I am very, very excited about this. These changes, taken together, represent real and fundamental reform. Now, they lack the sledge hammer subtlety of a moratorium, but if we're going to be responsible, we ought to fix the problem, not just seek to freeze the problem. To go from yesterday's Government to tomorrow's Government we need movement, not paralysis. We need to continue our commitment to a Government that works better, costs less, reflects our values, and can make a difference and that doesn't drive us up the wall but drives us into the future together. That is common sense, and we can give it to the American people together.

Thank you very much.

NOTE: The President spoke at 10:47 a.m. at Custom Print. In his remarks, he referred to Stu McMichael, owner of Custom Print.

Remarks to the National Conference of State Legislators

March 16, 1995

Thank you, Jane Campbell, and thank you, Senator Lack, and thank you to the other leaders of the NCSL for meeting me outside. And welcome, all of you, to Washington. I know you just heard from Secretary Reich. He actually—he hasn't been here? [*Laughter*] That gives me something else to make fun of my staff about. [*Laughter*] That's what it says. Let me try—what else does it say? [*Laughter*] Maybe I should put my glasses on, and it will come out differently. [*Laughter*]

Let me say, I am delighted to see all of you. I'm about as happy to see you as you acted like you were to see me. [*Laughter*] I loved the legislative process when I was Governor, and in Arkansas we had an interesting system. We were all there in our old State capitol, and the legislature was on the third floor, and I was on the second floor. And when the legislature was in session I just sort of kept open house. If a legislator showed up, I saw him or her. And we'd have morning planning meetings at 7:30 a.m. every morning, and half the time legislators just wandered in and sat at the administration's planning meeting. And I must say, I often think in the course of working here both for the last 2 years and for the last 2 months, if we wouldn't be better off as a country if we worked more like that up here. [*Applause*] Yes, you can clap for that. That's all right. That's a pretty good idea. [*Applause*]

I've even met half a dozen of my State legislators since I've been gone from Arkansas who said they missed me, which is something I never thought I'd hear. [*Laughter*] Warm my heart.

We have a lot of former legislators in this administration, as I'm sure you know. I see the Deputy Secretary of Education out there, Madeleine Kunin, also the former Governor of Vermont; and Arthur DeCoursey of SBA was a State legislator in Massachusetts. Patrick McGowan with the SBA was a State legislator in Maine. Thomas Redder with the SBA was a State legislator in Colorado—all the other employees for the SBA were actually in small business at one time or another—[*laughter*]—of course, Secretary Peña was as well, and Gary Blumenthal, the Executive Director of the President's Committee on Mental Retardation. So we're interested in what you're going through and in working with you.

I have said many places, but I'd like to have the privilege of repeating it here today, that I ran for this job because I felt the mission of this country at the end of the 20th century was to get us into the next century with the American dream alive and well and with America still the strongest country in the world, the greatest force for peace and freedom and democracy. Alive and well means that we have to have opportunities for more jobs and higher incomes. Half the American people are living on less money today when you adjust for inflation than they were making 15 years ago. That's one of the reasons a lot of people aren't happy in the recovery. We've got 6.1 million new jobs and the lowest combined rates of unemployment and inflation in 25 years, but a lot of folks' incomes are not going up. And they feel uncertain, insecure.

I get letters all the time from people I grew up with in Arkansas who are nearing that magic age of 50 talking about the uncertainty they feel about their future, their children. Are they going to be able to educate their

children? Are they going to be caught up in some great downsizing move, kind of the other side of this great churning change and all this opportunity that's out there?

The other part of the American dream is keeping our values alive, work, family, community, values you might put under the general heading of responsibility, so that we can pull back together. So I think we ought to offer more opportunity and more responsibility. I also think to do it here in Washington, we have to have a dramatic change in the way Government has worked. And I have been working hard at that for the last 2 years.

The old view was that there was kind of a one-size-fits-all—drove you nuts in the State houses of the country, I'm sure—that there was a one, single big Government solution for every big problem in America. And half the time we told you what to do and didn't give you the money to do it with.

