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THE WHITE HOUSE
WASHINGTON

May 15, 1992

File

MEMORANDUM FOR SAM SKINNER
HENSON MOORE

FROM: SHERRIE ROLLINS

RE: Outreach Activities Regarding the President's
Urban Agenda

For your consideration, following is a list of possible outreach activities in support of the President's urban agenda. I have included many more events than we would recommend scheduling in order to stimulate discussion as to the extent to which we want to highlight the urban agenda.

Presidential Event Options

- Following up on the roundtable meeting in Pittsburgh, the President could participate in a series of roundtable meetings with local elected officials and community leaders in the cities he will be visiting in the next few weeks -- Atlanta, Dallas, Los Angeles. These meetings will be used as listening sessions as well as opportunities to highlight success stories where they exist.
- The President could also visit sites that represent successful examples of each of his six urban initiatives. The example could be a federal project such as weed and seed or a state or local project such as an enterprise zone.
- After completing a series of roundtable meetings, follow-up with a White House meeting with the representatives from each of these cities to talk to each other and the President about what is working and why. This meeting could highlight some or all of the components of the President's urban agenda.
- Consider using a few of the President's private lunches to invite appropriate individuals for off the record discussions of these issues, i.e. a few members of Concerned Black Men or National Center for Neighborhood Enterprise.

- Consider having an Anti-Asian violence roundtable meeting with the President. Remarks would include language that could be adapted to all minority hate crimes and violence. OPL could follow-up with several mailings to the Jewish Community, African American Community, Hispanic Community, etc.
- Consider having the President participate in one of the National Center for Neighborhood Enterprise's regional town hall meetings or participate in the final one in Washington where all the others will be hooked in by satellite.
- Highlight the first official meeting of the National Commission on America's Urban Families which on May 22. We should also consider having the President attend one or some of these meetings to highlight its role.
- Consider having the President visit one of the 51 Family Learning Centers sponsored by SER Jobs for Progress. These family learning centers incorporate three components: basic skills and job training, intergenerational child care and literacy councils. These learning centers are made possible through federal funds and corporate sponsors. SER is part of Barbara Bush's literacy foundation.
- Consider having the President address or participate by teleconference the annual meetings of the NAACP on July 11 in Nashville or the National Urban League on July 26 in San Diego or send an appropriate surrogate.
- Consider having the President address in person or by teleconference the annual meeting of the U.S. Conference of Mayors in Houston (June 19-24) or consider sending an appropriate surrogate, such as Jack Kemp.
- Have the President address the annual conference of NaCO (July 8-12) by pre-taped video.
- Place a hold on the President's schedule for possible attendance at the National Governor's Association annual conference August 2-4.
- Consider having the President address the three major legislative conferences: National Conference of State Legislatures, July 25-30 in Cincinnati; American Legislative Exchange Council, August 5-9 in Colorado Springs; and Council of State Governments' Southern Legislative Conference, August 8-12 in Miami or send appropriate surrogates.

- Consider having the President meet with the leadership of the National Conference of Black Mayors and National Organization of Black County Officials and try to focus on local initiatives that are working.
- Consider having the President meet with members of the National Black Caucus of State Legislators who have a particular interest in the urban family. Have members of our National Commission on America's Families present, or consider a variation of this by bringing black elected officials from various levels of government together with the Commission to discuss the family with the President. (We should consider a meeting with the President only if the group has a very focused and defined agenda that contains specific proposals that do not involve major new spending beyond the funding we have proposed.)
- Consider having the President meeting this month with two leaders (one Republican and one Democrat) of each of the following IGA groups to discuss our urban initiatives: U.S. Conference of Mayors, U.S. League of Cities, National Conference of Black Mayors, National Conference of State Legislatures, American Legislative Exchange Council, National Black Caucus of State Legislators, National Association of Counties, National Organization of Black County Officials, Council of State Governments, National Governors Association, National Association of Lt. Governors and National Association of Attorney Generals.
- Consider having the President meet with Executive Committee of the National Governors Association on June 16. They are already scheduled to be in the Roosevelt Room that day discussing medicaid caps.
- To highlight Choice in Education, have the President travel to Milwaukee, Wisconsin to announce the GI Bill for Children in Milwaukee. The legislation should also be sent to the Hill that day. This announcement and the choice issue could be highlighted in a three tier event: a visit to Milwaukee, a Rose Garden address to selected education innovators to garner support for the legislation and challenge Democratic members to co-sponsor the bill, and a roundtable meeting with selected public and private school education reform champions and/or key Members of the House.

In support of these activities, OPL and IGA will send mailings with major speeches, talking points, etc.

- o An OPL mailing to a list of Asian, African American and Hispanic opinion leaders will be sent out on May 19. (A mailing to the Asian media was sent out on May 6

containing the SBA/FEMA response fact sheet.) Follow up mailings to the Asian, Black and Hispanic communities will be sent out during the weeks of May 26, June 2, June 9, and June 16. They will focus on Weed and Seed, America 2000, Enterprise Zones and Project Hope.

- o An IGA mailing to a list of 6,112 will go out today. It will include the Urban Initiatives fact sheet and the May 12 Oval Office statement. (IGA already faxed this material to a key contact list of 282 which includes the 50 governors and the key IGA officials in each cabinet department on May 12)

cc: Marlin Fitzwater

scc 5/27

THE WHITE HOUSE

WASHINGTON

May 22, 1992

MEMORANDUM FOR SAM SKINNER

FROM: EDE HOLIDAY 

SUBJECT: Hispanic Employment Services Project



The Hispanic proposal you spoke with Del Spurlock about in Los Angeles could receive some funding from the money the Labor Department is sending to Governor Wilson next week. According to Assistant Secretary of Labor Bob Jones, the money DOL is sending to California will be available for several different projects, about which the Governor will have the final say. Nevertheless, Jones said that DOL will have an opportunity to discuss the various projects with the Governor's office.

THE WHITE HOUSE
WASHINGTON

DATE: May 15, 1992

TO: Sam Skinner

FROM: EDE HOLIDAY
Assistant to the President
and Secretary of the Cabinet

FYI.

Attachment

5/19
Ede
Will Hispanic
proposal be one of
those funded?
those funded.

05. 15. 92 06:11 PM *OFC OF ASST SECT-ETA P02

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

May 15, 1992



MEMORANDUM FOR EDE HOLIDAY
Assistant to the President and Secretary of the
Cabinet

FROM:

Roberts T. Jones *RTJ*

SUBJECT:

Hispanic Employment Services Project

While in Los Angeles recently, Sam Skinner asked Deputy Secretary of Labor Del Spurlock about a proposal from Los Angeles County and several leading Hispanic groups regarding a Hispanic Employment Services Project.

I have checked and the proposal was submitted but turned down because the amount requested greatly exceeded what our discretionary dollars could support. We did suggest that they resubmit the proposal on a competitive basis. They did not.

