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WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, December 22, 1995

Remarks on Budget Negotiations

December 15, 1995

As all of you know, today the Republicans in Congress broke off our negotiations on how best to balance the budget in 7 years. They said they would not even continue to talk unless we agreed right now to make deep and unconscionable cuts in Medicare and Medicaid. That's unacceptable. The cuts they propose would deprive millions of people of health care: poor children, pregnant women, the disabled, seniors in nursing homes. They would let Medicare wither on the vine into a second-class system. And these things simply are not necessary to balance the budget.

You know, I don't agree with their very large tax cuts for wealthy Americans and for all the special interests that get help in their bill. But I did not require them to drop those provisions as a condition of just talking. But they wanted us to agree to big cuts in Medicare and Medicaid simply to talk.

Last week, before these talks even began, I forwarded to Congress a detailed plan to balance the budget in 7 years without violating our values. That plan contained a large amount of deficit reduction over and above our original proposal. Today, we made yet another good-faith effort to resolve our differences. I have sought reasonable discussions and honest compromise to balance the budget.

Now the Republicans in Congress are not only refusing to talk; once again they're threatening to shut the Government down if I do not accept their deep cuts in health care, education, the environment, and their tax increases on working families. I would not give in to such a threat last month, and I will not give in today.

I would remind you when we signed the last resolution we said we would work in good faith to balance the budget in 7 years without harmful cuts in Medicare, Medicaid, education, the environment, agriculture, veterans benefits, and without raising taxes on working families.

So let me say again—and all Americans must understand this—the decision by the Republican congressional majority to shut the Government down has nothing, nothing, to do with the discussion over the 7-year balanced budget plan. Congress has simply refused to pass this year's budgets and has forced the Government to operate on a series of temporary approvals so that they can use the threat of a shutdown to pressure me and the congressional Democrats into approving long-term reductions in Medicare, Medicaid, education, and the environment that we believe strongly are not good for America.

It is wrong, it is simply wrong, for the congressional Republicans to insist that I make deep cuts in Medicare and Medicaid or they will not even talk, and furthermore, they will shut the Government down again just before Christmas.

The Congress should simply pass straightforward legislation to keep the Government open. And then our negotiators should return to the table without threats, without ultimatums, to discuss how we can find common ground on balancing the budget. That is what we ought to do. That is what I am willing to do. And the idea that we should abandon the commitment we made and they agreed to just a few days ago in not having unacceptable cuts in Medicare and Medicaid as a condition of talking is wrong—is wrong—and we should not do that.

Thank you very much.

NOTE: The President spoke at 5:39 p.m. in the Oval Office at the White House. This item was not received in time for publication in the appropriate issue.

Message on the Observance of Hanukkah

December 15, 1995

Warm greetings to all who are celebrating Hanukkah.

Each year, as the days grow shorter and the nights colder, we welcome the return of this Festival of Lights, and each year we find fresh meaning in its ageless story of the triumph of the Maccabees. We are reminded of God's powerful presence in our lives, strengthening and sustaining us in times of struggle. We are inspired to reflect upon the meaning of courage, commitment, and faith. We are encouraged to acknowledge our blessings—the love of family, the strength of community, the hope of peace. We rediscover the wisdom of pausing, in the rush and hurry of everyday life, to give joyful thanks for these blessings.

This year, especially, we need such reminders, for with the death of Yitzhak Rabin, a great man, a true friend, and a peacemaker was taken from our midst. But as families throughout our nation and around the world gather to rekindle the flames of the menorah, let us renew our faith that God will continue to guide our steps through adversity until we can all rejoice in the light of peace.

Hillary and I extend best wishes for a joyous Hanukkah and a wonderful holiday season.

William J. Clinton

NOTE: This item was not received in time for publication in the appropriate issue.

Statement on the Nomination of General Joseph W. Ralston to be Vice Chairman of the Joint Chiefs of Staff

December 15, 1995

I am pleased to announce that I have nominated Gen. Joseph W. Ralston, U.S. Air Force, for assignment as Vice Chairman of the Joint Chiefs of Staff, succeeding Adm. William A. Owens, who is retiring.

General Ralston currently serves as the Commander, Air Combat Command. In this capacity, he is responsible for training and equipping all active Air Force, Air National Guard, and Air Force Reserve combat wings and squadrons in the United States and Panama. During his distinguished career, General Ralston flew more than 2,500 flying hours, including 147 combat missions over Laos and North Vietnam. He also served as the Air Force's Director for Tactical Programs and its Director for Operational Requirements. In the latter capacity, his championing of the rapid transition of advanced technology to the battlefield was instrumental in determining the shape and force structure of tomorrow's Air Force. General Ralston brings to the job of Vice Chairman a wealth of experience in the development of military requirements and an indepth knowledge of the defense acquisition process. These and other attributes provide General Ralston the requisite leadership and management necessary for the post of Vice Chairman at a critical time in the history of the Armed Forces.

I will depend upon General Ralston to continue the initiatives of Admiral Owens which are designed to ensure that our Armed Forces best determine their warfighting requirements and capabilities. I commend Admiral Owens for his exemplary service to his Nation. His sound military advice on the use of military power to back U.S. diplomacy, his crucial role in shaping our forces to fight as a joint team, and the superlative leadership he provided in harnessing the information and technological revolution to our current and future defense posture will ensure that our military will remain the best in the world as we enter the 21st century. Admiral Owens will truly be missed in the senior decision-making ranks of our national security structure. Hillary and I join in wishing him the very best as he begins a new phase of his life.

NOTE: This item was not received in time for publication in the appropriate issue.

The President's Radio Address

December 16, 1995

Good morning. At midnight last night, for the second time in a month, the Republican Congress shut down the Federal Government in an effort to force through their unac-

ceptable cuts in health care, education, and the environment.

For weeks, my administration and the Republicans in Congress have been in serious negotiations over how to reach common ground on balancing the budget. A week ago, I forwarded to them a plan that would protect our principles and balance the budget in 7 years. I had hoped that this time would be different, that we were past the Republican threats to shut down the Government just to get their way.

But yesterday, they broke off our talks. Unbelievably, they actually said that as a condition for our talks to continue, we had to agree right now to make deep and unconscionable cuts in Medicare and Medicaid. That is unacceptable.

The cuts they propose would deprive millions of people of health care: poor children, pregnant women, the disabled, seniors in nursing homes. They would let Medicare wither on the vine into a second-class system. Now, these things simply are not necessary to balance the budget.

Let me be clear: As I have said from the beginning, I very much want to work with Congress to get a balanced budget. After all, working with the previous Congress in my first 2 years as President, we cut the deficit I found when I became President in half. We reduced the size of the Federal Government by 200,000. We ought to finish the job. We shouldn't leave a legacy of debt to our children, but neither should we leave the next generation a legacy of neglect.

We've cut the deficit in half while continuing to invest in education, technology, research, the environment, Medicare, and Medicaid and cutting taxes on the most hard-pressed of our working people. That's what we ought to do in this budget plan.

Now as far as shutting the Government down goes, this is not a result of our lack of agreement on a balanced budget plan. The two things have no connection. The facts are plain. The Congress has failed to pass a budget for next year and the bills that would fund the agencies of Government on purpose. They have deliberately done this to force me to accept their long-term agenda of big cuts in Medicare, Medicaid, education, and the environment and a tax increase on working people. That's what's in their balanced budget plan. But it's not necessary to balance the budget.

So for them to cause a shutdown, denying Americans the services their tax dollars support as a tactic in the budget debate is wrong. It's irresponsible. I won't give in to the threat. I didn't last time, and I can't now. Let me tell you why.

I know you've been told that the winners and losers of this budget battle are all in Washington and it's all politics. But that's not true. America's children would bear the most pain from the sharp cuts proposed by the Republican Congress. If the Republican plan becomes law, millions of children would be denied basics they need: health care they now have, schooling they can count on, school lunches, a safe place to live, or air and water we can be sure is safe to breathe and to drink.

Just consider what would happen to Medicaid. For three decades, Medicaid has been a legal guarantee for millions who need medical care. It has been the primary source of health care for nearly one in five American children. And more than half of the children on Medicaid live in families with working parents. It is not a welfare program. But the Republican plan repeals Medicaid's guarantees. And that spells disaster for families in the middle class who are caught unprepared. Medicaid helps millions of children who are disabled or who suffer from chronic illnesses or who have the AIDS virus. But the Republican plan could pull this lifeline from millions of children.

In education, the Republican plan eliminates Head Start for 180,000 preschoolers. It cuts our efforts to keep drugs and violence out of our schools. It undermines our efforts to help schools meet national standards of excellence for the first time. It kills the AmeriCorps national service program. It denies scholarships to more than 350,000 deserving college students and takes away the best student loan program available to young people. It lowers the cost and eases the terms of repayment.

The Republican plan would raise taxes for over 7 million of our hardest pressed working families. Their budget cuts would leave children exposed to hazardous waste. And we

know that pollution affects children more than it does adults. We want to clean up these sites, but the Republican cuts would limit what we can do.

The Republican budget cuts are aimed squarely at our children. They will face larger classes and fewer Head Start programs. Ten million will live near toxic waste sites that won't be cleaned. Fewer will be immunized. Millions will be denied adequate medical care. And more than one million will be forced into poverty.

That is no way to treat our children. Let them threaten to shut the Government down. It is not necessary to do this to balance the budget, and so I am not going to let them hurt our children and compromise their future.

Our budget proposal shows these cuts are not necessary. Our plan balances the budget in 7 years, reforms Medicare and Medicaid, keeps costs down. It protects education and gives working families with children a tax break, not a tax increase. It is wrong for the congressional Republicans to insist that I make deep cuts in Medicare and Medicaid just as a condition to talk. It is wrong for them to shut the Government down again just before Christmas. It would be wrong for me to accept that threat. I rejected it last month; I reject it now.

I know this shutdown will affect the lives of millions of Americans, especially at this holiday season. I'll do whatever I can to lessen the impact. Above all, the Republicans should come back to the table. Congress should immediately pass straightforward legislation to reopen the Government. That is the responsible thing to do. And we should be talking again with each other about how to balance the budget in the interest of the American people.

I'll continue to fight for our American principles in this budget battle, because that's the only way our children can come out the winners.

Thanks for listening.

NOTE: The President spoke at 10:06 a.m. from the Oval Office at the White House.

Remarks Prior to a Meeting With Democratic Members of Congress

December 16, 1995

Let me, first of all, welcome all of you here. I thank you for being here. I imagine some of you have stayed here in an unplanned way over the weekend.

We are determined, as Democrats, to try to work together and to try to work with the Republicans to achieve a balanced budget but in a way that is consistent with our principles.

As all of you know, yesterday the Republican congressional leaders called the negotiations off unless we would first put much bigger Medicare and Medicaid cuts on the table. I thought that was wrong and unwarranted.

Virtually all of us don't agree with the large portions of their tax package and particularly a lot of the special interest provisions of it. But we didn't ask them to abandon it just to talk and begin negotiations.

So we hope that we can get back to a constructive dialog consistent with our values, our principles, and what's good for this country. And that's what we're going to be working on today.

We don't believe that decimating Medicare and Medicaid and undermining our investments in education and the environment, raising taxes on working families is a good prescription for America's future. And it is not necessary to balance the budget.

