I think you want to do that, not because I think you would do it in any way if you could avoid it, but because I have been a Governor for 12 years in all different kinds of times and I know what kinds of decisions you are about to face if the range of alternatives I see coming toward you develop.

I know, with the big cuts now being talked about in Congress in Medicaid, in other health and human services areas, in education, in the environment, that you will have a lot of pressure in the first legislative session after this budget comes down. And I know that somewhere down the road, in the next few years, we'll have another recession again.

And it's all right to have a fund set aside for the high-growth States. I like that; it's a good idea. But what happens when we're not all growing like we are now and we were last year? What happens the next time a recession comes down? How would you deal

with the interplay in your own legislature if you just get a block grant for welfare, with no requirement to do anything on your own, and the people representing the good folks in nursing homes show up and the people representing the teachers show up and the people representing the colleges and universities show up and the people representing the cities and counties who've lost money they used to get for environmental investments show up?

I don't know what your experience is, but my experience is that the poor children's lobby is a poor match for most of those forces in most State legislatures in the country, not because anybody wants to do the wrong thing, but because those people are deserving, too, and they will have a very strong case to make. They will have a very strong case to make.

So I believe we ought to have a continuing partnership, not for the Federal Government to tell you how to do welfare reform, but because any money we wind up saving through today's neglect will cost us a ton more in tomorrow's consequences. And this partnership permits you to say, at least as a first line of defense, we must do this for the poor children of our State.

I also believe there is a better way to deal with this. And I'd like to say today, I come to you with essentially two messages, one I hope we will all do with Congress and one that we can do without regard to Congress.

First, we do need to pass a welfare reform bill that demands work and responsibilities and gives you the tools you need to succeed: tough child support enforcement, time limits in work requirements, child care, requiring young mothers to live at home and stay in school, and greater State flexibility.

The work plan proposed by Senators Daschle, Breaux, and Mikulski ends the current welfare system as we know it and replaces it with a work-based system. I will say again, the biggest shortcoming, I believe, of the bill that I helped write, the Family Support Act of 1988—on your behalf or your predecessors—was that we did not do enough in the child care area. The Work First bill gives States the resources to provide child care for people who go to work and stay there. It rewards States for moving peo-

ple from welfare to work, not simply for cutting people off welfare rolls. It is in that sense real welfare reform.

I know a lot of you think it has too many prescriptions, and I want to give you the maximum amount of flexibility, but it certainly is a good place to start to work on bipartisan efforts to solve this problem. And I will say again, to get the job done, we've got to have a bipartisan effort to do it.

I want to compliment Senator Dole for what he said here today. I made a personal plea to Senator Dole not very long ago to try to find a way to make a break from those who were trying to hold the Republican conference in the Senate hostage on this welfare reform issue so that we could work together. And today, if I understand his remarks—and I've read the best account of them I can—he proposed getting rid of ideological strings in requirements on States and giving States more say in their programs. And that is a very good start for us to work together.

Some of you may agree with him instead of me on that, but as I understand it, he also proposes a flat block grant with no requirement for States maintaining their present level of effort or no maintenance of effort requirement of any kind. As I said, maybe it's just because I have been a Governor, I think this is a very bad idea. I don't think we should do this, because this program, after all, is called Aid to Families with Dependent Children, not aid to States with terrible budget problems created by Congress. [Laughter]

But while we have differences, Senator Dole's speech today, given what's been going on up there, offers real hope that the Congress can go beyond partisan and ideological bickering and pass a strong bipartisan welfare reform bill. The American people have waited for it long enough. We ought to do it. I am ready to go to work on it. And I consider this a very positive opening step.

I hope, again I will say, that you will consider the great strengths of the Daschle-Breaux-Mikulski bill, which I also believe is a very positive opening step and shows you where the entire Democratic caucus in the Senate is. They presently all support that.

My second message to you is, we don't have to wait for Congress to go a long way

toward ending welfare as we know it; we can build on what we've already done. Already you are and we are collecting child support at record levels. Earlier this year, I signed an Executive order to crack down on Federal employee delinquency in child support, and it is beginning to be felt. Already in the last 2½ years, our administration has approved waivers for 29 States to reform welfare your way. The first experiment we approved was for Governor Dean to make it clear that welfare in Vermont would become a second chance, not a way of life. Governor Thompson's aggressive efforts in Wisconsin, which have been widely noted, send the same strong message.