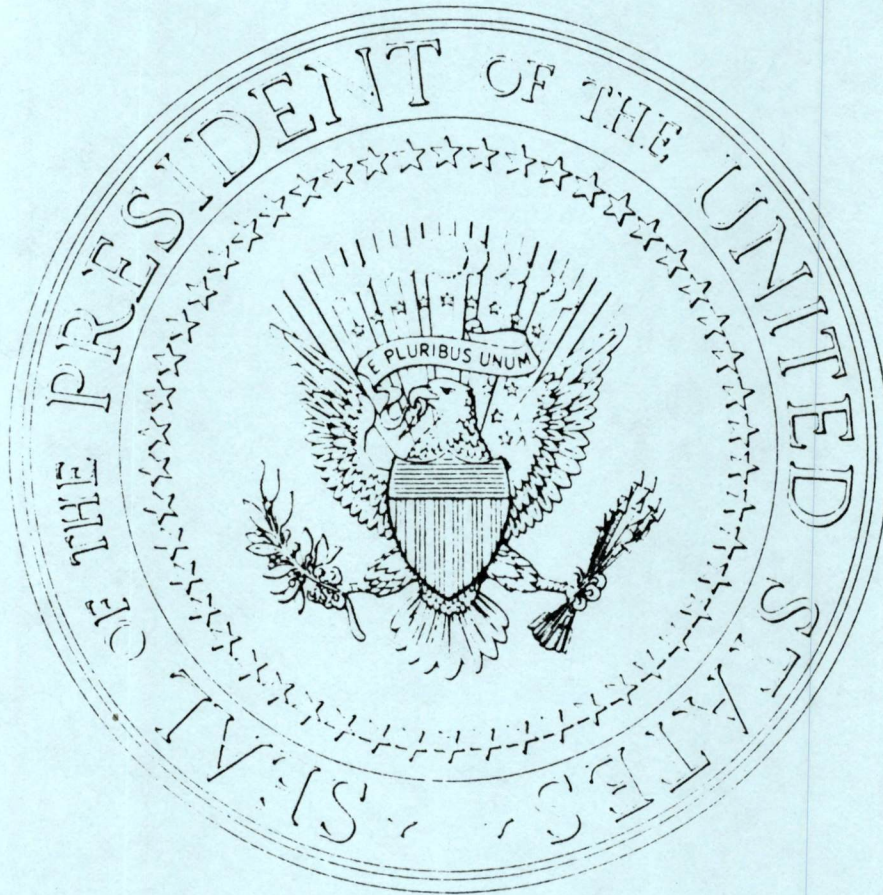
Early next week, the Labor Department will make available a substantial amount of money to the Governor's office for distribution for various projects in the Los Angeles area.

Please call me at 523-6050 if I can provide additional information.

Many thanks.

THE WHITE HOUSE

File



**ADMINISTRATION INITIATIVES
TO ADDRESS
URBAN PROBLEMS**

MAY 1992

8. PROVIDING HOPE TO DISTRESSED COMMUNITIES

INTRODUCTION

The Administration's policies over the past three years have been designed to increase opportunity, choice, and hope for all Americans. The budget includes proposals that will

- create opportunity and hope for economically and socially distressed neighborhoods and communities;
- change the welfare system to help low-income families escape dependency, build assets, and generate wealth;
- give parents more choice in both child care and education;
- give low-income Americans who, traditionally, have not been able to generate assets, a chance to own the places where they live;
- reform the way the Federal government assists poor renters—families, disabled, or elderly—to ensure that they have more choice in where they live and that they live in well-managed, decent housing; and
- provide shelter, services, and hope to the homeless.

A summary of these initiatives is provided in Table 8-1.

THE PROBLEMS OF ECONOMICALLY DISTRESSED FAMILIES AND COMMUNITIES

From 1982 through the beginning of 1990, the United States enjoyed a record economic expansion. The number of jobs increased by more than 19 million. Manufacturing productivity rose at an average annual rate of 4.5 percent over the same period. Incomes increased and poverty declined for white families and black families, and for urban, suburban, and rural families alike. White employment rose 15 percent, from 87.9 to

102.1 million, and black employment rose 29 percent, from 9.2 to 12.0 million.

The proportion of Americans forced to live in substandard housing was reduced as a result of this progress. A 1991 report by the Department of Housing and Urban Development (HUD), found that between 1974 and 1989, the proportion of very-low-income renters (those whose incomes are at or below 50 percent of the local median income) who lived in severely inadequate housing dropped substantially. The percentage of households living in such housing declined from 11 percent to 4 percent, and the number of such units was halved, dropping from 850,000 to 425,000.¹

Yet poverty was by no means abolished during the economic expansion. It remains especially persistent in some inner city neighborhoods with high percentages of nonworking adults, high-school dropouts, and single-parent families. In neighborhoods defined by the Bureau of the Census as central city poverty areas,² 38 percent of all residents were poor in 1990, nearly three times the national poverty rate.

In all poverty areas, whether central city or not, 41 percent of related children live in families with a female head. In other (non-poverty) areas, only 17 percent do. In poverty areas, 42 percent of all persons aged 25 and older did not complete high school. In other areas, the number is 18 percent. In poverty areas, a higher percentage of working-age males does not work at all during the year compared to working-age males in other areas.

¹ Department of Housing and Urban Development, *Priority Housing Problems and "Worst Case" Needs in 1989*, a Report to Congress, June 1991.

² In its publications, the Bureau of the Census defines "poverty areas" as census tracts or minor civil divisions with poverty rates of 20 percent or higher in the most recent decennial census data available. Poverty areas may be found in central cities, other metropolitan areas, or non-metropolitan areas.

Table 8-1. PROPOSALS FOR INCREASING OPPORTUNITY, CHOICE, AND HOMEOWNERSHIP

Enterprise Zones—Creating Solid Economic Foundations in Distressed Communities

- Offer a wage tax credit to encourage the employment of low-income inner-city and rural residents.
- Defer income taxes for small investors who purchase stock in businesses located in enterprise zones.
- Implement a zero capital gains tax rate for investments in businesses located in enterprise zones.

Weed and Seed—A New Effort to Reclaim Impoverished and Embattled Communities

- Eliminate the fear of drugs and violence with enhanced law enforcement.
- Provide hope and assistance through job training, drug treatment and prevention, educational activities, health care, and transportation.
- Complement Enterprise Zones, which will help to create jobs and opportunities in these areas.
- Improve the housing stock and physical infrastructure.

Expanding Opportunities and Building Assets for Low-Income Families

- Raise the AFDC assets limits to \$10,000 for families already on the rolls.
- Establish, through a demonstration, "escrow" savings accounts for long-term AFDC recipients working their way off the rolls.
- Expand use of electronic benefit transfer cards for Food Stamp recipients.
- Extend application of the Plan for Achieving Self-Sufficiency (PASS).
- Offer financial incentives to private welfare-to-work firms.
- Demonstrate choice in unemployment insurance.
- Expand State flexibility through Federal waiver authority.
- Give low-income families help if they wish to move from high poverty areas to mixed income areas through the "Moving to Opportunity" demonstration.

Implementing the President's Comprehensive Health Reform Program

Increasing Choice in Child Care and Education

- Implement higher tax credits for parents.
- Increase parental choice in child care grant programs.
- Increase educational choice for low- and middle-income families.
- Provide educationally disadvantaged children with more educational choice.
- Increase choices available to students pursuing higher education.

Expanding Homeownership Opportunities Among Low-Income Families

- Enable low-income families to achieve homeownership through HOPE grants.
- Preserve low-income housing by discouraging prepayment by landlords of FHA-insured mortgages.
- Permit the penalty-free withdrawal of IRA funds for the purchase of a first home.
- Provide up to a \$5,000 tax credit for eligible first-time home buyers.
- Allow voucher recipients to apply rental subsidies toward the purchase of a home and not just toward rent.