So we're going back to work today. We're going to keep working, trying to reach as much agreement among ourselves as possible, and then we'll keep reaching out to the Republicans in Congress in the hope of passing the right kind of balanced budget.

Thank you very much.

NOTE: The President spoke at 11:40 p.m. at Blair House.

Remarks on Vetoing Departments of Interior, Veterans Affairs, and Housing and Urban Development Appropriations Legislation and an Exchange With Reporters

December 18, 1995

The President. Good morning, everyone. The Republican Congress has shut down the Federal Government because they haven't passed a budget for this year and because they want to make the price of opening the Government up my acceptance of 7 long years of unacceptable cuts in health care, education, and the environment, in research and technology, cuts that are not necessary to balancing the budget and will have an adverse effect on our way of life and on the strength of our economy.

It is wrong for the Congress to shut the Government down just to make a political point the week before Christmas. It is unfair to the American people and unfair to the public employees. This is a season of peace, and it should be a season of cooperation, not rancor or threats. Congress should reopen the Government. I am ready to work with them to balance the budget in a way that reflects our values and that is consistent with the resolution to which we both agreed when the Government was reopened a few weeks ago.

So I call on Congress to reopen the Government, to come back to the negotiating table to resume discussions on finding common ground. We have to balance this budget in a way that reflects our values and our obligations to our children.

The ultimate test of any budget is what kind of world it leaves for future generations. If we balance the budget without investing in our children or protecting their environment, it means we are really borrowing from the next generation without ever paying them back. Protecting the environment is one of the most important ways to uphold this value. We want to pass on to our children the good Earth God gave us. We want to give them the opportunity we enjoy. We want to safeguard their health. Then any budget must ensure strong protection of the environment.

These science students who are with me today from Jefferson Middle School in Virginia have done a lot of work on the environment. They have helped to reduce energy use at their school. They have promoted recycling at home and at school. They know that the decisions that we make today will affect them and our Nation in the future. We owe it to them to put partisanship aside and to work in their interest to balance the budget in a way that protects the environment.

I say again, when I agreed a few weeks ago to work with the Congress to balance the budget in 7 years, Congress committed to a budget that protects the environment. These bills that I have to veto today I do because they do not meet that test. For 25 years, leaders of both parties have recognized that our country is stronger when we control pollution and protect public health. Environmental protection is not, or at least it never has been until now, a partisan issue. It's an American issue. It's an American issue outside Washington. But Republicans in this Congress have attempted to roll back decades of bipartisan environmental protection. It's wrong, and I cannot permit it to happen.

They have sent me legislation that would give our children less clean drinking water, less safe food, dirtier air. If I sign these bills, I would be condemning more than 10 million children under the age of 12 to living near toxic waste sites that might not be cleaned up for years. Therefore, in the interest of our children I am vetoing these measures because they would cripple these kinds of environmental protections.

The bill that funds the Environmental Protection Agency, for example, would cut enforcement by 25 percent and pull the cop from the pollution beat. There would be a 45 percent cut in safe-and-clean-drinking-water aid to local governments. The bill that funds the Department of the Interior would endanger some of our most precious natural resources. It would permit clearcutting in the Tongass National Forest in Alaska, and it would undercut our newest national park, the Mojave National Preserve in California, the largest addition to the park system in the lower 48 States.

I'm vetoing the bills not only because of the impact they have on the environment that we leave our children but also because

of other things they do that violate our values. They completely eliminate the national service program, which has been very successful and is broadly supported by people across partisan lines and communities all across America. They cut innovative programs for economic development in our cities, the area which has been left most untouched by the economic recovery of the last 3 years. They drastically, drastically cut services for Native Americans, and they cut health care for veterans. None of these things are necessary to balance the budget.

Let me be clear: It is time to finish the job of passing a budget for this year, and I am eager to work with the Congress to reach agreement on a balanced budget plan. We should be able quickly to reach agreement on how to fund the Government for the months to come.

I have made a specific compromise offer to finish this year's budget so we can get the Government working for the people. Then we can resolve our larger differences over how best to balance the budget consistent with our values. We owe it to our children and their children to do both these things. We do need to balance the budget, and I am committed to doing it.

I would remind you that we've cut the budget deficit in half since we've been here, and I want to go all the way. But doing things that weaken our environment is not the way to balance the budget and is directly contradictory to the resolution that both the Congress and I agreed upon just a few weeks ago.

So I'm going to sign the veto messages, and then I'll answer a few of your questions.

[*At this point, the President signed the veto messages.*]

Budget Impasse

Q. Have you been in touch with the Republican leadership today, and is there a chance of any kind of a meeting and is there any chance of bringing workers back to work?

The President. Well, I expect to talk to them today, and I look forward to that. And I'm going to do what I can to make some suggestions about how we can begin our talks. And I hope that they will—they will agree to put the Government back in business. That, of course, is a decision within their domain. I think it's always a mistake to shut the Government down.

We should go back to the ordinary, constitutional way of dealing with this. I have dealt with them in good faith. I will continue to do so. I worked all weekend, continued to work all weekend, on budgetary matters. I have spent an enormous amount of my time as President trying to get rid of the deficit and invest in our future at the same time. There is no doubt—we have differences of opinion about how to do it, but there's no doubt that I want to do it. And I think that this shutting the Government down is just wrong. It's not right for the American people, it's not necessary, and it's not part of the ordinary, constitutional way of doing things around here.

Q. Mr. President, do you have a 7-year—a new 7-year proposal that balances the budget using CBO numbers?

The President. Well, I want to talk to the leadership, Mr. Blitzer [Wolf Blitzer, Cable News Network], about what we're going to say today, and then we'll be glad to answer questions after that.

Q. When do you think it will happen that you'll talk to them?

The President. Soon. Pretty soon. I've got to work out the times.

Q. Are they going to come over here do you think?

The President. I don't know.

Q. Senator Dole says that if he and you and Speaker Gingrich could just sit down together for a few hours you could work this problem out pretty rapidly.

The President. I think that is possible. It requires—all three of us have to want to. But I want to.

Q. Why not do it?

The President. But we've all got to come in, and we've got to be flexible and we've got to look at what we're doing. I mean, you know, you mentioned the CBO—one of the things that the resolution said was that there would be extensive consultation with OMB and with the private sector. This budget of theirs now predicts a recession at 7 years. Now, how in the world they could know there's going to be one in year 6 and 7 is beyond me, but I believe if we were to bal-

ance the budget, particularly if we continue to invest in education and research and technology, it would grow the economy. It would get interest rates down; it would grow the economy.

They gave us a new set of assumptions which now has higher unemployment and higher interest rates, even with low inflation. I don't know how you can predict inflation goes down and interest rates go up. So—and, you know, I realize to a lot of Americans this may sound like just haggling or numbers, or whatever, but there are people behind these numbers.

In this budget there are Native American children who won't get health care. In this budget there are serious, serious erosions in environmental protection. There are people—there are human interests here. We have to be careful as we do this. We cannot pretend that all these numbers are the same and it's just a political deal. This is not about politics; this is a very, very serious discussion. We are going to make some tough decisions, and we have to do it with a very great level of sensitivity about the impact of our decisions on people.

Q. ——your problems, some of your problems with the new CBO assumptions. Is it possible to protect your priorities and come up with a 7-year plan, according to their new forecast?

The President. Well, it depends on what kind of control mechanisms we have. It's conceivable. But I need to talk to them about that. And I intend to talk to them about it. I have no—and I'm not playing games with you. I just want to have my conversation with them first. I owe that to them. I don't want to carry on a war in the press over this. I would like it very much if we could just sit down and work through this.

But I sure think—it's Christmas week; they ought to open the Government again. That's the least we can do for the American people that have—you know, this is the only time of the year some people have to come here to Washington. And we've got a lot of Federal employees that don't need to lose a paycheck this week. They've got Christmas shopping to do; they've got things to do. I just think we ought to do it.

Q. Why do they keep saying you're not telling the truth?

The President. I don't know. You'll have to ask them that. I haven't—you know, I've tried to be very careful in this whole debate to deal with the specific facts and not to do characterizations like that. We have very different views, but if you read this—go back and read the resolution we agreed to. We agreed to strive to do our best to reach a 7-year balanced budget that the CBO would certify as balanced after consulting with OMB and with the private sector, that would protect the environment, would protect education, would protect agriculture and other things, and would invest in a way that really protected Medicare and Medicaid. And so we have certain standards to meet.

This is not easy to do; nobody ever pretended it would be easy to do. But I have been working to do it and often I've felt that I was working only with myself. But over the weekend, we worked hard. We tried to involve more of the Democrats in the effort. We tried to—Mr. Panetta went up to see that bipartisan group of Senators. And I am eager to meet and discuss this with Senator Dole and with the Speaker.

But we ought to open the Government. We owe that to the American people. It's Christmas week. We need to open the Government and then work this out. We can do it.

Q. Is the key their cutting their tax cut proposal and your coming up with additional savings on Medicare and Medicaid?

The President. Well, that may be the key from their point of view. The key from my point of view is that there's got to be—there has to be funds—funds have to go back into the Medicare and Medicaid programs and into education and the environment and research and technology.

You know, I don't want—you can burden—we would burden future generations with the debt if we don't balance the budget. But we also will burden future generations if we don't protect the environment and we don't invest in education, research, and technology. And we just—on pure human terms, we cannot have this level of health care cuts.

So we're going to have to work this out. But I think it can be done, but we don't—

they should open the Government, and I will work with them to get this done.

Speaker of the House Gingrich

Q. How do you feel about fellow Time magazine man of the year?

The President. I think he's had a big impact on events. That's the standard. That's it.

Q. Thank you.

The President. Thank you very much.

Q. Thank you. Merry Christmas. Where did you get that tie?

The President. Someone gave it to me. It's one of my Christmas ties. You know, I try to wear one every day for the last 12 days before Christmas.

NOTE: The President spoke at 11:40 a.m. in the Oval Office at the White House.

Message to the House of Representatives Returning Without Approval the Department of the Interior and Related Agencies Appropriations Act, 1996

December 18, 1995

To the House of Representatives:

I am returning herewith without my approval H.R. 1977, the ''Department of the Interior and Related Agencies Appropriations Act, 1996.''

This bill is unacceptable because it would unduly restrict our ability to protect America's natural resources and cultural heritage, promote the technology we need for long-term energy conservation and economic growth, and provide adequate health, educational, and other services to Native Americans.

First, the bill makes wrong-headed choices with regard to the management and preservation of some of our most precious assets. In the Tongass National Forest in Alaska, it would allow harmful clear-cutting, require the sale of timber at unsustainable levels, and dictate the use of an outdated forest plan for the next 2 fiscal years.

In the Columbia River basin in the Pacific Northwest, the bill would impede implementation of our comprehensive plan for managing public lands—the Columbia River Basin Ecosystem Management Project. It would do this by prohibiting publication of a final Environmental Impact Statement or Record of Decision and requiring the exclusion of information on fisheries and watersheds. The result: a potential return to legal gridlock on timber harvesting, grazing, mining, and other economically important activities.