Now, we can and we should do more, and we shouldn't just wait around for the congressional process to work its way through. We can do more based on what States already know will work to promote work and to protect children. Therefore today I am directing the Secretary of Health and Human Services to approve reforms for any State on a fast track that incorporate one or more of the following five strategies.

First, requiring people on welfare to work and providing adequate child care to permit them to do it. Delaware recently got an approval to do this, so have several other States. Why not all 50?

Second, limiting welfare to a set number of years and cutting people off if they turn down jobs. Florida got approval to limit welfare, provide a job for those who can't find one, and cut off those who refuse to work; so did 14 other States. Why not all 50?

Third, requiring fathers to pay child support or go to work to pay off what they owe. Michigan got approval to do this, so did 13 other States. Taxpayers should not pay what fathers owe and can pay. Why not all 50 States?

Fourth, requiring underage mothers to live at home and stay in school. Teen motherhood should not lead to premature independence unless the home is a destructive and dangerous environment. The baby should not bring the right and the money to leave school, stop working, set up a new household, and lengthen the period of dependence, instead of shortening it. Vermont got approval

to stop doing this, so did five other States. Why not all 50?

And finally, permitting States to pay the cash value of welfare and food stamps to private employers as wage subsidies when they hire people to leave welfare and go to work. Oregon just got approval to do this, so did Ohio and Mississippi. Arizona and Virginia can do it as well. Why not all 50 States? This so-called privatizing of welfare reform helps businesses to create jobs, saves taxpayers money, moves people from welfare to work, and recognizes that in the real world of this deficit we're not going to be able to have a lot of public service jobs to people who can't go to work when their time limits run out. I think this has real promise.

So I say to you today, if you pass laws like these or come up with plans like these that require people on welfare to work, that cut off benefits after a time certain for those who won't work, that make teen mothers stay at home and stay in school, that make parents pay child support or go to work to earn the money to do it, or that use welfare benefits as a wage supplement for private employers who give jobs to people on welfare, if you do that, you sign them, you send them to me, and we will approve them within 30 days. Then we will have real welfare reform even as Congress considers it.

To further support your actions, I am directing the Office of Management and Budget to approve a change in Federal regulations so that States can impose tougher sanctions on people who refuse to work. Right now, when a State reduces someone's welfare check for failing to hold up their end of the bargain, the person's food stamp benefit goes up. So it turns out not to be much of a sanction. We're going to change that. If your welfare check goes down for refusal to work, your food stamp payment won't go up anymore.

Finally, as another downpayment on our commitment to our partnership with you on welfare reform, today our administration has reached agreement on welfare reform experiments for West Virginia, Utah, Texas, and California. Massachusetts has a sweeping proposal on which agreement has been reached on every issue but one—as I understand it, we're getting much closer there. The

West Virginia proposal helps two-parent families go to work. Utah provides greater work incentives but tougher sanctions for those who turn down work. California has adopted the New Jersey system of the family cap. Texas has a very interesting proposal to require parents on welfare to prove that their children have been immunized to continue to draw the benefits.

And I would say, just in response to this, this will now, obviously, bring us to 32 States, and I think soon to be 33 States, with these kinds of experiments. We also are announcing food stamps experiments today as applied for by Delaware and Virginia.

All of these are designed to promote work and responsibility without being stifled by Washington's one-size-fits-all rule. But I think we need to accelerate this process. I don't like the so-called Mother-may-I aspect of the waiver system, either. That's why I say, if you act in these five areas, under the law you have to file an application for an experiment, but it will be approved within 30 days.

And I want to identify other areas like this. This Texas immunization idea is very important. We have lower immunization rates than any advanced country in the world. We are moving hard at the national level to make sure that the vaccines are affordable. Texas was the first State to use national service workers, AmeriCorps volunteers, in the summer of '93 to immunize over 100,000 children. And since then they've immunized another 50,000. But if you were to require it of people on public assistance, it would have a big impact on getting those numbers up, I believe. So, as we begin to get more information about this and other things, we will be issuing other reforms that if you just ask for them, we'll say yes within 30 days. This is very important.

Now, let me be clear. Congress still does need to pass national legislation. Why? Because I don't think you ought to have to file for permission every time you do something that we already know has worked and that other States are doing. Because we do need national child support standards, time limits, work requirements, and protections for children. And we do need more national support for child care.