The other view that seems to have a lot of energy around here is that, basically, maybe there's nothing for the Federal Government to do except to give the problem to you and give you less money to deal with it, and the idea is that since Government would mess up a one-car parade, we just ought to walk away from all these problems.

My view is different from that, and I guess it's forged largely on my 12 years of experience as a Governor and the fact that before I got this job I actually used to be able to spend large amounts of time talking to real people every day. I don't mean that the people I talk to aren't real people; I mean that mostly the people I talk to have business before the Government or work for the President or in some event that I've set up. I don't get to walk the streets the way I used to and just visit with people in a more informal setting.

My view is that what we need is a Government that is very different, that has less bureaucracy, that is lean but not mean, that operates in a more entrepreneurial fashion, that gives more decision to the State and local governments and to the private sector, but that is an active partner in doing three things: promoting economic opportunities through jobs and incomes, empowering people through education and training to make the most of their own lives, and enhancing the security of our people, both in terms of safe streets and our security around the world.

And that's what I have worked to do so that if you believe that, it means that you have to have a smaller Government that is still effective, that does what it's supposed to do well and stops doing things that it shouldn't do, and that works more in partnership with you. Since I have been President, we have now given 26 States waivers from Federal rules to enact their own welfare reform proposals, and nine States waivers to do major, major health care reform, more States that the previous two administrations combined.

We've also done a lot to try to deregulate certain aspect of the private economy from undue Federal oversight. And we did a lot more about that today, and I'll say more about that in a minute. We have reduced the size of the Federal payroll by more than 100,000. We've reduced the size of the Federal deficit by $600 billion. We're on our way to the smallest Government in Washington since Kennedy was President and 3 years of deficit reduction in a row for the first time since Truman was President. We are changing the way things operate around here.

Now that the new Congress is here, we're having a huge debate about what the role of Government ought to be. And it can be a very healthy thing indeed. I must tell you, as all of you know, I have real differences, as well as real agreements with this Congress. I have vigorous agreements and vigorous disagreements. I strongly agreed with the bill that applies to Congress the laws Congress imposes on the private sector. I thought it was long overdue and was elated to sign it. I campaigned on it in '92.

We're about to get a bill out of the conference and to my desk which will end unfunded mandates that are unreasonable and sharply reduce the ability of Congress to impose on you and on local governments requirements which we don't give you the money to pay for. And I think that is a very good thing indeed.

But I do not agree with the proposals that undermine our fundamental mission, more economic opportunity, empowering people through education and training, and increasing our security. Therefore, I don't agree

with the proposal that would eliminate the 100,000 police commitment and the crime bill that we worked for 6 years for or cut school lunches or cut our education programs, the Goals 2000 program for 4,000 schools in America or the proposal for safe and drug free schools.

Some of these proposals are embodied in the so-called rescission bill which was adopted by the House today. Some of them are embodied in their general budget. What they have in common, is, in my view, is they cut too much of people and not enough pork.

The proposal passed today would virtually eliminate the AmeriCorps program, our national service program, which is not a bureaucracy, which many of you have worked with which, as you know, is helping police on the street, helping people to build houses, helping to fight fires in the West, doing work that wouldn't be done otherwise, and letting young people earn money to pay for their education. It is a great grassroots program. It should not be eliminated.

So as we move into the future and as these bills go to the Senate, we're going to have an interesting debate here. And a lot of it will affect you. I wondered when the unfunded mandate bill passed why it wasn't made immediately effective, because I'm strong for it. I'm for the line-item veto, too, and I hope we get that up here pretty soon. There's a lot of things Republicans want to do that I am strongly in favor of. But I said to myself, why are we making an unfunded mandates bill immediately effective? And I read that rescission bill, and I realized you're going to get some ''defunded'' mandates. If you look at some of those cuts to the States, the responsibilities are still on you, but the money is being taken back.