And in the California desert, the bill undermines our designation of the Mojave National Preserve by cutting funding for the Preserve and shifting responsibility for its management from the National Park Service to the Bureau of Land Management. The Mojave is our newest national park and part of the 1994 California Desert Protection Act—the largest addition to our park system in the lower 48 States. It deserves our support.

Moreover, the bill would impose a misguided moratorium on future listings and critical habitat designations under the Endangered Species Act. And in the case of one endangered species, the marbled murrelet, it would eliminate the normal flexibility for both the Departments of the Interior and Agriculture to use new scientific information in managing our forests.

Second, the bill slashes funding for the Department of Energy's energy conservation programs. This is short-sighted and unwise. Investment in the technology of energy conservation is important for our Nation's long-term economic strength and environmental health. We should be doing all we can to maintain and sharpen our competitive edge, not back off.

Third, this bill fails to honor our historic obligations toward Native Americans. It provides inadequate funding for the Indian Health Service and our Indian Education programs. And the cuts targeted at key programs in the Bureau of Indian Affairs are crippling—including programs that support child welfare; adult vocational training; law enforcement and detention services; community fire protection; and general assistance to low-income Indian individuals and families. Moreover, the bill would unfairly single out certain self-governance tribes in Washington State for punitive treatment. Specifically, it would penalize these tribes financially for

using legal remedies in disputes with non-tribal owners of land within reservations.

Finally, the bill represents a dramatic departure from our commitment to support for the arts and the humanities. It cuts funding of the National Endowments for the Arts and Humanities so deeply as to jeopardize their capacity to keep providing the cultural, educational, and artistic programs that enrich America's communities large and small.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. It does not reflect my priorities or the values of the American people. I urge the Congress to send me a bill that truly serves the interests of our Nation and our citizens.

William J. Clinton

The White House,
December 18, 1995.

Message to the House of Representatives Returning Without Approval the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996

December 18, 1995

To the House of Representatives:

I am returning herewith without my approval H.R. 2099, the ''Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996.''

H.R. 2099 would threaten public health and the environment, end programs that are helping communities help themselves, close the door on college for thousands of young people, and leave veterans seeking medical care with fewer treatment options.

The bill includes no funds for the highly successful National Service program. If such funding were eliminated, the bill would cost nearly 50,000 young Americans the opportunity to help their community, through AmeriCorps, to address vital local needs such as health care, crime prevention, and education while earning a monetary award to help them pursue additional education or training. I will not sign any version of this appropriations bill that does not restore funds for this vital program.

This bill includes a 22 percent cut in requested funding for the Environmental Protection Agency (EPA), including a 25 percent cut in enforcement that would cripple EPA efforts to enforce laws against polluters. Particularly objectionable are the bill's 25 percent cut in Superfund, which would continue to expose hundreds of thousands of citizens to dangerous chemicals and cuts, which would hamper efforts to train workers in hazardous waste cleanup.

In addition to severe funding cuts for EPA, the bill also includes legislative riders that were tacked onto the bill without any hearings or adequate public input, including one that would prevent EPA from exercising its authority under the Clean Water Act to prevent wetlands losses.

I am concerned about the bill's $762 million reduction to my request for funds that would go directly to States and needy cities for clean water and drinking water needs, such as assistance to clean up Boston Harbor. I also object to cuts the Congress has made in environmental technology, the climate change action plan, and other environmental programs.

The bill would reduce funding for the Council for Environmental Quality by more than half. Such a reduction would severely hamper the Council's ability to provide me with advice on environmental policy and carry out its responsibilities under the National Environmental Policy Act.

The bill provides no new funding for the Community Development Financial Institutions program, an important initiative for bringing credit and growth to communities long left behind.

While the bill provides spending authority for several important initiatives of the Department of Housing and Urban Development (HUD), including Community Development Block Grants, homeless assistance and the sale of HUD-owned properties, it lacks funding for others. For example, the bill provides no funds to support economic development initiatives; it has insufficient funds for incremental rental vouchers; and it cuts nearly in half my request for tearing

down the most severely distressed housing projects. Also, the bill contains harmful riders that would transfer HUD's Fair Housing activities to the Justice Department and eliminate Federal preferences in the section 8, tenant-based program.

The bill provides less than I requested for the medical care of this Nation's veterans. It includes significant restrictions on funding for the Secretary of Veterans Affairs that appear designed to impede him from carrying out his duties as an advocate for veterans. Further, the bill does not provide necessary funding for VA hospital construction.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. This bill does not reflect the values that Americans hold dear. I urge the Congress to send me an appropriations bill for these important priorities that truly serves the American people.

William J. Clinton

The White House,
December 18, 1995.

Remarks on Signing the Memorandum on Federal Arrestee Drug Testing and an Exchange With Reporters

December 18, 1995

The President. I want to welcome the Attorney General, United States Attorneys Eric Holder of Washington, DC, and Kathryn Landreth of Nevada; the Attorney General of Minnesota, Skip Humphrey; District Attorney Lynne Abraham of Philadelphia; District Attorney Michael Barnes of South Bend, Indiana, who is president of the National District Attorneys Association; and Jeremy Travis of the National Institute of Justice. I thank all of them for joining me here today.

I am about to sign a directive to the Attorney General instructing her to take the next step in our administration's all-out effort to break the cycle of crime and drugs.

The criminal justice systems of our country are overburdened with drug-abusing defendants who cycle through the system while continuing to use drugs. Far too many criminals brought into our system have a substance abuse problem. In fact, a 1993 study by the Justice Department found that more than half of the arrestees tested positive for an illicit substance. Unless we break the cycle of drugs and crime, criminal addicts will end up back on the street, committing more crimes and then right back in the criminal justice system still hooked on drugs. That's not fair to the taxpayers, the crime victims, or the American public. The cycle must be broken.

All across our country employers have accepted responsibility to reduce the level of drug use in the workplace. Teachers and coaches have accepted the responsibility to reduce the level of drug use in our schools. Now it is time for agencies in our criminal justice system to use all their power to reduce drug use by Federal arrestees.

With this directive, when you enter the Federal criminal justice system, you will be tested. If you have been taking drugs, you should suffer the consequences. The administration is committed to breaking this link between crime and drugs. Indeed, if we could break it, we could dramatically lower the crime rate.

As a nation, there is only one message we can send: Continued drug use is unacceptable. We can't have a comprehensive crime-fighting effort until we end drug offenders' habits. That's why it's critical that the criminal justice system put all its power behind cleaning up drug-abusing criminals.

This directive is another example in which the Federal criminal justice system can serve as a model for States. I'm very honored to be joined by the Minnesota Attorney General, Mr. Humphrey, and the District Attorneys of Philadelphia and South Bend, Indiana. When they leave here today they're going home to ask their State legislatures to follow our lead in making sure all offenders are drug-tested. I call upon every Governor, every State assembly, every State attorney general to do the same.

I'm proud of our antidrug strategy. It combines tough enforcement with a real, comprehensive prevention program and more investment in treatment. This directive is another step in our efforts to eliminate illegal drug use.

We know that reducing drug use will require everyone's effort. That's why today, our Drug Director, Dr. Lee Brown, is in California urging high school coaches to adopt drug testing of their athletes in order to reduce drug use among our teenagers.

These two actions send a clear and unambiguous message: Drug use and drug abuse are both wrong and illegal. We can't tolerate a revolving door of criminal drug abusers in our system. And if we work together, we can ensure that all the offenders in our country become drug-free and stay drug-free if they're going to stay out of jail.

Just yesterday, the FBI reported that for the first 6 months of this year, violent crime was down by 5 percent and the murder rate was down by 12 percent. Over the last 3 years, we've made ''three strikes and you're out'' the law of the land, passed the Brady bill, the assault weapons ban. We're well on our way to putting those 100,000 new police officers on the American streets. But there is still one very disturbing and unacceptable finding in the FBI report, the trend of violence being committed by juveniles.

Later this week, I will be sending the ''Enhanced Prosecution of Dangerous Juvenile Offenders Act'' to the Congress. This legislation will help to address the critical problem of youth criminals by strengthening Federal laws designed to deal with genuinely violent use. It's an additional tool for prosecutors to deal with violent juvenile criminals by holding dangerous youth criminals accountable for their actions. Once they've been arrested, we must stop them from repeating their crimes.

With these steps that we've announced today, Federal arrestees who are abusing drugs will no longer be out on the streets, and hardened criminals will be dealt with accordingly, even if they're juveniles.

[*At this point, the President signed the memorandum.*]

Drug Policy

Q. Do you think that's constitutional?

The President. The way it is drawn, I do. The Attorney General might want to explain it, but basically, in the places where this has been tried the people who are arrested are asked to undergo drug testing. As I understand it, about 80 percent of them agree. If they don't agree, instead of being forced it's just reported to the judge in making a determination about how high to set bail and what the conditions of bail should be.

Q. Well, if they are found to have taken drugs, does this mean they're not eligible for bail?

The President. Well, it means it can change the circumstances under which they're tried and what they might have to do as a condition.

Do you want to discuss that?

Attorney General Reno. What it is saying—it is clearly constitutional to condition bail on testing. And what this says is, if you are going to get bail, you may have to agree to testing, you may have to agree to continued testing, to supervision, to certain conduct while you're on bail. Or it may mean that you have got to remain in the jail because the conditions would not ensure that you would be drug-free once you were on the streets.

Q. Wouldn't you be subject to additional charges, though? You know, in other words, you're arrested on some totally unrelated charge, and you're found to have had drugs.

Attorney General Reno. What we're trying to do is to prevent the unrelated charge that happens once they've left the courthouse. And if they are using drugs and if drugs are what is fueling so much of crime in this country, to send them back out without doing something to interrupt that cycle and to let a crime happen that was drug-induced doesn't make any sense.

What the President is doing here is saying, look, we're going to try to do everything we can to ensure the safety of our streets based on these offenders and their condition, and we're also going to try to do something to make sure that we interrupt the cycle of drug use on the part of these offenders.

Budget Impasse

Q. Mr. President, what do you hear from the Speaker and Senator Dole on the budget and opening the Government again?

The President. Well, I had talks with both of them this afternoon, and I offered—first, I asked them to open the Government again, and to do it immediately, so that the people

who have made plans for Christmas week to be here and elsewhere would not be disappointed and so that the Federal employees would not be basically disoriented during this Christmas week. And I offered some ideas about how we might reopen the Government and how we might resume our budget negotiations. And they agreed to take my ideas under advisement and to speak with each other, perhaps with others as well.

So I don't think I should talk about specifically what I said to them until I hear back from them. I think that would be wrong. I owe it to them, to have a chance to consider this in a confidential matter on their own time.

Q. Did you invite them to come over here to sit down with you and try to resolve this?

The President. I talked about how we could get together and my personal willingness to be involved. But I'd rather not talk about the specifics of it until I hear back from them.

Q. Do you think they'll respond tonight?

The President. I just don't know. I hope so. I want the Congress to open the Government again. This is not—this whole action is without precedent. I think we should stop it, and we should go back to the ordinary way of dealing with this.

I have demonstrated, I think, repeatedly that I am committed to balancing the budget. I have shown that I will put forward a plan in 7 years. I have told them that I will work with them. And I will work with them, and I believe we can do it. But we ought to reopen the Government, the Congress should, for the benefit of the American people, especially this week. We shouldn't—this week the people and the employees should not be subject to this Government closing.