Enhancing Choice, Quality, and the Availability of Housing

- Provide low-income tenants portable rent subsidies in the form of housing vouchers.
- Help the frail elderly retain their independence through HOPE: Elderly Independence.
- Widen opportunities for public housing tenants to change the management of troubled projects through "Perestroika for Public Housing."
- Reduce operating subsidies paid for vacant public housing units.
- Eradicate unsafe and unhealthy conditions for tenants through the Restore program for FHA-insured projects.
- Abate lead-based paint in low- and moderate-income housing.
- Furnish HOME grants to cities and States to construct or rehabilitate low-income housing, or to provide rent subsidies to low-income tenants.
- Reduce barriers to affordable housing for low- and moderate-income tenants and homeowners, e.g., by extending the Low Income Housing Tax Credit, Mortgage Revenue Bonds, and eliminating needless housing regulations.

Addressing the Needs of the Homeless

- Provide over \$1 billion in housing and supportive services to the homeless.
- Increase the availability of support services in combination with housing.
- Reach out to the homeless who are mentally ill and unwilling or unable to commit to existing programs.
- Request all Federal agencies to produce and implement a Federal Plan to Help End Homelessness.

Impoverished and embattled communities are a problem not only for the people who live there, but for all of American society. The high incidence of crime, drug use, and wasted human potential translates into a

lower quality of life and lower productivity for the entire country.

Maximizing the potential of America's economy and of its society requires that the tools and the hope for a better life fo

these communities be restored. In purely economic terms, America's workforce needs are such that it cannot afford to lose the potential contributions of entire generations of people who are raised in these communities. But in larger moral terms, the country has an obligation to tap the potential of every citizen. America needs all hands on deck if it is to continue to lead the world in the next century.

High poverty neighborhoods may already account for a disproportionate share of government spending for social programs, welfare, and police protection. However, the effectiveness of such services is dissipated in fragmented, uncoordinated delivery.

The problems facing America's most distressed neighborhoods are complex and intertwined. The policies outlined in this chapter constitute a multi-faceted attack on those problems that contribute to the spiral downward into hopelessness and despair. They are specifically designed to avoid the problems associated with certain previous government programs that fostered a culture of dependency. Instead, they are intended to create opportunities for low-income individuals to work and own their own homes, to begin to build assets and wealth as a means of achieving self-sufficiency.

The Administration's approach is to eliminate joblessness, drugs, crime, and other causes of hopelessness and barriers to progress, and to replace them with additional opportunities for jobs, education, homeownership, and supportive services.

ENTERPRISE ZONES—CREATING A SOLID ECONOMIC FOUNDATION IN DISTRESSED COMMUNITIES

The budget proposes tax incentives to create jobs and entrepreneurial activity in blighted urban neighborhoods and poor rural areas. Fifty zones in total are proposed over the next four years.

The Administration's Enterprise Zone proposal will promote entrepreneurship and job creation in distressed urban and rural communities. It includes three tax incentives:

- A five percent refundable credit on personal income taxes for the first \$10,500 of wages earned in an enterprise zone by workers with total annual wages below \$20,000. The proposed wage tax credit is designed to encourage low-income inner-city and rural residents to obtain employment, become self-supporting, and leave welfare.
- Deferral of personal income taxes for small investors who purchase stock in businesses located in enterprise zones. With this incentive, investors would be able to deduct on their personal income taxes amounts up to \$50,000 in equity investment in enterprise zone businesses in the year the investment is made, with a \$250,000 lifetime limitation. (The entire amount of the investment will be taxed, however, as ordinary personal income at the time the investment share is sold, so taxes are deferred rather than eliminated.) This incentive will make zones attractive to new capital by giving an immediate tax saving to individuals who invested in the zones. It is also designed to provide inner-city entrepreneurs with seed capital to start small businesses.
- A zero capital gains rate for gains on investment in tangible property located within an enterprise zone for at least two years. This is another incentive to create more seed capital for investment in new enterprises within the zone area. To qualify for this proposed exemption, the capital gains must accrue during the time the asset is used in an enterprise zone business, and the business must have operated in the zone for at least two years.

The evidence suggests that Enterprise Zones will be a critical factor in helping poorer cities and rural areas become economically more vital. Enterprise Zones established by States, but without Federal tax incentives, appear to have had a significant economic impact. *Business Facilities Magazine* reported in May 1989 a survey showing that "... the Nation's State-level enterprise zone programs have generated approximately 184,600 new jobs, have been instrumental in retaining 169,600 existing jobs, and have brought in \$18.1 billion in new capital investment."

More rigorous efforts to evaluate State Enterprise Zone programs have also demonstrated the efficiency of various tax incentives:

- *New Jersey.*—State officials say that more than \$1 billion has been invested in State zones and that more than 14,000 jobs have been created by this investment since Enterprise Zones were enacted in the mid-1980s.
- *Indiana.*—About 12,000 jobs have been created in Indiana's enterprise zones. A 1989 study of growth of jobs and use of incentives in the zones reported that the average "tax expenditure" per new job created in 1987 was just over \$4,000—a figure that compares favorably with costs per job assisted by direct loan or grant incentives.

State experience with Enterprise Zones demonstrates the flexibility and adaptability of this concept. This experience also suggests that Enterprise Zones offer a mechanism for marshalling the energies and potential of the urban and rural poor.

WEED AND SEED—A NEW EFFORT TO RECLAIM IMPOVERISHED AND EMBATTLED COMMUNITIES

Weed and Seed is a new initiative designed to help reclaim and rejuvenate embattled neighborhoods and communities. It can benefit from the economic foundation that would be created by the Administration's Enterprise Zone proposal.

The budget proposes \$500 million in new and earmarked Federal funding to support this comprehensive initiative in 1993, a \$491 million increase over 1992. In concert with other cabinet officials, the Attorney General will lead this effort to combine the might of Federal law enforcement with the expertise and resources of Federal and local social services and community assistance programs.

Weed and Seed uses a neighborhood-focused, two-part strategy to control violent crime, and to provide social and economic support to areas where high crime rates and social ills are prevalent. Consistent with the President's Drug Strategy, the initiative first seeks

to remove or "weed" gang leaders, violent criminals, and drug dealers from the neighborhoods. Second, the initiative attempts to prevent a reinfestation of criminal activity by "seeding" the neighborhoods with public and private services, community-based policing, and the tax incentives of Enterprise Zones. Weed and Seed is built on the premise that community organizations, social services providers, the criminal justice system, and community residents must work together to regain control and revitalize crime-ridden and drug-plagued neighborhoods.

Existing Weed and Seed Program.—In 1991, the Department of Justice (DOJ) spent about \$500,000 on two Weed and Seed demonstrations in Trenton, New Jersey and Kansas City, Missouri. In 1992, DOJ expects to spend an additional \$9 million on eight to ten new Weed and Seed neighborhoods. In a similar effort, an additional four to six sites around the country will be funded through a joint program supported by DOJ, New York University, and non-profit foundations.

DOJ has sought to assure that the projects funded to date have the full, unqualified backing of the local communities. In general, DOJ has required that certain minimum commitments be in place, including: multi-agency leadership; coordination of law enforcement and social service activities; partnerships between police and residents to implement community policing; and concentrations of residents and organizations with an active interest in the Weed and Seed effort.

The Weed and Seed Initiative in 1993.—The budget proposes a new and substantially expanded Weed and Seed effort in 1993. The initiative will take advantage of the economic revitalization and job generation incentives in Enterprise Zones and will offer a more comprehensive set of social services.