So I say to you, what kind of Government do we want? We knew we had to cut some money out of the Agriculture Department, just for example. You know, the Agriculture Department got real big. And the best line that came out of the 1992 Presidential campaign, I'm embarrassed to say—I wish it were mine, but it wasn't—was Ross Perot's line about the Agriculture Department employee that had to go see a psychiatrist because he lost his farmer. Remember that? I thought it was funnier that you did, apparently. [*Laughter*]

But anyway—so, we knew that we had to cut some money. What did we do? We closed 1,200 offices. What did they do? They propose cuts in the school lunch program. They say, ''Well, they're not really cuts in the school lunch program.'' Well, yes, they are. If this proposal had been law in 1989, this year there would be one million fewer kids getting lunch at school. And a lot of these kids show up at school, and they don't have enough to eat at home. The meals they get at school is the only dad-gum good meal they get all day. There are children going to school in this country that never see a dentist until they are 16, 17, 18 years old. We want them to learn, and you know, everybody rails about the schools, I'm telling you, it's hard for a teacher to teach a poor kid who's hungry.

So I think there's a right way to do this and wrong way to do it. And it doesn't have to be a partisan deal. I told you, I'm for a lot of what they're trying to do. We do need to change the way we do business here. But we need to have the ability to bring common sense to bear in judgment, and we need to put our children and our educational system and our future first. We need to keep our eye on what is the mission. The mission to get the country into the 21st century still the strongest country in the world in a place where there's real opportunity.

Today, we had a meeting about regulation. We've got a lot of regulatory legislation here, freeze all pending regulations for 6 months or a year or whatever, and a lot of other things. Well, what I've been trying to do is not freeze it, I've been trying to fix it. Today we announced the following things in the regulatory area, something that I think is very, very important, that should be popular in every State here: We announced some dramatic changes for small business, in the environment, and in the area of drugs and medical technology.

We announced first of all, that small businesses who try to do the right thing but make a mistake, will be given the opportunity not to pay their fine to the Government but to take the money in the fine they would have paid to the Government and fix the problem in the first place and that small businesses

who make a mistake, for the first time, can have their fines waived altogether if they have never had a record of bad behavior and who are obviously trying to do the right thing.

We announced today that all Government agencies, when it is consistent with the public interest—that is, public health and well-being—will cut in half the reporting requirements for small businesses. So whenever possible, if they have to report four times a year, now they can report twice a year. If they have to report twice a year, now they can report once a year. And we think it will make a big difference and so does the Small Business Administration. We are trying to change things.

In the area of the environment we announced today that we would allow small businesses a grace period of 6 months to correct violations after they've been identified. We found out that a lot of people wouldn't call the Government and find out what the law is, because they were afraid that somebody would come see them and fine them. So we had a lot of people who were out of compliance because they were literally afraid to ask how to get in compliance.

We're going to cut environmental paperwork by 25 percent, which will save—get this—20 million hours of work per year for the American people. We are going to launch a pilot program with 50 businesses which will allow companies to reach a pollution reduction goal however they want. And if they can reach it, they can throw out the EPA rule book. Doesn't matter how they reach it, as long as they reach the production goals.

Same thing we tried to do for the schools, by the way, in the Elementary and Secondary Education Act, to give you more flexibility—here are the national goals, you figure out how to meet them—in the schools, the principals, the teachers. It's a very important policy change.

In the area of drugs and biotechnology, we have decided to stop doing a full-blown and very expensive review every time a biotech company makes a minor and insignificant change in one of its products. We're going to stop requiring very costly assessments on drugs that obviously don't have any impact on the environment. We're going to eliminate 600 pages of regulation. I'll bet you nobody will ever miss them, and it will save this industry, one of our most productive industries, $500 billion a year.

So this is the sort of thing we're trying to do. It will make a huge difference in the life of this country. But better to fix the problem than just to freeze it in place. Better to do something real than to do something that sounds good, that maybe causes more harm than good. We all want to have water we can drink and air we can breathe and food we can eat and a place to work we can feel safe and secure in. We can do this.