Q. Are you willing to have them over here as early as tonight, Mr. President?

The President. Well, I'd like to give them the chance to get back to me. I think it's important that I not talk anymore about the contents of my conversation until they have a chance to consider it and get back to me.

Q. Are you more encouraged, though, by what you heard in this phone call that the Government can get back to working 100 percent?

The President. I hope so. That's all I can say. I hope so.

NOTE: The President spoke at 4:35 p.m. in the Oval Office at the White House.

Memorandum on Federal Arrestee Drug Testing

December 18, 1995

Memorandum for the Attorney General

Subject: Development of the Administration's Federal Arrestee Drug Testing Policy

Illegal drugs plague our communities, causing despair and illness, and, most importantly, contributing significantly to unacceptable levels of crime and violence. More than half of all individuals brought into the Nation's criminal justice system have substance abuse problems. Too often, the same criminal drug users cycle through the court, corrections, and probation systems still hooked on drugs and still committing crimes to support their habit.

We can and will continue to prosecute and convict these criminal drug users. Yet our criminal justice system must do more to try to reduce drug use. Across the country, employers have accepted their corporate responsibility to reduce the levels of drug use within their workplaces.

So too, the agencies of our criminal justice system must do their part, giving criminal drug users powerful incentives to stay off drugs by putting a high price on continued drug use. These incentives—commonly referred to as "coerced abstinence"—should be applied at the earliest possible stage in a person's interaction with the criminal justice system—following arrest.

To ensure that we are doing all we can to break the cycle of drugs and crime, I am directing you to develop a universal policy providing for drug testing of all Federal arrestees before decisions are made on whether to release them into the community pending trial. I further direct that you establish a policy whereby Federal prosecutors will seek appropriate measures for arrestees who fail pretrial drug tests.

The Federal criminal justice system should serve as a model for State criminal justice systems—where the majority of criminal cases are processed and the cycle of repeat drug-related offenders is most evident. Therefore, I am also directing you to take all appropriate steps to encourage States to adopt and implement the same policies that we are initiating at the Federal level.

You should report to me in writing by March 31, 1996, on the specific steps you will take to implement this policy.

William J. Clinton

Remarks on Signing the Lobbying Disclosure Act of 1995 and an Exchange With Reporters

December 19, 1995

The President. Good morning, ladies and gentlemen. Today, after two decades of gridlock, I am very proud to be able to sign this legislation to bring lobbying in Washington into the sunlight of public scrutiny.

Last year when lobbying reform legislation was filibustered to death, there were lobbyists crowded outside the Senate Chamber who literally cheered. Today, I sign that bill into law. And that's something for the American people to cheer about.

I want to begin by thanking those whose efforts made this possible. And their efforts were constant, longstanding, and carried on, I might add, from time to time under great duress.

First, let me say I believe this new law to bring lobbying into the open would never have happened without the leadership of Senator Carl Levin. The first conversation that he and I had after I was elected President was about this legislation, and therefore in a very real sense this lobby reform law is a monument to the years and years of effort that Carl Levin has made. And I thank you, Senator, for that.

There are many, many other Members of Congress in both parties who played a pivotal role in enacting this needed reform. Many of them are here today, and I want to thank them. I want to thank Senator Cohen and Senator Wellstone. And I want to thank Congressman Bryant, Congressman Canady, Congressman Frank, Congressman Fazio, Congressman McHale, Congressman Chris Shays, Congressman Goss, Congressman Doggett, and Congressman Barrett, who was not able to be here today.

On this matter, Democrats and Republicans acted together to put the public interest before partisanship. And they faced withering pressure to do otherwise. This law is also a testament to the thousands of citizens who were members of groups lobbying for this, members of Common Cause, Public Citizen, and many other groups, who have sought to make real the promise of our democracy. It is also, frankly, a testament to the efforts of thousands of citizens who belong to no particular group but who showed up at town meetings that these members and others had all across our country. They were Republicans and Democrats and independents, people who wanted this kind of change, real change, for a very, very long time.

Lobbying has its rightful place in our system. I believe every Member here and every Member who voted for this bill understands that and understands what a valuable role lobbying can play in the American system. At one time or another, just about every American citizen has wanted to be a lobbyist before the Congress on one issue or another.

But ordinary Americans also understand that organized interests too often can hold too much sway in the halls of power. They know that in Washington an influence industry too often operates in secret and gets special privileges not available to most Americans. Lobbyists in the back room secretly rewriting laws and looking for loopholes do not have a place in our democracy. All the people should know what is done by people who affect public decisions.

I ran for President in large measure to renew our democracy, to give ordinary Americans a greater stake in our Government. I strongly called for reform measures, including this bill, from the very beginning. Shortly after I took office, I implemented the toughest ethics code on executive officials in our history, barring senior appointees from lobbying their own agencies for 5 years after leaving office and from ever lobbying for foreign governments. We repealed the tax loophole that let lobbyists deduct the cost of their

activities and enacted the motor voter bill which will add millions of new voters to the rolls.

Until today, the rules governing lobbyists, virtually unchanged since 1946, have been more of a loophole than a law. For the first time this new law requires professional lobbyists to disclose publicly who they are, for whom they work, what they're spending, and what bills they're trying to pass, kill, or amend. The bill is tough. It will pull back the curtains from the world of Washington lobbying. It will help to restore the trust of the American people in their Government. It is a good bill for America.

At the outset of this year, I asked the Congress to take four major steps toward political reform. First, I asked them to apply to themselves the laws that they pass governing the rest of America. Congress took this step, thanks to the hard work of many lawmakers here today.

Second, I asked the Congress to give up gifts, meals, and trips from lobbyists. Earlier this year, Congress agreed to that, and I applaud them for that.

Thirdly, I asked Congress to enact strong lobbying disclosure. Shortly, I will sign that bill into law. And I think it is fair to say, thanks to the efforts of these gentlemen and others, that bill is much stronger than most people ever dreamed would pass the United States Congress.

Fourth, I asked the Congress to reduce the influence of money on elections. And though Congress still has not acted, there is sign of hope here as well. Truly bipartisan legislation is now moving forward in both the Senate and the House to limit spending, curb PACs and lobbyists, provide free TV time for candidates, and end the soft money system—proposals virtually identical to the ones I advocated in 1992. They are real reform. And I look forward to working with lawmakers from both parties in the months ahead to quickly enact campaign finance reform as well.

For now, let us recognize and appreciate the significant step being taken today. This law says the days of secret lobbying are over. Throughout our history, the people of our country have fought to make the Government heed their voice. This new law is in the best tradition of America—one articulated by President Andrew Jackson a long time ago, ''Equal opportunity for all; special privileges for none.''

Thank you very much, all of you.

[*At this point, the President signed the legislation.*]

Budget Impasse

Q. Do you think you're going to get a CR before Christmas?

The President. I certainly hope so. We're going to have a meeting this afternoon, and I'm looking forward to it. The Speaker and Senator Dole are coming over, and then we'll have some more meetings. And I hope we can work it out.

If you look at this legislation, this is an example of what we can do if we focus on one goal and determine to achieve that goal and bridge our other differences. And I believe that about 80 percent of both Houses in Congress, maybe even more, would like to pass a 7-year balanced budget that has real credibility with the financial markets, that would keep interest rates coming down, keep home mortgages being refinanced, keep investment flowing into the country to keep this economy going.

Q. They won't agree to your conditions.

The President. Well, you don't know that. We'll see. We're going to keep talking. We've worked hard. I've worked hard. I worked all last weekend on this budget to do everything I can to pass a budget that is consistent. I even got—I gave this to all our folks today to make sure that they would read and reread this—the actual language of the last continuing resolution. And so we're working on it very hard.

Q. You said that in this bill the Democrats and Republicans put partisan considerations aside and worked for the public interest. Do you feel that the White House and the Republicans can do that now on the budget?

The President. Yes. It's more difficult because there are 80 or 90 issues—policy issues that we have some differences on. But if we say what our goal is, our goal is to pass a credible balanced budget plan, recognizing that no one can foresee what will happen in every year of the next 7 years but that a plan that is passed, that is credible, that is ulti-

mately certified by the Congressional Budget Office, that the financial markets and the business community, the ultimate judge of this say, this is a good plan, this is going to work. That would be a very good thing for America. I think we can do it.

The Economy

Q. You sound concerned, Mr. President, about the financial markets; you brought it up twice this morning. Are you worried about the hit it took yesterday?

The President. Not especially. I don't like to comment on short-term changes in the market. You know, when I ran for President, I said I thought if we could pass a credible deficit reduction plan in 1993, we could create over 8 million jobs and we'd get a stock market of 4,000. I never dreamed it would go to 5. [*Laughter*] So the American economy is very strong, very vibrant. And in an economy with a free market system with this much activity, there's going to be changes in the market—you know there are, always have been, always will be. I don't think we should comment on that or read too much into it one way or the other.

Securities Litigation Reform

Q. Are you going to sign the securities litigation reform, Mr. President?

The President. For the last week, I have spent several hours on that. I believe that some legislative activity there is warranted, and I'm going to have a final review today. Yesterday I had a long meeting, and I asked one particular question and asked it to be researched at some length. I'll have a meeting later this afternoon; I'll have an announcement sometime today about it.

Thank you.

NOTE: The President spoke at 10:09 a.m. in the Roosevelt Room at the White House. S. 1060, approved December 19, was assigned Public Law No. 104–65.

Statement on Signing the Lobbying Disclosure Act of 1995

December 19, 1995

Today I am pleased to approve S. 1060, the ''Lobbying Disclosure Act of 1995.'' I have strongly supported the purposes and principles embodied in this legislation since the beginning of my Administration. During my first days in office, I barred all top executive branch officials from lobbying their agencies for 5 years after leaving office and from ever lobbying for foreign governments. During the 103rd Congress, my Administration lent its strong support to congressional backers of legislation that served as the model for the Lobbying Disclosure Act of 1995.

As a general matter, S. 1060 provides for the disclosure of efforts by paid lobbyists to influence the decision-making process and actions of Federal legislative and executive branch officials. It replaces the existing patchwork of lobbying disclosure laws with a single, uniform statute that covers the activities of all professional lobbyists. Among other things, the bill streamlines lobbyist disclosure requirements and requires that professional lobbyists register and file regular reports identifying their clients, the issues on which they lobby, and the amount of their compensation. These are important steps in the right direction.

The Department of Justice has identified certain provisions in the Act that raise constitutional concerns—in particular, the role given to the Secretary of the Senate and the Clerk of the House of Representatives and the specific manner in which the legislation seeks to protect the exercise of religion. I shall instruct the Attorney General to apply and enforce the Act in a constitutional manner. This will ensure that the Act survives any challenge in court and thereby guarantee that the Act is fully effective in accomplishing its objectives, including the protection of religious expression.

In addition, section 21(b) of the Act would forbid the appointment as United States Trade Representative or Deputy United States Trade Representative, of anyone who had ever ''directly represented, aided, or advised a foreign [government or political party] . . . in any trade negotiation, or trade dispute with the United States.'' The Congress may not, of course, impose broad restrictions on the President's constitutional prerogative to nominate persons of his choosing to the highest executive branch positions,

and this is especially so in the area of foreign relations. However, because as a policy matter I agree with the goal of ensuring the undivided loyalty of our representatives in trade negotiations, I intend, as a matter of practice, to act in accordance with this provision.