The 1993 initiative includes:

- A combination of Federal, State and local resources and stiff Federal laws and mandatory sentencing are used to remove drug dealers, violent criminals, and gang leaders from the neighborhoods.
- Coordinated social services will be provided to improve residents' health, edu-

Table 8-2. PROGRAMS CONTRIBUTING TO WEED AND SEED
(Obligations in millions of dollars)

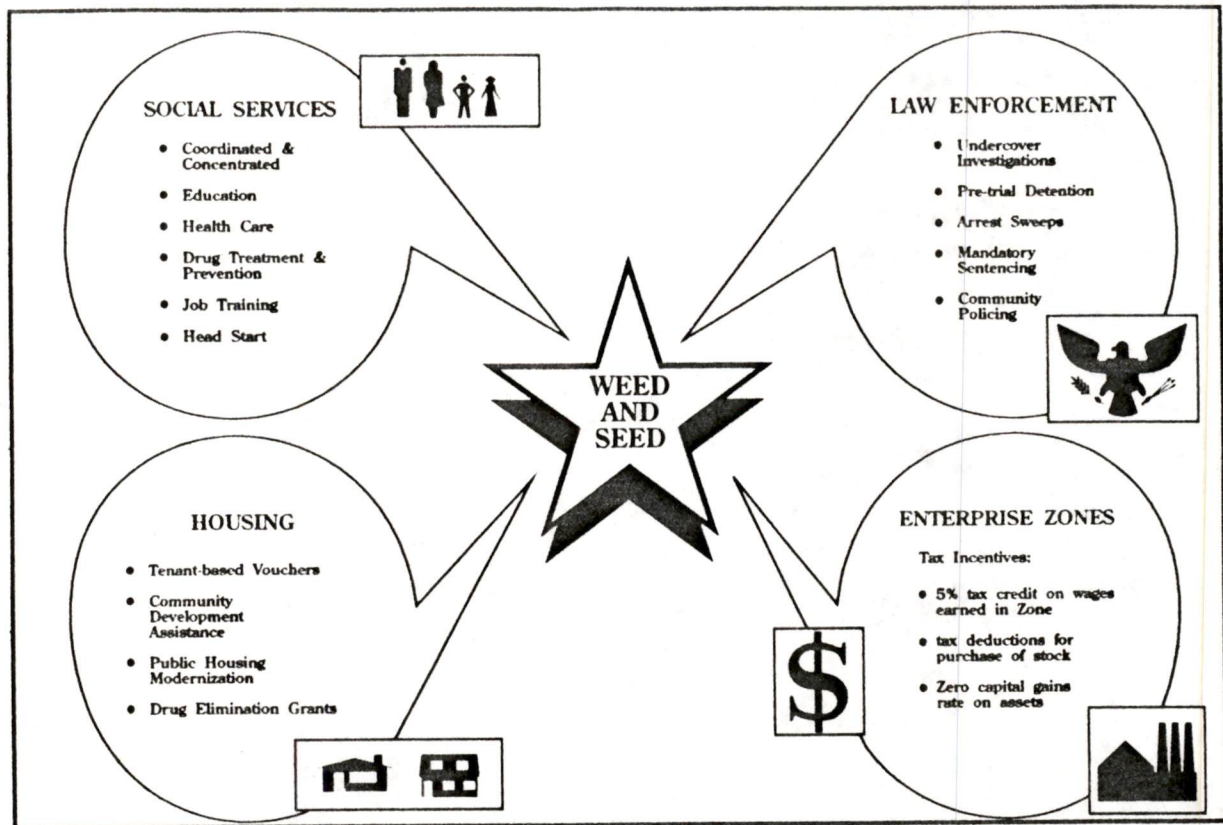
Programs	1993 Obligations
Department of Justice:	
US Attorneys	20
Office of Justice Programs (OJP) Demonstrations	10
Subtotal, Justice	30
Department of Labor:	
Job Training Partnership Act	28
Youth Opportunities Unlimited	5
Senior Community Service Employment	9
Job Corps	50
Subtotal, Labor	92
Department of Health and Human Services:	
Treatment Improvement Grants	36
Capacity Expansion Grants	47
High Risk Youth/Pregnant Women Prevention	7
Community Partnership Grants	4
Aid to Families with Dependent Children (AFDC) JOBS	43
Head Start	54
Community Health Centers	35
Subtotal, HHS	226
Department of Housing and Urban Development:	
Public Housing Modernization	20
Housing Vouchers	20
Community Development Block Grants	44
Public Housing Drug Elimination Grants	6
Subtotal, HUD	90
Department of Education:	
Compensatory Education	16
School Improvement/Pre-College Outreach	30
Family Literacy and Adult Education	10
Subtotal, Education	56
Department of Transportation: Reverse Commute Demonstration Grants	1
Department of Agriculture: Women, Infants, Children (WIC) Nutrition	5
Total for 1993	500

cation, and job skills and prepare them for employment.

- Tax incentives provided by Enterprise Zones will stimulate economic growth and create jobs. Weed and Seed areas will frequently be sited in Enterprise Zones to take maximum advantage of these incentives.

- Improved housing and community infrastructure will create a better physical environment.

The combination of intensive law enforcement, concentrated social services, housing assistance, and Enterprise Zone tax incentives will have a synergistic effect on the opportunities available to residents of targeted neighborhoods. The goal of the program is to attract



potential employers through the tax incentives, through the safer environment provided by law enforcement and community policing, and through the more ready-to-work labor force. Residents will gain from social services, such as job training, when there are jobs available to make use of newly learned skills.

Under the Attorney General's leadership, the Office of National Drug Control Policy and the Departments of Education, Health and Human Services, Housing and Urban Development, Labor, and Transportation will coordinate social services and community assistance programs, including those to expand drug treatment, provide job training, keep schools open in the afternoon and evening, offer adult classes, modernize public housing, and improve local community infrastructure. This coordinated agency initiative will enhance the linkages between law enforcement and social service programs and, thereby, increase the prospects for positive results from any individual program.

Of the total \$500 million in Federal resources, up to \$400 million will go to neighborhoods that are designated as urban Enterprise Zones by the Secretary of Housing and Urban Development. Fifty Enterprise Zones are proposed over the next four years, with two-thirds of them in urban areas. Up to \$100 million will go to Weed and Seed neighborhoods that are not designated as Enterprise Zones.

Weed and Seed: A Coordinated Initiative

1. Law Enforcement: Eliminating Crime and Violence.—The efforts of too many neighborhoods to fight against crime have been frustrated by inadequate policing, lengthy delays in prosecution, and mild punishment of narcotics cases. Narcotics traffickers and violent criminals, once arrested, often immediately return to the streets to continue distributing drugs and terrorizing local residents. Weed and Seed is designed to begin to break this disturbing cycle of despair and frustration.

Table 8-3. WEED AND SEED FUNDING GROWS IN 1993

(Budget authority; dollar amounts in millions)

Initiative	1989 Actual	1992 Enacted	1992 Proposed	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Weed and Seed	—	—	9	500	+491	+5,456%

Under Weed and Seed, a total of \$30 million in specially targeted DOJ 1993 funds will help finance State and local law enforcement activities in over 30 neighborhoods. In addition, Federal law enforcement activities will be redirected and targeted to supplement this effort. The United States Attorney will coordinate with local and other Federal law enforcement agencies to prosecute drug and violent crime offenders in Federal court. In total, the budget proposes an increase of \$93 million or 13 percent over 1992 to enable the U.S. Attorneys to prosecute crime. Twenty million dollars of the total 1993 request for U.S. Attorneys is targeted to Weed and Seed communities to focus resources on the hardest hit communities. Federal law enforcement methods such as extensive case building, pre-trial detention, and mandatory minimum sentencing will be used to overcome often inadequate local procedures. The features of this approach are:

- Immediate removal of offenders from the streets, providing visual proof to the community that law enforcement is effective.
- Longer sentences for offenders, preventing further criminal acts in years to come and allowing communities to rebuild the social and economic infrastructure of their neighborhoods.
- Use of sophisticated case-building techniques such as audio/visual evidence gathering, wiretaps and witness protection—substantially increasing the efficiency and effectiveness of case development and prosecution of offenders and destruction of criminal organizations.