I hope these efforts that I'm announcing today will spur the Congress to act. But we don't have to wait for them, and we shouldn't. We can do much more. If every State did the five things that I mentioned here today, every State, we would change welfare fundamentally and for the better. And we ought to begin it, and we shouldn't wait for Congress to pass a law.

There is common ground on welfare. We want something that's good for children, that's good for the welfare recipients, that's good for the taxpayers, and that's good for America. We have got to grow the middle class and shrink the under class in this country. We cannot permit this country to split apart. We cannot permit these income trends which are developing to continue. We have to change it. You will not recognize this country in another generation if we have 50 years, instead of 20 years, in which half of the middle class never gets a raise and most of the poor people are young folks and their little kids. We have to change it. And we can do it.

But we have to remember what we're trying to do. We're trying to make the people on welfare really successful as workers and parents. And most important, we're trying to make sure this new generation of children does better.

A few months ago I was down in Dallas, visiting one of our AmeriCorps projects. And I saw two pictures that illustrate why I think this issue is so important. One, I was walking with a young woman who was my tour guide on this project. She was a teen mother, had a child out of wedlock, thought she had done the wrong thing, went back and got her GED, and was in the AmeriCorps program because she wanted to work in this poor community to help them and earn money to go to college. But the second person I met was the real reason we ought to be working for welfare reform. I met a young woman who was very well-spoken. She told me she had just graduated from a university in the Southeast. But she was working on this anyway, even though she really didn't have to go on to college anymore. And I said, "Why are you doing this?" She said, "Because I was born into a family of a welfare mother. But I had a chance to get a good education; I

got a college degree. And I want these young people to come out like I did.”

Now, that’s the kind of citizen we want in this country. Those are the kind of people that will turn these disturbing trends around. Those are the kind of people that will enable us to come together and go forward into the future.

We owe them that. And we can do it. You and I can do it now. Congress can do it this year. And every one of us ought to do our part.

Thank you, and God bless you.

NOTE: The President spoke at 2:45 p.m. at the Sheraton Burlington Hotel. In his remarks, he referred to Gov. Howard Dean of Vermont, chair, and Gov. Tommy Thompson of Wisconsin, vice-chair, National Governors’ Association; and Mayor Peter C. Brownell of Burlington, VT.

Statement on Oil and Gas Drilling on the Outer Continental Shelf

July 31, 1995

The Government today has reached an agreement protecting sensitive coastal areas off Florida and Alaska from oil drilling, which has been prohibited since 1988, through Democratic and Republican Presidencies.

Concern for our coasts is part of the common ground we share as Americans, not only in the areas protected today but in places as different as California, Massachusetts, Oregon, New Jersey, and Washington. Once sensitive areas are damaged—beaches, the fishing industry, tourism—our natural heritage suffers greatly.

This settlement is good for the environment, good for taxpayers, good for the economy, and fair to the oil companies.

I am pleased that Secretary Babbitt and Attorney General Reno reached this agreement with the oil companies. We celebrate today with the citizens of Florida and Alaska, and I pledge continued protection of our coasts.

Executive Order 12967— Establishing an Emergency Board to Investigate Disputes Between Metro North Commuter Railroad and Its Employees Represented by Certain Labor Organizations

July 31, 1995

Disputes exist between Metro North Commuter Railroad and certain employees represented by certain labor organizations. The labor organizations involved in these disputes are designated on the attached list, which is made a part of this order.

The disputes have not heretofore been adjusted under the provisions of the Railway Labor Act, as amended (45 U.S.C. 151 *et seq.*) (the “Act”).

Parties empowered by the Act have requested that the President establish a second emergency board pursuant to section 9A of the Act (45 U.S.C. 159a).

Section 9A(e) of the Act provides that the President, upon such request, shall appoint a second emergency board to investigate and report on the disputes.

Now, Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, including section 9A of the Act, it is hereby ordered as follows:

Section 1. Establishment of the Board. There is established effective July 31, 1995, a board of three members to be appointed by the President to investigate these disputes. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier. The board shall perform its functions subject to the availability of funds.

Sec. 2. Report. Within 30 days after creation of the board, the parties to the disputes shall submit to the board final offers for settlement of the disputes. Within 30 days after submission of final offers for settlement of the disputes, the board shall submit a report to the President setting forth its selection of the most reasonable offer.

Sec. 3. Maintaining Conditions. As provided by section 9A(h) of the Act, from the