William J. Clinton

The White House,
December 19, 1995.

Remarks on Vetoing the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996, and an Exchange With Reporters

December 19, 1995

The President. Good afternoon. I'm delighted to be joined by these police officers and by the Attorney General and Secretary Brown and the mayors of Chicago and Philadelphia and representatives of law enforcement who are here today.

For yet another day, the Republican Congress continues to keep our Government closed. Shortly, I will meet with Senator Dole and Speaker Gingrich. I hope we can resolve the situation and give the American people their Government back by Christmas.

We also should give them a balanced budget that reflects our values of opportunity for all, respecting our duty to our parents and our children, building strong communities and a strong America.

There is no value more basic than keeping our children safe. Unfortunately, the bill that the Congress passed to fund the Justice, Commerce, and State Departments failed to fulfill that essential obligation.

Last year, with the support of Members of both parties in Congress, I signed a crime bill into law. The key to that crime bill was our effort to put 100,000 new police officers on the street because we knew—we had clear, hard evidence that more police officers in community policing would actually lower the crime rate not only by catching more criminals but by preventing crime. Today we are awarding 5,500 police officers to communities all across America. That brings the grand total in less than 15 months to 31,000 new police officers for America's streets, almost a third of the 5-year total.

Everywhere I go, mayors and police chiefs and sheriffs tell me that community policing is helping them to fight crime and lower the crime rate. And the tide is turning. Yesterday, the FBI reported that the murder rate has dropped 12 percent in the last year. That's the largest decline in the murder rate since the FBI started keeping statistics 35 years ago. Violent crime is down 5 percent overall from last year's rate. We are turning the tide. We are beginning to win the fight against crime. This is no time to turn back the clock.

The crime bill is working because it provides funds for police officers directly to police departments. Unfortunately, this bill replaces this initiative which is guaranteed to put 100,000 police on the street with a block grant that has no guarantees at all. The bill that is before me does not guarantee that even one more police officer will be put on our streets, not one.

I gave my word in 1992 that I would work for 100,000 more police officers on the street. In 1994, when I signed that bill into law, it represented a solemn commitment by the United States Government that we would put 100,000 more police officers on the street. I intend to keep my word.

That is not the only reason I am vetoing this bill. Looking out for our families and our children is essential, and to do that, we have to look out for our future. The dawn of the information age is no time to turn out the lights on our research laboratories and our technology centers. But the Republican budget could cut nondefense research and development by as much as one-third over the next 7 years.

America thrives because we create opportunities for our children to create a better future. In this era of rapid technological change, we will only pass opportunity on to our children if we take advantage of American ingenuity and innovation. No business in the world today facing the pressures of the 21st century would gut its investment in research and technology, and no country should either.

The Japanese are in the midst of a serious recession. Yet their government just announced plans to double the Japanese re-

search budget over the next 5 years. We have the lowest combined rates of unemployment and inflation in 27 years, and I do not intend to preside over a decision by Congress to cut our investment in research and technology by a third.

Look at the people who are winning the Nobel Prizes and see how many of them got Government-funded research. Look at the research that has been funded by our Government agencies over the last several years in new technologies, in new developments, and see the contribution that is made here. America has the strongest economy in the world in large measure because we are leading the race to the technology age. And I don't believe we should drop out of the race on the edge of a new century.

Of course, we have to balance the budget, but we don't need to do it by cutting back on police officers and risking our safety. We don't need to do it by slashing our research in science and technology and risking our future. Remember, balancing the budget is more important to our children than anything else. It's lifting the burden of future debt off our children. We don't want to impose on our children a restricted future by making them less safe today and less secure in terms of economic opportunity tomorrow.

There is one last thing I'd like to say. Eight months ago today terror visited our children in Oklahoma City. The memory of that awful tragedy will be with us forever. Just yesterday, law enforcement officers found a bomb outside a Federal office building in Reno, Nevada. In the weeks after Oklahoma City, I sent to the Congress a bill to give law enforcement the tools they need to crack down on terrorism and to protect our families, terrorism arising from within the United States, terrorism coming from beyond our borders.

The Senate passed the bill last June with sweeping bipartisan support. But a few people with extreme views have prevented the House of Representatives from even considering the bill. They have held it up long enough. Here in this time of peace for our country, I ask all Americans to remember the victims of Oklahoma City, and I ask the Congress to give law enforcement the tools they need to be truly peace officers.

When they send me a bill that protects our families by keeping our promise to put 100,000 police officers on the street, they should also protect our families by keeping their promise to send us a strong antiterrorism bill.

Thank you.

[*At this point, the President signed the veto message.*]

Budget Impasse

Q. Mr. President, are your numbers on Medicare and Medicaid savings negotiable?

The President. You know what I said yesterday; I said—I carry this little statement around with me. This is the agreement I made with the Congress when we reopened the Government. The agreement says that we will enact legislation to balance the budget in 7 years, protecting Medicare, Medicaid, education, the environment, and other things and that the agreement we finally make must be scored by the Congressional Budget Office as bringing the budget into balance. What is not negotiable with me is that we must protect these things.

I have proposed savings in Medicare and Medicaid that are considerable but that will protect both the integrity of the programs and the interest of the people who depend upon Medicare and Medicaid.

So what I said to the Speaker and to Senator Dole yesterday was if they wanted me to put down a 7-year budget on the front end, I expected them to respond to the second part of this resolution. This is not a resolution about just any old 7-year budget. This 7-year budget has all these things that we all agreed to, to protect, and Medicare and Medicaid are at the top of that list.

Q. Can you protect Medicare and Medicaid with——

Q. ——seven years protecting all these things, including the things the Republicans added to it?

The President. Well, it depends on a lot of other variables. That's why—we were negotiating in good faith at the time they called the negotiations off last week, apparently because of the group in the House that has been controlling a lot of the decisions here for the last several months. We have put forward more than twice as many policy changes

as they had in a good-faith effort to reach agreement.

The answer to your question is, yes, we could pass a 7-year budget that protects Medicare and Medicaid, education, and the environment and that does not—and our research and technology budget—and does not raise taxes on working families and that has great credibility in the financial markets. We can do that. If that is what the Congress wants to do, we can do it.

If, instead, the balanced budget is a cover for making war on the ability of the National Government to protect our common interest and to move us ahead, then I can't go along with that. But of course we can do it. And I hope that after this meeting I'm going to have in a few minutes, we'll be closer to doing it.

Q. Do you expect to get an agreement to reopen the Government at this meeting?

The President. I don't know. That's up to the Congress. Only the Congress can shut the Government down, and only the Congress can reopen it. But they can certainly reopen it, and I hope they will, particularly this week. It's just wrong for the Federal employees and, even more, for the American people, to have the Government close the week before Christmas. It is a decision they made and they can undo it, and I hope they will.

Q. Do you share the concerns, Mr. President, of the financial markets that lack of a budget agreement may keep interest rates locked in place or even turn them around and head them back upward?

The President. Well, let me say this. I think the action of the Federal Reserve today—although I don't want to comment on the merits of it one way or the other, but there's a general understanding that we have a—first of all, back in '93, we made some very tough decisions without any bipartisan support to bring the deficit down and to increase investment in technology and research and education and the environment, things that would grow the economy. Interest rates came down; billions of dollars were invested; there was a homebuilding boon; we got the economy going again.

The fundamentals of this economy were sound. There is good growth. There is low inflation—I will say again, the lowest combined rates of inflation and unemployment in 27 years. And we have to continue on that track. I think the message ought to be to people who are concerned about that is that this deficit is going to keep coming down, regardless. There is too much determination for that. That is not what this debate is all about. The deficit will keep coming down, regardless. The leadership of both parties favors that.

But we must have a 7-year balanced budget plan that reflects our other values. We are doing well in the world economy because the deficit is coming down and because the other things that are being done in the private sector are good and because the other things the Government is doing are good things. So we have to keep doing all the right things if we want to succeed. That's what the debate over the budget plan is about.

If the markets are worried about whether the deficit is going to keep coming down—they should forget about that. The deficit is going to keep coming down, regardless.

Thank you.

NOTE: The President spoke at 2:34 p.m. in the Oval Office at the White House.

Message to the House of Representatives Returning Without Approval the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996

December 19, 1995

To the House of Representatives:

I am returning herewith without my approval H.R. 2076, the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1996."

This bill does not meet the priorities and needs of our Nation and people. It would undermine our ability to fight the war on crime; decimate technology programs that are critical to building a strong U.S. economy; and weaken our leadership in the world by drastically cutting funding for international organizations, peacekeeping, and other international affairs activities.

First, the bill represents an unacceptable retreat in our fight against crime and drugs. It eliminates my COPS initiative (Community Oriented Policing Services) to put 100,000 more police officers on the street. Already, this initiative has put thousands of police on the street, working hand-in-hand with their communities to fight crime. The block grant that H.R. 2076 would offer instead would not guarantee a single new police officer. That's not what the American people want, and I won't accept it. As I have said, I will not sign any version of this bill that does not fund the COPS initiative as a freestanding, discretionary grant program, as authorized.

The bill also eliminates my "drug courts" initiative. And it unwisely abandons crime prevention efforts such as the Ounce of Prevention Council and the Community Relations Service. I am also disappointed that the funding levels in the bill fall short of my request for the Drug Enforcement Administration, and OCDETF (Organized Crime Drug Enforcement Task Force). This is no time to let down our guard in the fight against drugs.

Second, the bill constitutes a short-sighted assault on the Commerce Department's technology programs that work effectively with business to expand our economy, help Americans compete in the global marketplace, and create high quality jobs. As we approach a new, technology-driven century, it makes no sense to eliminate an industry-driven, highly competitive, cost-shared initiative like our Advanced Technology Program (ATP), which fosters technology development, promotes industrial alliances, and creates jobs. Nor does it make sense to sharply cut funding for measures that will help assure our long-term growth and competitiveness—such as our National Information Infrastructure grants program, which helps connect schools, hospitals, and libraries to the information superhighway; the GLOBE program, which promotes the study of science and the environment in our schools; the Manufacturing Extension Partnership, which helps small manufacturers meet the hi-tech demands of the new marketplace; Defense Conversion; or the Technology Administration. And I oppose the bill's harmful cuts for the Census Bureau and for economic and statistical analysis.

Third, I am deeply concerned that this bill would undermine our global leadership and impair our ability to protect and defend important U.S. interests around the world—both by making unwise cuts in funding for international organizations and peacekeeping activities, and by cutting programs of the State Department, the Arms Control and Disarmament Agency, and the United States Information Agency. These cuts would impair our ability to support important activities such as the nonproliferation of weapons, the promotion of human rights, and the control of infectious disease like the Ebola virus. Moreover, sections of the bill include inappropriate restrictive language, including language limiting the conduct of U.S. diplomatic relations with Vietnam, that I believe infringe on Presidential prerogatives. And I cannot accept the provision that would cut off all funding for these agencies on April 1, 1996, unless the State Department Authorization Act and related legislation had been signed into law.

Fourth, the bill includes three additional provisions that I cannot accept.