Under the President's Weed and Seed proposal, law enforcement will be delivered in a planned, powerful, and efficient manner,

which will better enable communities to accommodate job training, recreational, health care, drug treatment, and educational activities.

2. Social Services: Providing Hope and Assistance.—Law enforcement alone cannot accomplish a lasting revitalization of socially troubled and drug-infested neighborhoods. The revitalization effort must also address underlying social and economic problems to prevent a reinfestation of drug trafficking and crime and to assist residents and neighborhoods in attaining economic self-sufficiency. Weed and Seed seeks to do this by providing a comprehensive and focused framework for public agencies to improve the targeted community's overall quality of life. A broad range of social program resources will be available for use in targeted neighborhoods, including:

- **Educational and Prevention Activities** such as school drug use prevention, after-hour tutoring, adult education, GED programs, dropout prevention, preparation for college, and teacher training.
- **Job Training** for youths and adults including counseling, skill assessment and training, day care assistance, referral to Job Corps, and job search and placement.
- **Drug Treatment** including central intake and referral; a full range of treatment services; specialized treatment for adolescents and pregnant women; aftercare; and referrals to education, literacy training, job training, and other social services.
- **Access to Health Care** including primary and prenatal care, appropriate referrals to specialized treatment, and to nutrition assistance, HIV counseling and testing, and transportation services.

- *Head Start* for one year for eligible children.
- *Transportation* services that link inner city workers with suburban jobs.

Based on published guidelines and designation of targeted Weed and Seed sites, these social services will be administered by six Cabinet agencies, all of which will work closely with the Department of Justice to: (1) review and approve the single, consolidated plans submitted jointly by States and local communities; (2) provide funding for social services identified in these plans; (3) provide technical assistance to public agencies and community organizations in these neighborhoods; (4) coordinate available services to maximize the return on each (e.g., link drug treatment and job training to give recovering addicts a means of support when they leave treatment).

3. Creating Jobs and Economic Opportunity.—Weed and Seed areas will benefit from the tax incentives in the Administration's Enterprise Zone proposal that has been carefully designed to create jobs and entrepreneurial activity. Up to \$400 million of the money available under Weed and Seed will be targeted to Enterprise Zones in urban areas. Enterprise Zones can lay the foundation for successful supportive service programs.

4. Housing and Community Development.—Public housing developments in Weed and Seed areas will be eligible for targeted funds for drug elimination grants to help rid the complexes of drug users. They will also be able to receive specially designated modernization funds to make necessary repairs and make them more viable. A special setaside of housing vouchers will be available for very-low-income families in need of assistance in these areas.

To improve the physical infrastructure in these neighborhoods, community development block grant funds will be available for such purposes as street and sidewalk repair, streetlighting, rehabilitation of private housing, park and recreational area improvements, as well as economic development activities.

How Weed and Seed Will Work

State and local applicants will designate a local official to be responsible for all aspects of program implementation and operation. This will ensure the integrated approach, which is the key to Weed and Seed. The nominated local manager will coordinate job creation, social services, and law enforcement at the local level. Community plans will permit "one-stop shopping" for the social services described above.

States and localities will apply jointly for Weed and Seed designation by putting together consolidated applications that:

- Target to previously designated Enterprise Zones with documented drug, gang and violent crime problems;
- Identify existing Federal, State, and local resources for the targeted community that will be dedicated to the Weed and Seed effort;
- Demonstrate a strong commitment of community groups in the targeted community to the Weed and Seed plan and community policing activities;
- Explain how social service providers will be accountable to the local manager, how the community will measure success, and how progress will be reported to the public;
- Identify private sector resources, including corporate contributions, and individual commitments, to be included in the Weed and Seed effort; and
- Demonstrate a balanced, comprehensive plan, which addresses getting violent offenders off the streets, supports drug and crime prevention, and includes other efforts at neighborhood revitalization through strategies to create jobs and opportunities.

Drug use and crime are often deeply rooted in and act as barriers to the success of social service programs in poor or economically deprived central city neighborhoods. Weed and Seed is a concerted effort to assist these areas by stripping away crime and drugs and replacing them with the tools

to create opportunity. By evaluating carefully what happens through this effort, the foundation can be laid for the future.

EXPANDING OPPORTUNITIES AND BUILDING ASSETS FOR LOW-INCOME FAMILIES

The budget contains several initiatives to help low-income families escape welfare dependency, build assets, and generate wealth. The current welfare system relies on income transfers and may encourage day-to-day consumption, rather than savings, enterprise, and investment for the future. These proposals were developed by a special Presidential Task Force. They represent the beginnings of a new and different approach to help families achieve self-sufficiency.

- **Raise the AFDC assets limits to \$10,000 for families already on the rolls.**—Currently, when countable assets exceed \$1,000, families are no longer eligible for AFDC. For those families willing to save some of their income to achieve independence from welfare, educate their children, or start a business, this assets limit can present a barrier.

The proposal gives States the option to increase to \$10,000 the assets limit the Aid to Families with Dependent Children (AFDC) program applies to families who are already on the rolls. The assets limit for families applying for AFDC would remain at the current \$1,000, so this proposal does not increase the number of people initially eligible for AFDC. The intent of raising the assets limit is to encourage self-support by families on AFDC, not make it easier for families to join the rolls of welfare recipients.

- **Establish, through a demonstration, "escrow" savings accounts for long-term AFDC recipients working their way off the rolls.**—Many families who receive AFDC do so for only a relatively short period. However, a large share of total AFDC costs are devoted to families who remain on the rolls for long spells. The JOBS program targets long-term and potentially long-term recipients for education, training, and support services to

promote their independence from welfare. This proposal would demonstrate the effects of a monetary incentive in encouraging long-term recipients to obtain jobs and become independent of welfare.

When the head of an AFDC family takes a job, the AFDC benefit the family receives generally is reduced. This may act as an effective tax on work effort, discouraging families from leaving welfare to work. Some studies show effective tax rates on people leaving welfare may approach 100 percent or more. The proposal would test the effects of setting aside the amount by which a long-term AFDC family's benefits are reduced once the family head takes a job, then paying it in a lump-sum to the family if they succeed in working their way off the rolls. Well-designed demonstrations would show whether this approach could induce long-term recipient families to leave the rolls through employment.

This proposal is similar to HUD's Family Self-Sufficiency Program enacted into law in 1990 as part of the National Affordable Housing Act. Assisted housing tenants participating in this program have escrow accounts established for them that they can receive once they leave public housing. These escrow savings accumulate when tenants increase their earned income while the subsidized rents charged to them remain stable. The difference between what they would have paid (30 percent of their higher income) and the frozen rents (30 percent of their pre-employment income) is put into an escrow account. The escrow savings can be used for buying a home or as a downpayment under the homeownership voucher program.

- **Expand use of electronic benefit transfer cards for Food Stamp recipients.**—The Department of Agriculture has developed regulations to allow any State to operate electronic benefit transfer systems for food stamp recipients assuming the results of current pilots prove positive.
- **Extend application of the Plan for Achieving Self-Support (PASS).**—PASS was designed for blind and disabled SSI recipients determined to achieve self-sup-

port. Based on an individual's plan to achieve economic independence, the income or resources related to carrying out the plan can be disregarded when SSI benefit amounts are calculated. The recipient's benefits are not lowered by the disregarded income or resources.