Now you have to decide, without regard to your party or your region what you believe our role is, too. To make a judgment about this debate that's unfolding here, you have to make up your own mind.

You know, I spent, when I was a Governor, I bet I spent more time cussing the Federal Government than most of you do. And since I've been President, I bet I've spent even more time doing it. [*Laughter*] But the fact is that this country has benefited by 25 years of effort to clean the environment up. This country has benefited by our common efforts to make people secure at work, to make toys safe for our children. This country has benefited from these efforts, but we have forgotten common sense in a lot of the way we do things. So the trick is to put common sense back into this and reestablish a partnership that makes sense between the National Government, those of you at the State level, people at the local level, and most importantly, private citizens, so that what we do makes sense, it achieves common goals, and doesn't waste taxpayer money.

That is going to be the great debate here. And to make the judgments, you have to move beyond the rhetoric to the reality of each issue here. Everybody is for cutting Government, but I think there's a real difference between closing 1,200 offices and cutting back on food stamps. I think there's a real difference between closing the regional offices at HUD and cutting back on a program for homeless veterans at the Department of Labor. I think there's a difference. I think it matters.

I don't think all Federal Government spending is the same. I think with drug use on the rise and among young people again,

for reasons that are almost impossible to understand, young people thinking that it's no longer really dangerous to fool with drugs again, not to mention illegal, to cut out all of these programs that would give 94 percent of the schools in this country an opportunity to make their schools safer and more drug-free, whether it's metal detectors and police officers or more folks in there teaching prevention, is not common sense.

So I believe if we'll work together, check our rhetorical baggage, and try to get this country into the 21st century remembering our mission, we can cut a good deal more spending without cutting our kids and our future. We can absolutely, dramatically reduce the unfair burden of regulation without undermining the quality of our environment or the safety of our lives.

In short, we can do what Americans have always done. We have always been philosophically conservative, pragmatic, operationally progressive people who got the job done and moved the country into the future. That's how we have performed. That's why we're still around after over 200 years. That is the genius of our constitutional system. That's how you pass a budget in your legislature every year.

So, since you're up here in a leadership conference, I would urge you without regard to your party or your region, to urge this course on the Congress—[*applause*]—urge this course on the Congress. You know, I don't need any lectures in the need to cut spending. We reduced the deficit $600 billion without a lot of help 2 years ago. And we're going to do it some more. But we cannot walk away from our responsibilities to our children and to our future. We have got to stop a lot of this crazy regulation, but we have got to do it in a way that leaves us not only more prosperous in the short run but leaves us with a safer and more secure environment and a healthier citizenry over the long run.

We can do this. We don't have to make a bunch of bogus choices. But we've got to act more like most people do at the State level and at the local level. We've got to be committed to solving problems, putting people first, checking the ideological baggage at the door. I hope you'll help us do that. If you do, we'll help you make America a better place.

Thank you, and God bless you all.

NOTE: The President spoke at 2:20 p.m. at the Hyatt Regency Hotel. In his remarks, he referred to Jane Campbell, president, National Conference of State Legislators, and James Lack, New York State senator.

Statement on the Justice Department's Conclusion of the Investigation of Transportation Secretary Federico Peña

March 16, 1995

This is good news for a Secretary of Transportation who's doing a great job. I'm pleased for Federico.

Memorandum on Assistance to the Palestinian Police Force

March 16, 1995

Presidential Determination No. 95–17

Memorandum for the Secretary of State, the Secretary of Defense

Subject: Drawdown of Commodities and Services from the Inventory and Resources of the Department of Defense to Support Activities of the Palestinian Police Force

Pursuant to the authority vested in me by section 552(c)(2) of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. 2348a(c)(2) (the "Act"), I hereby determine that:

(1) as a result of an unforeseen emergency, the provision of assistance under Chapter 6 of Part II of the Act in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States; and

(2) such unforeseen emergency requires the immediate provision of assistance under Chapter 6 of Part II of the Act.

I therefore direct the drawdown of commodities and services from the inventory and resources of the Department of Defense of an aggregate value not to exceed $5 million