It cripples the capacity of the Legal Services Corporation (LSC) to fulfill its historic mission of serving people in need—slashing its overall funding, sharply limiting the administrative funds LSC needs to conduct its business, and imposing excessive restrictions on LSC's operations. LSC should be allowed to carry on its work in an appropriate manner, both in its basic programs and in special initiatives like the migrant legal services program.

Section 103 of the bill would prohibit the use of funds for performing abortions, except in cases involving rape or danger to the life of the mother. The Justice Department has advised that there is a substantial risk that this provision would be held unconstitutional as applied to female prison inmates.

The bill also includes an ill-considered legislative rider that would impose a moratorium on future listings under the Endangered Species Act by the National Oceanic and Atmospheric Administration and other agencies. That rider not only would make bad policy, it also has no place in this bill.

Finally, I would urge the Congress to continue the Associate Attorney General's office.

For these reasons and others my Administration has conveyed to the Congress in earlier communications, I cannot accept this bill. H.R. 2076 does not reflect my priorities or the values of the American people. I urge the Congress to send me an appropriations bill that truly serves this Nation and its people.

William J. Clinton

The White House,
December 19, 1995.

Message to the House of Representatives Returning Without Approval the Private Securities Litigation Reform Act of 1995

December 19, 1995

To the House of Representatives:

I am returning herewith without my approval H.R. 1058, the ''Private Securities Litigation Reform Act of 1995.'' This legislation is designed to reform portions of the Federal securities laws to end frivolous lawsuits and to ensure that investors receive the best possible information by reducing the litigation risk to companies that make forward-looking statements.

I support those goals. Indeed, I made clear my willingness to support the bill passed by the Senate with appropriate ''safe harbor'' language, even though it did not include certain provisions that I favor—such as enhanced provisions with respect to joint and several liability, aider and abettor liability, and statute of limitations.

I am not, however, willing to sign legislation that will have the effect of closing the courthouse door on investors who have legitimate claims. Those who are the victims of fraud should have recourse in our courts. Unfortunately, changes made in this bill during conference could well prevent that.

This country is blessed by strong and vibrant markets and I believe that they function best when corporations can raise capital by providing investors with their best good-faith assessment of future prospects, without fear of costly, unwarranted litigation. But I also know that our markets are as strong and effective as they are because they operate—and are seen to operate—with integrity. I believe that this bill, as modified in conference, could erode this crucial basis of our markets' strength.

Specifically, I object to the following elements of this bill. First, I believe that the pleading requirements of the Conference Report with regard to a defendant's state of mind impose an unacceptable procedural hurdle to meritorious claims being heard in Federal courts. I am prepared to support the high pleading standard of the U.S. Court of Appeals for the Second Circuit—the highest pleading standard of any Federal circuit court. But the conferees make crystal clear in the Statement of Managers their intent to raise the standard even beyond that level. I am not prepared to accept that.

The conferees deleted an amendment offered by Senator Specter and adopted by the Senate that specifically incorporated Second Circuit case law with respect to pleading a claim of fraud. Then they specifically indicated that they were *not* adopting Second Circuit case law but instead intended to ''strengthen'' the existing pleading requirements of the Second Circuit. All this shows that the conferees meant to erect a higher barrier to bringing suit than any now existing—one so high that even the most aggrieved investors with the most painful losses may get tossed out of court before they have a chance to prove their case.

Second, while I support the language of the Conference Report providing a ''safe harbor'' for companies that include meaningful cautionary statements in their projections of earnings, the Statement of Managers—which will be used by courts as a guide to the intent of the Congress with regard to the meaning of the bill—attempts to weaken the cautionary language that the bill itself requires. Once again, the end result may be that investors find their legitimate claims unfairly dismissed.

Third, the Conference Report's Rule 11 provision lacks balance, treating plaintiffs more harshly than defendants in a manner that comes too close to the ''loser pays'' standard I oppose.

I want to sign a good bill and I am prepared to do exactly that if the Congress will

make the following changes to this legislation: first, adopt the Second Circuit pleading standards and reinsert the Specter amendment into the bill. I will support a bill that submits all plaintiffs to the tough pleading standards of the Second Circuit, but I am not prepared to go beyond that. Second, remove the language in the Statement of Managers that waters down the nature of the cautionary language that must be included to make the safe harbor safe. Third, restore the Rule 11 language to that of the Senate bill.

While it is true that innocent companies are hurt by frivolous lawsuits and that valuable information may be withheld from investors when companies fear the risk of such suits, it is also true that there are innocent investors who are defrauded and who are able to recover their losses only because they can go to court. It is appropriate to change the law to ensure that companies can make reasonable statements and future projections without getting sued every time earnings turn out to be lower than expected or stock prices drop. But it is not appropriate to erect procedural barriers that will keep wrongly injured persons from having their day in court.

I ask the Congress to send me a bill promptly that will put an end to litigation abuses while still protecting the legitimate rights of ordinary investors. I will sign such a bill as soon as it reaches my desk.

William J. Clinton

The White House,
December 19, 1995.

NOTE: This message was released by the Office of the Press Secretary on December 20.

The President's News Conference

December 20, 1995

Budget Impasse

The President. Good afternoon. Yesterday, Speaker Gingrich, Senator Dole, and I reached an agreement to work together in good faith to balance the budget and to reopen the Government. Today the most extreme Members of the House of Representatives rejected that agreement.

These Republicans want to force the Government to stay closed until I accept their deep and harmful cuts in Medicare and Medicaid, in education, in the environment, and agree to raise taxes on the hardest pressed working families, all, in part, to pay for their very large tax cut.

I won't yield to these threats. I'm determined to balance the budget. But I won't be forced into signing a budget that violates our values, not today, or tomorrow, not ever.

This is a very troubling development. The President and the leaders of the two Chambers of Congress reached an agreement on a matter of great national urgency. But a small minority in the House of Representatives is determined to keep the Government closed until they get exactly their way. Their way is the wrong way for America.

We should reopen the Government now. We should work to balance the budget now. We should start the negotiations without any threats, without more ultimatums, without continuing this shutdown. This shutdown hurts the very people we are duty-bound to serve. If Congress doesn't vote to reopen the Government by tomorrow morning, 3.3 million veterans will not receive their benefits on time. If Congress fails to act by Friday, 8 million children will not receive their benefits on time. Every day of the shutdown, 20,000 college loan and scholarship applications go unprocessed. Air and water pollution goes unstopped because they've taken all the environmental protectors off the job.

Christmas is only days away. I have said before and I will say again, we ought to be guided by the spirit of the season, not the spirit of partisanship. We can balance the budget in a way that reflects our values and is good for our future, but only if we put aside rancor and extremism. I say again, I hope that we can go to work.

Q. Mr. President, what can you do about this? Do you have any recourse to get these benefit checks to these poor people?

The President. Well, I'm hoping that Congress will move on the veterans benefits today. And, of course, I hope they will move on the other thing.

Q. Can they do that independently——

The President. Apparently, they can. I have talked to Senator Dole twice today. I just got off the phone with him a few minutes ago, and we have—I don't want to reveal ex-

actly what we said because I think that he's making a good-faith effort here to honor the agreement we made.

Q. Can you clear up the question, Mr. President, about whether you're willing to score your budget on the CBO? There seems to be some dispute about that, and in fact, Republicans are blaming this breakdown on what Vice President Gore said last night just minutes after this apparent agreement was struck.

The President. Well, there's no doubt—there's no difference about what the discussion was and what the agreement was. I have said—if you go back to the agreement in the last continuing resolution, I have said that any budget we agree to would have to be scored by the Congressional Budget Office as being in balance. That's what I said, and I say that again.

What the Vice President said last night was that should not be taken to preclude our ability to discuss in the budget negotiation the specific suggestions we have already made, or any discussions we still have about what we think ought to be considered in the ultimate decision of the Congressional Budget Office. That's all we said. We have never disputed the fact that the final agreement, once we make it, would have to be scored by the Congressional Budget Office as being in balance.

Q. [*Inaudible*]—what the agreement that occurred yesterday apparently had to do with whether any plan, any budget plan that did not meet that standard could be on the table as part of the talks. That seemed to be Mr. Gingrich's understanding. Mr. Gore saw it a different way. And that appears to have been at the root of all this. Did the way the Speaker worded his understanding of this yesterday—did that get it wrong, in your view?

The President. Well, I don't think that is at the root of all this. There was a clear understanding, and I believe our staffs agreed on it, that we would come back with our ideas.

As I said to them, I would actually—I offered them two options. We would either go back and take the other budgets that had been proposed as a starting point and work together to try to get a balanced budget that would be scored as balanced by the CBO, or if they wanted me to put one down right now that would be scored right now as balanced by the CBO, I would do that, but they would have to come to the Medicare and Medicaid investment levels that I had recommended because I've already moved 3 times as much as they have.

Q. Just to follow, Mr. President, Senate Democrats have now come forward with a plan today very much like yours in some important respects. It does get to balance in 7 years using CBO numbers now. They apparently—the Republicans say they're prepared to talk about that one. Are you prepared——

The President. We said we were prepared to talk about——

Q. ——to endorse that one and make that your starting point?

The President. No, but I'm prepared to discuss that in the context of the negotiations. We encouraged everybody who wanted to come out with a plan to come out with it, and we would discuss them all, and we would see where we are on that.

Q. [*Inaudible*]—just a small minority. Why are they so powerful? What do you think is behind it?

The President. I think that there has been a decision on every issue except the environment, where some moderate Republicans decided that they could no longer go along with it, to put those people in control of the House of Representatives. And they have varied—the moderate Republicans who have disagreed with them, I think, on many, many issues have broken ranks with them, to the best of my knowledge, only on the environment, and then in a modest way.

Now, sooner or later, they're either going to have to let the Speaker honor his commitments—that group. And if they're not going to do that, because what they really want is to end the role of the Federal Government in our life, which they have, after all, have been very open about. I mean, a lot of them will be happy about this because they don't think we ought to have a Government up here anyway. And the tail will keep wagging the dog over there until those moderate Republicans find a way to do what they did on a couple of the environmental votes or until

they decide to let the Speaker honor his commitment.

Q. You're saying that these people control the Speaker of the House; he doesn't control them?

The President. No. First of all, I don't think he ever asserted that he controlled them. I am saying that at the present time, they control what their decisions—the leadership decisions, which are in the hand of this very conservative group, the anti-Government group, control what the shape of the measures that come up for a vote. That's what this is. And there are only two ways to resolve this, I think. We either—over the long run, other options that could get the support of both Democrats and Republicans will have to be permitted to come to the floor of the Congress, or they will have to give the Speaker at least the leeway to do what he said he would do yesterday when we left.

Q. Mr. President, since so much is at stake right now, all these veterans benefits and these other benefits, why don't you simply pick up the phone and call the Speaker the Senate majority leader and invite them to come back to the White House and rack your brains and not leave until there is an agreement that can be implemented?

The President. First of all, I had an agreement last night. I don't know who I'm supposed to make an agreement with. But what the Vice President said is not the basis on which this agreement came—I will do anything I can to reach an honorable agreement. But the people in the House are misreading their own agreement. They voted for the other continuing resolution. The other continuing resolution has us agreeing, our side agreeing, to work for a balanced budget in 7 years, that the agreement would be scored by the CBO as being in balance. It has them agreeing to work to meet our standards of protecting Medicare and Medicaid, education, and the environment.