The billion dollar JOBS program provides AFDC families with education, training, and support services to promote their self-support. However, JOBS is not designed to promote entrepreneurial activities among AFDC families.

The proposal is to extend the concept of the PASS to AFDC, with a focus on self-employment. At the State's option, income and resources related to achievement of a recipient's approved plan to move from dependency to self-employment could be excluded when calculating AFDC eligibility and the amount of AFDC benefits. This would also be true in calculating a family's food stamp eligibility.

- **Offer financial incentives for private welfare-to-work firms.**—Early experience with private-sector welfare-to-work firms has been promising. Welfare recipients have moved into employment and left the rolls, and the firms have received payments based upon the welfare savings.

The Administration supports several new demonstrations of this model involving more than \$20 million in welfare payments. These demonstrations will be evaluated rigorously, to provide more reliable information on how effective these firms are.

- **Demonstrate choice in unemployment insurance.**—Currently, unemployed workers who prefer to become self-employed or relocate for employment rather than remain on Unemployment Insurance (UI) rolls are not permitted to receive their bi-weekly UI benefits in a lump-sum for those purposes. Demonstrations have shown that some UI recipients will follow the entrepreneurial course if allowed. These demonstrations should be expanded to those with different options, including payment of UI lump-sums to workers with plans to relocate where employment is available.

At this point, demonstrations, rather than a national program change, are proposed because more needs to be learned about how workers would respond to these sorts of incentives and what the costs would be. Different targeting plans, such as targeting those with permanent layoffs or plant closings, and different lump-sum amounts will be tested in a controlled setting.

- **Expand State flexibility through Federal waiver authority.**—Where they have been provided with flexibility, States have shown great interest in making more effective use of current resources. This proposal would expand existing authority to waive Federal requirements to permit States to demonstrate more effective use of funds. This proposal is described more fully in Chapter 19.
- **Give low-income families help if they wish to move from high poverty neigh-**

Table 8-4. PROPOSALS TO BUILD ASSETS AND EXPAND OPPORTUNITIES FOR LOW-INCOME FAMILIES

- Raise the AFDC assets limits to \$10,000 for families already on the rolls.
- Establish, through a demonstration, "escrow" savings accounts for long-term AFDC recipients working their way off the rolls.
- Expand use of electronic benefit transfer cards for Food Stamp recipients.
- Extend application of the Plan for Achieving Self-Support (PASS).
- Offer financial incentives for private welfare-to-work firms.
- Demonstrate choice in unemployment insurance.
- Expand State flexibility through Federal waiver authority.
- Give help to low-income families to move from high poverty neighborhoods to mixed income areas through the "Moving to Opportunity" demonstration.

neighborhoods to mixed income areas through the "Moving to Opportunity" demonstration.—The budget supports a four-year demonstration, called "Moving to Opportunity." Counseling and other kinds of assistance (e.g. help in finding an apartment or home in these new neighborhoods) will be provided to 1,500 families who wish to make such a move.

This demonstration is similar to the court-ordered Gautreaux program in Chicago where the same kind of assistance is provided to tenants in Chicago public housing who move to private housing in neighborhoods.

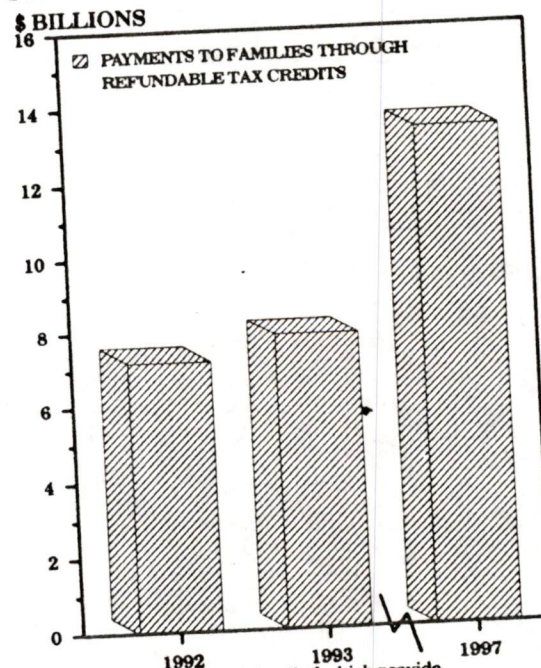
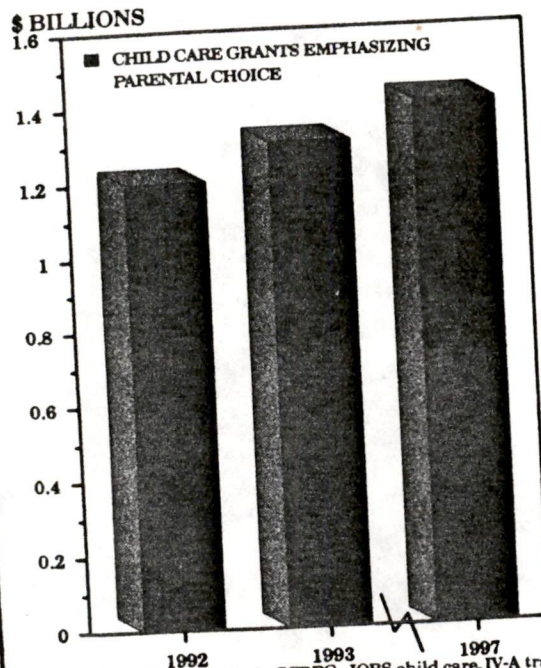
Families participating in the Chicago program, most of whom are single-parent households with children, have clearly benefitted from these moves. Of those who moved to suburbs, almost two-thirds of the family heads had jobs within five years after the move. More significantly, of those family heads who had never before worked before moving, 46 percent were employed within five years.

INCREASING CHOICE IN CHILD CARE AND EDUCATION

The principle of parental choice shaped the President's child care legislation, which became law in 1990. Over the next five years, refundable tax credits enacted in the child care legislation will increase the income of low-income families by \$31 billion in payments and lower taxes. By insisting that the new assistance be provided through refundable tax credits and vouchers, the President assured that parents, not government employees, have maximum control over the necessary care arrangements for their own children. This makes it possible for parents to receive credits and vouchers to make care more affordable even when the care is provided by relatives, neighborhoods, or churches, which is how the majority of child care in America is provided.

- **Implement higher tax credits for parents.**—The child care legislation increased the amount of the refundable Earned Income Tax Credit for working families with one child, and introduced an adjustment

PARENTS WILL HAVE A WIDER RANGE OF CHOICES IN CARING FOR THEIR CHILDREN



that provides a higher credit for families with two or more children. (This tax credit provides \$22 billion in payments and \$4 billion in lower taxes to families over the 1993 to 1997 period.)

In addition, a new credit for families with young children was enacted. Over the next five years, this additional five percent credit will result in \$1 billion in payments and lower taxes for eligible families.

To help working parents defray the costs of their children's health insurance, a new six percent credit will add another \$4 billion in payments and tax reductions over the 1993-97 period.

- **Increase parental choice in child care grant programs.**—The 1990 child care legislation created the first Federal child care grant program giving control over child care arrangements to parents. Under the **Child Care and Development Block Grant** (\$4 billion over the next five years), parents must be given the option of receiving a voucher that allows them to select the care-giver of their choice.

One of the most important choices parents will make is the choice of the schools their children will attend. Increasingly, parental choice is becoming the engine of education reform. Each year, more States approve educational choice legislation. As part of the President's AMERICA 2000 initiative, the Budget includes several proposals to promote educational excellence through expanding parental choice.

- **Increase educational choice for low- and middle-income families.**—

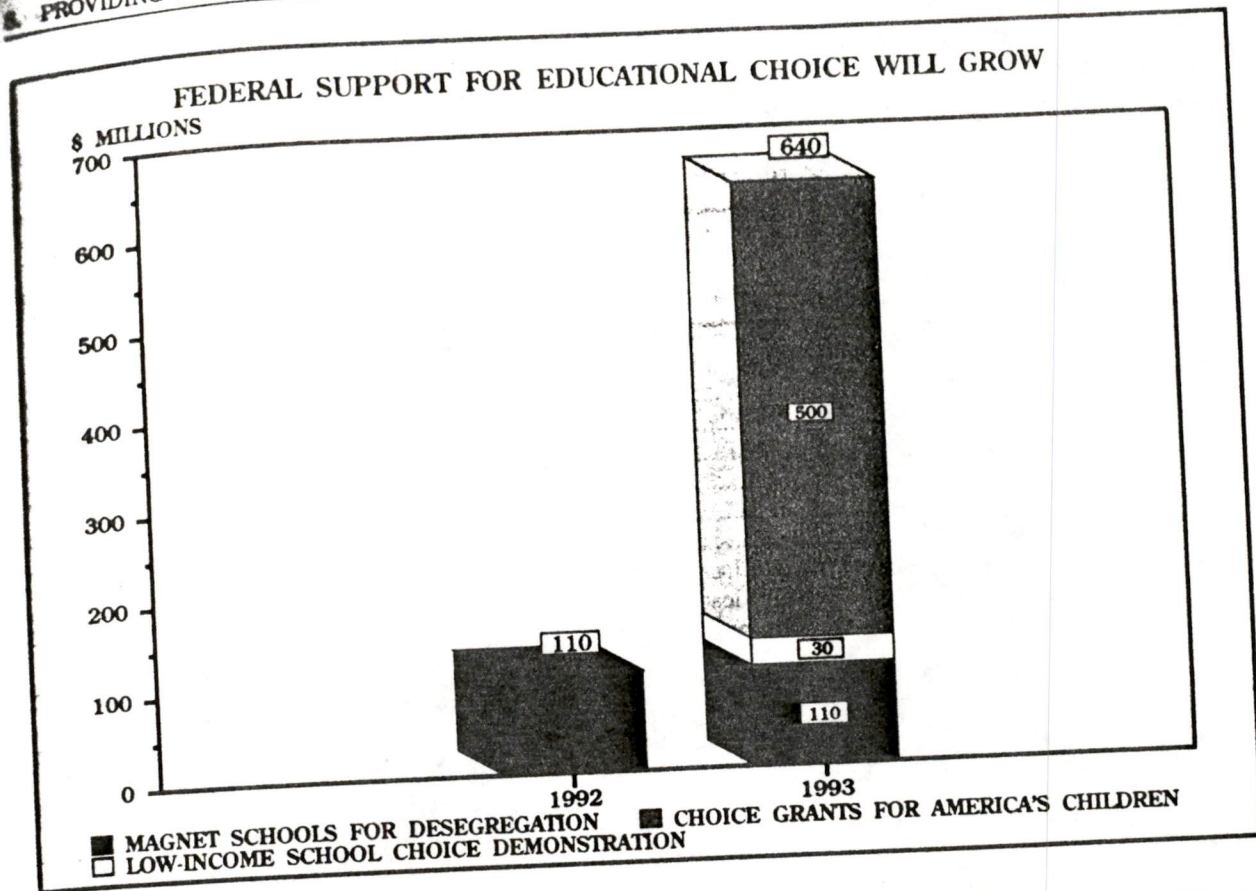
—**The Choice Grants for America's Children Act:** This new program, which is being proposed by the Administration in this budget as part of its broader education reform effort, would make at least \$1 billion available to fund the education of elementary and secondary students. States would match \$500 million in Federal funds for demonstrations of education choice programs for children from low- and moderate-in-

come families. Eligible children could receive up to \$1,000 or more for use at the public or private school of their choice.

This program would increase Federal support for the growing number of State choice programs. In 1991, ten States approved choice legislative programs.

- The Low-Income School Choice Demonstration Act:** The budget proposes \$30 million for comprehensive public and private school choice experiments. Under this proposal, States and local districts would have flexibility to develop models for providing low-income families with full-cost educational vouchers. These demonstrations would address concerns about the effects of providing full-cost choice programs to low-income families.

- **Provide educationally disadvantaged children with more educational choice.**—The President proposes to amend the authority for basic grants for remedial education under the **Chapter 1 compensatory education program** to permit funds to "follow" educationally disadvantaged children who change schools under a local choice program. The budget proposes \$6.2 billion for basic grants within the \$6.8 billion compensatory education account. These funds will be allocated among about 90 percent of the Nation's school districts.
- **Increase choices available to students pursuing higher education.**—The budget proposes a 22 percent increase in Pell Grants over 1992 levels. For 1993, outlays for Pell grants, the largest Federal higher education grant program, would total \$5.8 billion. Along with Guaranteed Student Loans, Pell Grants have been the core of a successful voucher system for higher education assistance that has operated for many years. Pell Grants and Guaranteed Student Loans are flexible, portable, and provide students with maximum choice while helping them to meet the rising costs of higher education.



EXPANDING HOMEOWNERSHIP OPPORTUNITIES AMONG LOW-INCOME FAMILIES

One of the more successful asset-based antipoverty programs in American history got underway over a hundred years ago: **Abraham Lincoln's Homestead Act of 1862.** Homeownership remains today a fundamental building block of prosperity in America and a stabilizing force in its communities. The ownership of private property is a powerful incentive for developing an individual's skills and talents, and the responsibilities of citizenship.

The opportunity to own one's home, therefore, should be available to all Americans, not just to those of middle and upper income. The budget continues and expands the Administration's strong support for expanding homeownership opportunities to low-income families and first-time homebuyers. Resident management and homesteading offer solutions to the troubles endemic to certain public housing communities.

- **HOPE Homeownership Grants.**—The budget requests \$1 billion for Homeownership Opportunities for People Everywhere (HOPE) Grants, a 185 percent increase over the 1992 enacted level of \$351 million.

The goal of HOPE is to give low-income families a stake in their community by providing funding and other assistance for resident ownership of public housing, Federally insured multifamily housing, Federal Government-held vacant and foreclosed properties, and financially distressed properties currently held in the Federal Government's portfolio or owned by State or local governments.

- **HOPE: Preservation/Prepayment.**—HOPE for Preservation/Prepayment of Assisted Housing is primarily directed at the preservation of privately-owned federally assisted housing. About 360,000 of these units will become eligible over the next 15 years to prepay FHA-insured mortgages and terminate HUD-controlled and subsidized rents.

Table 8-5. THE BUDGET PROPOSES A 102-PERCENT INCREASE IN THE HOMEOWNERSHIP OPPORTUNITIES FOR PEOPLE EVERYWHERE (HOPE) PROGRAM

(Budget authority; dollar amounts in millions)

Budget Authority	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Federal:					
HOPE Homeownership Grants	—	351	1,000	+649	+185%
Elderly Independence ¹	—	46	48	+2	+4%
Low Income Housing Preservation	—	619	² 1,159	+540	+87%
Shelter Plus Care for the Homeless	—	111	266	+155	+140%
Family Self-Sufficiency ³	—	—	—	—	—
HOPE Vouchers ⁴	—	—	356	+356	n/a
Enterprise Zones Tax Incentives (receipt loss)	—	—	50	+50	n/a
Low Income Housing Tax Credit (receipt loss)	400	1,060	1,337	+277	+26%
IRAs for first-time homebuyers (receipt loss)	—	—	79	+79	n/a
Total Federal	400	2,187	4,295	+2,108	+96%
State/Local Match:					
HOPE Grants	—	104	288	+184	+177%
Shelter Plus Care	—	111	266	+155	+140%
Total Resources	400	2,402	4,849	+2,447	+102%

¹ 1992 and 1993 include \$10 million in supportive services and the remainder in vouchers.