And ever since that agreement was reached their group has treated this as a one-way street. And I'm hoping that we can find a way out of this.

Let me say, I'm happy to meet with anybody, anytime. But it's hard for me to know—what would happen now is—I mean, we can only conclude that what would happen now is that the three of us could sit down and make an agreement with Senator Daschle and Representative Gephardt and then everybody would be for it, and they'd take it back to the House and the same crowd would say, "No, thank you. We want exactly what we passed."

Q. So what you're saying is there's absolutely nothing else that you can do to meet with them because of this group?

The President. No, no, no. Wait a minute, no, no. I just told you I've already had two conversations with Senator Dole and that we're trying to work this out. We're working at this moment. And I do not—I believe when Speaker Gingrich left here yesterday he intended to come back today and begin the negotiations with the continuing resolution going on.

But you're asking me why we're not meeting right now. I'm telling you what we have to determine is who we can meet with and expect if we give our word and somebody else gives their word, that whatever we say is going to be done will get done. That's what we've got to determine.

Q. Mr. President, why is it necessary for you to get an agreement from——

Q. Mr. President, does the Government have to be reopened? Because last night there was no talk of that being a precondition when both sides came out. And if you did reach an agreement with the Democratic and Republican leaders, presumably you would have enough votes in Congress to override the Republicans.

The President. Well, that's what we thought. And that might be the case now if such a vote were to be taken. And I think that's one of the things that's being discussed. But I think it's very important that all of you understand here, you've got a group of people that in my judgment do not represent even the majority in the House of Representatives, and certainly not the majority opinion of Republicans in America who are prepared to shut the entire Government down unless we agree with their priorities. That's what's going on.

And they today made it impossible for an agreement made in good faith between the President, the Speaker of the House, and the leader of the Senate to be implemented.

Now, I am, obviously, willing to do whatever I can to continue whatever constructive talks can be continued. But I showed up today ready to do my part, and the thing that you have in this business that has to work is when you say you're going to do something, it has to be that way.

Thank you.

NOTE: The President's 111th news conference began at 3:47 p.m. in the Briefing Room at the White House.

Message on the Observance of Christmas, 1995

December 20, 1995

Warm greetings to everyone celebrating Christmas.

The Christmas story is dear and familiar to us all—shepherds and angels, Wise Men and Kind Herod, Mary and Joseph, and, at the heart of it all, a Child. This Child was born into poverty in a city too crowded to offer Him shelter. He was sent to a region whose people had endured suffering, tyranny, and exile. And yet this Child brought with Him riches so great that they continue to sustain the human spirit two thousand years later: the assurance of God's love and presence in our lives and the promise of salvation.

Each year at Christmas, we celebrate these gifts with family and friends. We place candles in the window as a sign that there is always room for Christ in our homes. We put angels and stars and twinkling lights on the Christmas tree to remind us of the glory and mystery of Christ's birth. We sing the old and beloved Christmas carols to express the joy filling our hearts, and we share special gifts with those we love, just as God shared His Son with us. And, in contemplating the nativity scene under the tree or in a neighbor's yard, we realize that children hold a special place in God's heart, since He sent His only Son to us as a little Child.

With this simple truth in mind, let us observe Christmas this year by making a solemn commitment to the children of our communities, our nation, and the world. Let us pledge to love and nurture them and promise to give them strong values and a chance to make the most of their God-given talents. Let us resolve that they will grow up in a world that is free and at peace. By cherishing the children God sends us, we express our love and gratitude for the one Child He sent whose coming offers forgiveness and hope to us all.

Hillary and I send best wishes for a blessed and joyous Christmas season and every happiness in the new year.

Bill Clinton

Statement on the Welfare Reform and Budget Negotiations

December 21, 1995

I am disappointed that Republicans are trying to use the words "welfare reform" as cover to advance a budget plan that is at odds with America's values. Americans know that welfare reform is not about playing budget politics; it is about moving people from welfare to work.

I am determined to work with Congress to achieve real, bipartisan welfare reform. But if Congress sends me this conference report, I will veto it and insist that they try again. This welfare bill includes deep cuts that are tough on children and at odds with my central goal of moving people from welfare to work. The Republican budget cuts in Medicaid and the earned-income tax credit would undermine real reform and penalize people who choose work over welfare.

At a time when we are trying to engage in serious negotiations toward a balanced budget that is consistent with our priorities—one of which is to "reform welfare," as last month's agreement between Republicans and Democrats made clear—this is a sign of bad faith by the Republican leadership and an affront to those in both parties who genuinely want to enact real reform. My administration remains ready at any moment to sit down in good faith with Democrats and Republicans in Congress to work out a real welfare reform plan.

Executive Order 12983—Amendment to Executive Order 12871

December 21, 1995

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to improve the functioning of the National Partnership Council, it is hereby ordered that Executive Order No. 12871, entitled "Labor-Management Partnerships," ("the order") is amended as follows:

Section 1. Section 1(a) of the order is amended to delete "and" at the end of item (9), delete the period at the end of item (10), add "; and" at the end of item (10), and add item "(11) one elected office holder each from both the Senior Executives Association and the Federal Managers Association."

Sec. 2. Section 1(b) of the order is amended to delete "and" at the end of item (4), delete the period at the end of item (5), add "; and" at the end of item (5), and add "(6) reporting to the President by October 1996 on the progress of and results achieved through labor-management partnership throughout the executive branch."

Sec. 3. Section 1(c)(2) of the order is revised to read: "(2) The Council shall seek input from nonmember Federal agencies, particularly smaller agencies. It also may, from time to time, invite experts from the private and public sectors to submit information. The Council shall also seek input from Federal manager and professional associations, companies, nonprofit organizations, State and local governments, Federal employees, and customers of Federal services, as needed."

Sec. 4. Section 1(c)(4) of the order is revised to read: "(4) Members of the Council shall serve without compensation for their work on the Council, but may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law, for persons serving intermittently in Government service."

William J. Clinton

The White House,
December 21, 1995.

[Filed with the Office of the Federal Register, 2:41 p.m., December 22, 1995]

NOTE: This Executive order was released by the Office of the Press Secretary on December 22, and it will be published in the *Federal Register* on December 27.

Letter to Congressional Leaders on Bosnia-Herzegovina

December 21, 1995

Dear Mr. Speaker: (Mr. President:)

I last reported to the Congress on December 6, 1995, concerning U.S. support for the United Nations and North Atlantic Treaty Organization (NATO) efforts to bring peace to the former Yugoslavia. In that report I noted the success of our diplomatic efforts at Dayton, Ohio, to assist the parties to reach a negotiated settlement to the conflict in the former Yugoslavia and reported the deployment of a NATO "enabling force" and U.S. support forces in order to lay the groundwork for the deployment of the main body of the NATO-led Implementation Force (IFOR). I am now able to report that on December 14, 1995, the peace agreement that was initialed in Dayton was formally signed in Paris.

Following the formal signing of the peace agreement by all the parties, and consistent with our consultations with the Congress, United Nations Security Council Resolution 1031, and the North Atlantic Council (NAC) decision of December 16, 1995, I have ordered the deployment of approximately 20,000 U.S. military personnel to participate in the IFOR in the Republic of Bosnia and Herzegovina, principally in a sector surrounding Tuzla. Approximately 5,000 U.S. military personnel will also deploy as part of the IFOR in other states of the former Yugoslavia, principally Croatia. The IFOR, including U.S. forces assigned to it, will be under NATO operational control and will operate under NATO rules of engagement. In addition, a total of approximately 7,000 U.S. support forces, under U.S. command and control and rules of engagement, will deploy in Hungary, Croatia, Italy, and other states in the region in support of IFOR. These force levels are those stated by U.S. commanders to be

appropriate for the missions assigned to them.

The IFOR's mission, as outlined in more detail in the summary of the operation plan (OPLAN), which I sent to the Congress on December 11, 1995, is to monitor and help ensure compliance by all parties with the military aspects of the peace agreement. In particular, IFOR will ensure withdrawal of the forces of the parties to the agreed inter-entity borders within an agreed period and enforce establishment of agreed zones of separation between forces of the parties. IFOR will also create secure conditions for the safe, orderly, and speedy withdrawal from the Republic of Bosnia and Herzegovina of those elements of the U.N. Protection Force not assigned to NATO. Finally, within the strict limits of its key military tasks, IFOR will endeavor to create secure conditions for the conduct by other agencies and organizations of tasks associated with the peace agreement. NATO and U.S. military commanders believe, and I expect, that the military mission can be accomplished in about a year.

Many of the U.S. forces that will deploy to the Republic of Bosnia and Herzegovina will be drawn from the U.S. Army's 1st Armored Division stationed in Germany, including two mechanized brigades and an aviation brigade. Other participating U.S. forces include special operations forces, airfield operations support forces, naval and air forces previously assigned to support NATO's Operations Sharp Guard and Deny Flight, and an amphibious force in reserve in the Mediterranean Sea. Additionally, a carrier battle group will provide support for IFOR's air operations.

All of our NATO allies are contributing forces as well (except for Iceland, which has no military). Non-NATO nations whose offers to provide forces to IFOR are under consideration include Austria, the Czech Republic, Estonia, Finland, Hungary, Latvia, Lithuania, Pakistan, Poland, Romania, Russia, Slovakia, Sweden, and Ukraine. These forces also will be under NATO operational control and rules of engagement. In total, approximately 60,000 military personnel are expected to be deployed by IFOR to the Republic of Bosnia and Herzegovina. As in the U.S. case, the non-U.S. contingents in Bosnia will in most cases be supported by forces of their respective countries at home and in nearby countries and waters.

I authorized these deployments and U.S. participation in IFOR in conjunction with our NATO allies and other troop contributing nations following the relevant U.N. Security Council resolutions and NAC decisions and as part of our commitment to secure the peace and halt the tragic loss of life in the former Yugoslavia. I have directed the participation of U.S. forces pursuant to my constitutional authority to conduct the foreign relations of the United States and as Commander in Chief and Chief Executive.

I am providing this report as part of my effort to keep the Congress fully informed about developments in the former Yugoslavia, consistent with the War Powers Resolution. I remain committed to consulting closely with the Congress and I will continue to keep the Congress fully informed regarding these important deployments of our forces.

Sincerely,

Bill Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate. This letter was released by the Office of the Press Secretary on December 22.

Message on the Observance of Kwanzaa

December 6, 1995

Warm greetings to everyone who is observing the festival of Kwanzaa.

Across America and around the globe, Kwanzaa is a vibrant celebration of African culture, encouraging us to gain a deeper appreciation of our families and the many blessings we enjoy. Kwanzaa's seven basic principles—unity, self-determination, collective work and responsibility, cooperative economics, purpose, creativity, and faith—stir our imagination, stimulate thought and reflection, and bring new purpose to our daily lives.

Transcending international boundaries and embracing the rich cultural traditions of Africa, this joyous festival links diverse indi-

viduals in a unique celebration of a dynamic heritage. Renewing hope and restoring faith, Kwanzaa uplifts the human spirit, helping us to revitalize the bonds of family and the spirit of community.

As millions of my fellow Americans commemorate Kwanzaa, I am delighted to send best wishes for a wonderful festival and a very happy new year.

William J. Clinton

NOTE: This message was released by the Office of the Press Secretary on December 22.

Exchange With Reporters on Arrival at the Pentagon in Arlington, Virginia

December 22, 1995

The President. Good morning.

Q. Mr. President, do you hope to go to Bosnia in the next month or so?

The President. I want to go when the Secretary of Defense and General Shalikashvili tell me it's an appropriate thing to do. I don't want to interrupt the deployment in any way. You know, we've had a few weather delays, but I'm here to get a briefing on the deployment and what's going on and how we're doing. I've got a few questions I want to ask. If it were solely up to me, I would go tomorrow, literally tomorrow. But I think it's very important that I not do anything which interrupts the deployment. I can go as soon as it's consistent with the military mission, and I will do that.

Q. What have you heard so far, even before this briefing, on how the operation is going in Bosnia?

The President. I think our people are doing a very good job. I think the others in IFOR are doing a good job, and I think the people there, so far, are receiving them well. But I've got some specific questions, and that's why I want this briefing.

Q. Do you think Senator Dole should go if you can't go?

The President. I think that all of us should consult with the military leaders and do what is consistent with the interest of our troops and the mission.

Q. In other words, no.

Q. Mr. President, do you worry about casualties?

The President. Every day I worry about that, but I think they're showing their training and their discipline and the integrity of the plan in the way that they are working to minimize casualties and maximize the effectiveness of the mission.

Q. Do you think the American people understand that, understand the risks that are involved?

The President. Yes.

NOTE: The exchange began at 9:25 a.m.

Remarks Prior to a Meeting With Congressional Leaders and an Exchange With Reporters

December 22, 1995

Federal Budget Negotiations

The President. I hope—as you see, we're running a little behind today, so I hope you'll forgive us if we don't do a lot of questions; we have a lot of work to do. But let me just say from my point of view, I am pleased that our representatives met yesterday. They did make some progress. Obviously, a lot of the biggest issues remain. But the process seems to be working and I'm encouraged, and I want to continue to do it until we reach agreement on a balanced budget. That's what I think clearly we all want.

I would say here that 2 days before Christmas I hope some way can be found to get the checks for the 3½ million veterans and the aid to the 8 million children who need it just to exist. And there are almost half a million Federal workers who have been working who won't get their paychecks today that they would otherwise get. So I think those problems need to be addressed.

But on the other issue, I at least believe that we made some good progress yesterday, and I'm looking forward to the report today and continuing this process until we succeed, until we get this job done.

Q. Can we ask the leaders, Mr. President, if they will get the checks out and——

Q. Do you think the Congress should go home when millions are denied subsistence checks over Christmas?

Speaker Gingrich. Well, let me just say, if I could for a second, Mr. President, I think both the House and Senate hope to get those bills down here today so that the—the AFDC and the—as the President mentioned the other day on television.

Q. What are the chances of reopening the Government, Mr. Speaker?

Speaker Gingrich. I think we're going to talk about that now.

Q. Mr. Speaker, do you feel like a dog being wagged by its tail? [*Laughter*]

Speaker Gingrich. It's amazing you guys get paid for some of these questions, on the eve of Christmas. Merry Christmas.

Q. No, it's not my expression; it's the President's analysis.

The President. I never called the Speaker a dog. [*Laughter*]

Q. No, I know you didn't.

Speaker Gingrich. And I'm deeply grateful. [*Laughter*]

Q. Mr. President, do you think you can get a framework of a deal by Christmas?

The President. I'm prepared to—let me just say, I'm prepared to just keep working. I think all of us want to have Christmas with our families, but beyond that, I'm prepared to keep working. And I'm going to do everything I can to succeed, and that's what we're going to talk about.

Q. Mr. Speaker——

The President. Thank you. We really need to go to work.

NOTE: The President spoke at 12:52 p.m. in the Cabinet Room at the White House. A tape was not available for verification of the content of these remarks.

Statement With Congressional Leaders on Budget Negotiations

December 22, 1995

Today we had good meetings which built on the progress made in yesterday's discussions. Staff will prepare further analysis to clarify options for the budget advisory group, which will then advise the principals on outstanding issues. Following the meeting of the budget advisory group, the principals will meet again next Friday afternoon.

NOTE: This statement was announced jointly with Newt Gingrich, Speaker of the House of Representatives, and Robert Dole, Senate majority leader.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

December 18

In the afternoon, the President had telephone conversations with Senate majority leader Bob Dole and Speaker of the House Newt Gingrich on budget negotiations.

The President announced his intention to appoint Robert M. Lyford to the U.S. Military Academy Board of Visitors.

December 19

In the late afternoon, the President had separate meetings with Senate majority leader Bob Dole and Speaker of the House Newt Gingrich, and Senate minority leader Thomas A. Daschle and House minority leader Richard A. Gephardt to discuss budget negotiations.

In the evening, the President had telephone conversations with Senators Arlen Specter and Christopher J. Dodd on securities legislation.

December 20

In the afternoon, the President had a telephone conversation with Senate majority leader Bob Dole and Speaker of the House Newt Gingrich on budget negotiations.

The President declared a major disaster in the State of Georgia as a result of severe storms and tornadoes on November 7 and 8.

December 21

The President announced his intention to appoint Gerard D. DiMarco to the Board of Trustees of the Christopher Columbus Fellowship Foundation.

The President announced his intention to appoint Elmo R. Zumwalt, Jr., and reappoint Ann Caracristi as members, and to reappoint Warren B. Rudman as Vice Chairman and member of the President's Foreign Intelligence Advisory Board.

December 22

In the afternoon, the President hosted a Christmas celebration for children in the East Room.

The President announced that he has named Victoria L. Radd to be Deputy Assistant to the President and Deputy Director of Communications.

The President announced that he has named Michael Waldman to be Deputy Assistant to the President and Director of Speechwriting; Carolyn Curiel to be Special Assistant to the President and Senior Presidential Speechwriter; and Terry Edmonds, Jonathan Prince, and David Shipley to be Special Assistants to the President.

Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted December 18

George W. Black, Jr.,
of Georgia, to be a member of the National Transportation Safety Board for the remainder of the term expiring December 31, 1996, vice Carl W. Vogt, resigned.

Patrick Davidson,
of California, to be a member of the National Council on the Arts for a term expiring September 3, 2000, vice Mel Harris, term expired.

Pascal D. Forgione, Jr.,
of Delaware, to be Commissioner of Education Statistics for a term expiring June 21, 1999, vice Emerson J. Elliott.

Townsend D. Wolfe III,
of Arkansas, to be a member of the National Council on the Arts for a term expiring September 3, 2000, vice Earl Roger Middle, term expired.

Sarah McCracken Fox,
of New York, to be a member of the National Labor Relations Board for the term of 5 years expiring August 27, 2000, vice James M. Stephens, term expired.

Robert E. Morin,
of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of 15 years, vice Curtis E. von Kann, retired.

Submitted December 19

Speight Jenkins,
of Washington, to be a member of the National Council on the Arts for a term expiring September 3, 2000, vice Philip Brunelle, term expired.

Mary Ann Vial Lemmon,
of Louisiana, to be U.S. District Judge for the Eastern District of Louisiana, vice Peter Hill Beer, retired.

Michael D. Schattman,
of Texas, to be U.S. District Judge for the Northern District of Texas, vice Harold Barefoot Sanders, Jr., retired.

Submitted December 20

Gaston L. Gianni, Jr.,
of Virginia, to be Inspector General, Federal Deposit Insurance Corporation (new position).

Rita Derrick Hayes,
of Maryland, for the rank of Ambassador during her tenure of service as Chief Textile Negotiator.

Withdrawn December 20

Norwood J. Jackson, Jr.,
of Virginia, to be Inspector General, Federal Deposit Insurance Corporation (new position), which was sent to the Senate on January 5, 1995.

Submitted December 21

Thomas Paul Grumbly,
of Virginia, to be Under Secretary of Energy, vice Charles B. Curtis.

Martin A. Kamarck,
of Massachusetts, to be president of the Export-Import Bank of the U.S. for the remainder of the term expiring January 20, 1997, vice Kenneth D. Brody, resigned.

Donald W. Molloy,
of Montana, to be U.S. District Judge for the District of Montana, vice Paul G. Hatfield, retired.

Susan Oki Mollway,
of Hawaii, to be U.S. District Judge for the District of Hawaii, vice Harold M. Fong, deceased.

Submitted December 22

Alvin L. Alm,
of Virginia, to be an Assistant Secretary of Energy, Environmental Management, vice Thomas P. Grumbly.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released December 18

Transcript of a press briefing by Press Secretary Mike McCurry

Announcement of nomination for the Superior Court of the District of Columbia

Released December 19

Transcripts of press briefings by Press Secretary Mike McCurry

Transcript of a press briefing by Vice President Albert Gore, Senator Tom Daschle, and Representative Dick Gephardt on the President's meeting with congressional leaders

Announcement of nominations for U.S. District Judges for the Eastern District of Louisiana and for the Northern District of Texas

Released December 20

Transcript of a press briefing by Press Secretary Mike McCurry

Released December 21

Transcript of a press briefing by Press Secretary Mike McCurry

Statement by Press Secretary Mike McCurry on the 7th anniversary of the terrorist attack on Pan Am Flight 103

Announcement of nominations for U.S. District Judges for the District of Montana and for the District of Hawaii

Statement by Press Secretary Mike McCurry on the resumption of the budget advisers' discussions

Released December 22

Transcript of a press briefing by Press Secretary Mike McCurry and Santa Claus

Statement by Press Secretary Mike McCurry on the congressional override of the Private Securities Litigation Reform Act of 1995

Statement by Press Secretary Mike McCurry announcing the appointment of Michael Waldman as Deputy Assistant to the President for Speechwriting.

Statement by Press Secretary Mike McCurry announcing the appointment of Victoria L. Radd as Deputy Assistant to the President and Deputy Director of Communications

Statement by Press Secretary Mike McCurry on the ongoing violence in Burundi

Statement by Press Secretary Mike McCurry announcing that the President signed legislation designating the Federal Triangle Project currently under construction as the Ronald Reagan Building and International Trade Center

Announcement of nomination for U.S. District Judge for the Southern District of Ohio

Announcement of nominations for U.S. Court of Appeals Judges for the Fourth Circuit

Acts Approved by the President

Approved December 18

H.R. 2204 / Public Law 104–64
Defense Production Act Amendments of 1995

Approved December 19

S. 1060 / Public Law 104–65
Lobbying Disclosure Act of 1995

Approved December 21

S. 790 / Public Law 104–66
Federal Reports Elimination and Sunset Act of 1995

Passed December 22, Over the President's Veto

H.R. 1058 / Public Law 104–67
Private Securities Litigation Reform Act of 1995

Approved December 22

H.R. 2481 / Public Law 104–68
To designate the Federal Triangle project under construction at 14th Street and Pennsylvania Avenue, Northwest, in the District of Columbia, as the ''Ronald Reagan Building and International Trade Center''

H.J. Res. 136 / Public Law 104–69
Making further continuing appropriations for the fiscal year 1996, and for other purposes