² About \$280 million of this amount is offset through the recapture and rescission of budget authority for subsidies previously tied to these projects.

³ At least 10 percent of incremental Section 8 vouchers and certificates and public housing development must be set aside for Family Self-Sufficiency in 1992; all incremental units must be set aside in 1993.

⁴ These vouchers are for tenants who do not wish to buy their units when a building converts to homeownership. They also are used to meet the statutory requirement to replace converted units with other subsidies.

Under the National Affordable Housing Act of 1990, HUD has been authorized to negotiate extensions of existing subsidy contracts on these units. If owners of these buildings do not want to accept financial incentives to maintain their properties as affordable rental housing, they will be required to provide the residents with a right of first refusal to purchase the property. HUD may authorize grants to tenant councils to purchase and rehabilitate the properties for homeownership.

The budget requests \$1.2 billion for Preservation/Prepayment, almost double the \$618.5 million enacted in 1992.

- **HOPE: IRAs for First-Time Homebuyers.**—The Federal Government provides substantial support for homeownership through the tax code and Federal credit programs. However, some potential

first-time buyers have difficulty accumulating the savings necessary for a down payment. The Administration is reproposing that Individual Retirement Accounts (IRAs) be allowed to be used for buying a home. Beginning February 1992, first-time homebuyers could withdraw funds in their tax-deferred IRAs without penalty. They would be allowed to withdraw up to \$10,000, and the maximum house price would be 110 percent of the average area purchase price.

In addition to the HOPE proposals, the budget contains new initiatives to support homeownership for low-income families and first-time buyers.

- **Vouchers to Help Own a Home.**—The budget proposes a homeownership voucher (or certificate) providing even more opportunities to low-income households for

homeownership. Currently, housing vouchers and certificates can only be used to help low-income tenants pay rent. If the Administration's proposal is adopted, they will be able to use them to pay the rent or the mortgage payment on a home.

Currently, about 1.2 million households have Section 8 certificates or vouchers which they use to help pay their rent. Under this proposal, these existing subsidized tenants, as well as any new vouchers or certificates funded by Congress, could be used toward mortgage payments.

The budget proposes 82,699 new (incremental) vouchers in HUD, a 74 percent increase over 1992's enacted level. All of these would be available for buying a home if low-income families so decided and could meet program requirements for personal equity contributions.

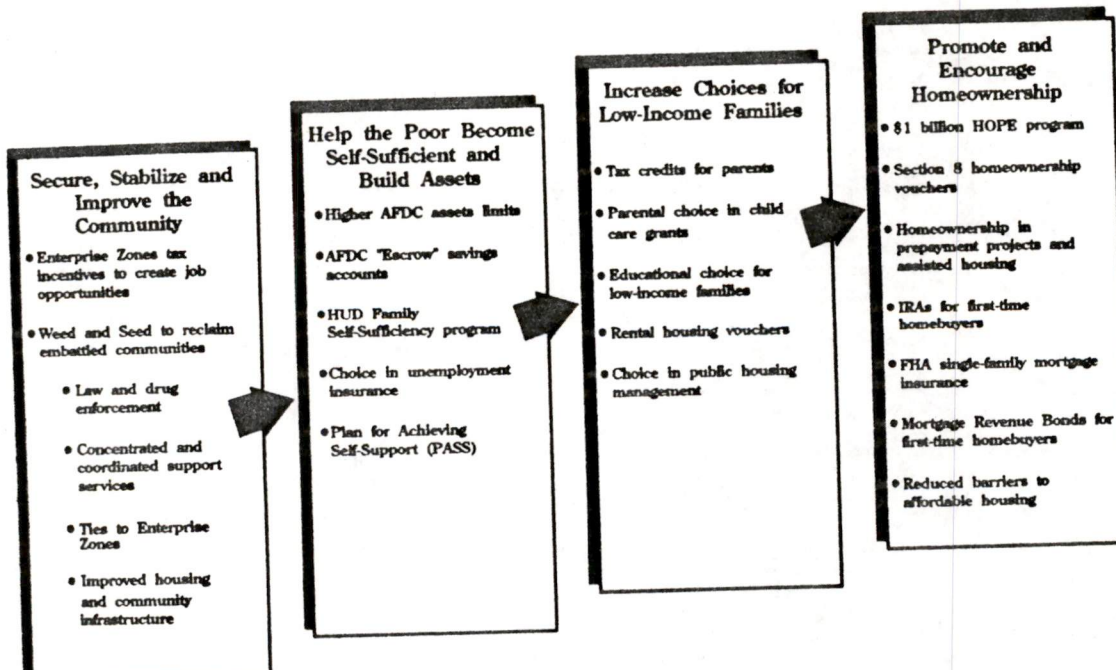
ENHANCING CHOICE, QUALITY, AND AFFORDABILITY OF HOUSING

In addition to promoting homeownership opportunities for low-income families, the Administration's 1993 proposals also reform existing low-income housing programs and address problems raised by regulations that significantly affect the cost of homes and rental apartments.

- **Perestroika for Troubled Public Housing: New Choices for Residents.**—Unfortunately, a relatively small but very visible percentage of the 1.3 million units in the public housing inventory is inadequate in many respects—in poor physical condition, with high vacancies, and a host of other problems (e.g. vandalism, gang control, drugs).

The Administration is committed to improving public housing by supporting those public housing authorities (PHAs) that provide decent housing to their tenants and keep vacancies low. The Administration is also committed to dramatic re-

PROPOSALS FOR MOVING THE POOR FROM POVERTY TO HOMEOWNERSHIP



form in the case of highly substandard public housing. The budget requests \$4.7 billion for public housing: \$2.292 billion for modernizing it; \$2.282 billion for operating subsidies to cover the gap between tenant rents and operating costs; and \$165 million for grants to help rid public housing projects of drug dealers and help tenants with drug use problems.

The initiative, **Perestroika for Troubled Public Housing: New Choices for Residents**, focuses on the limited number of severely troubled public housing developments where either a change in management may be desirable or where there may be better uses for the buildings. To help these troubled projects, \$292 million in public housing modernization funds will be set aside for two components of this initiative: (1) "Choice in Management" for which \$100 million is set aside; and (2) "Operation Take The Boards Off," for which \$192 million is set aside.

"Choice in Management:" Public housing residents in substantially occupied public housing developments would be able to choose whether they want their project (1) turned over to a private entity for management or (2) sold to a private entity for continuation as a rental project. Under the private management option, both for-profit entities and non-profit entities, including States and cities, would be eligible to manage the development. Under the private ownership option, purchase would be limited to non-profit entities, in order to ensure that owners would be committed to operating and maintaining the development as low-income housing.

Under this proposal, the non-profit, alternative public owner or private manager would receive the development's operating subsidies and modernization funds directly from HUD and would maintain the same income targeting and rent rules as public housing.

Projects whose titles would be transferred to private ownership would be exempt from current statutory provisions requiring one-for-one replacement of such units. These units would continue as low-income housing. These developments will be eligi-

ble for a special pool of \$100 million in modernization funds to ensure that the properties are physically improved before title is transferred.

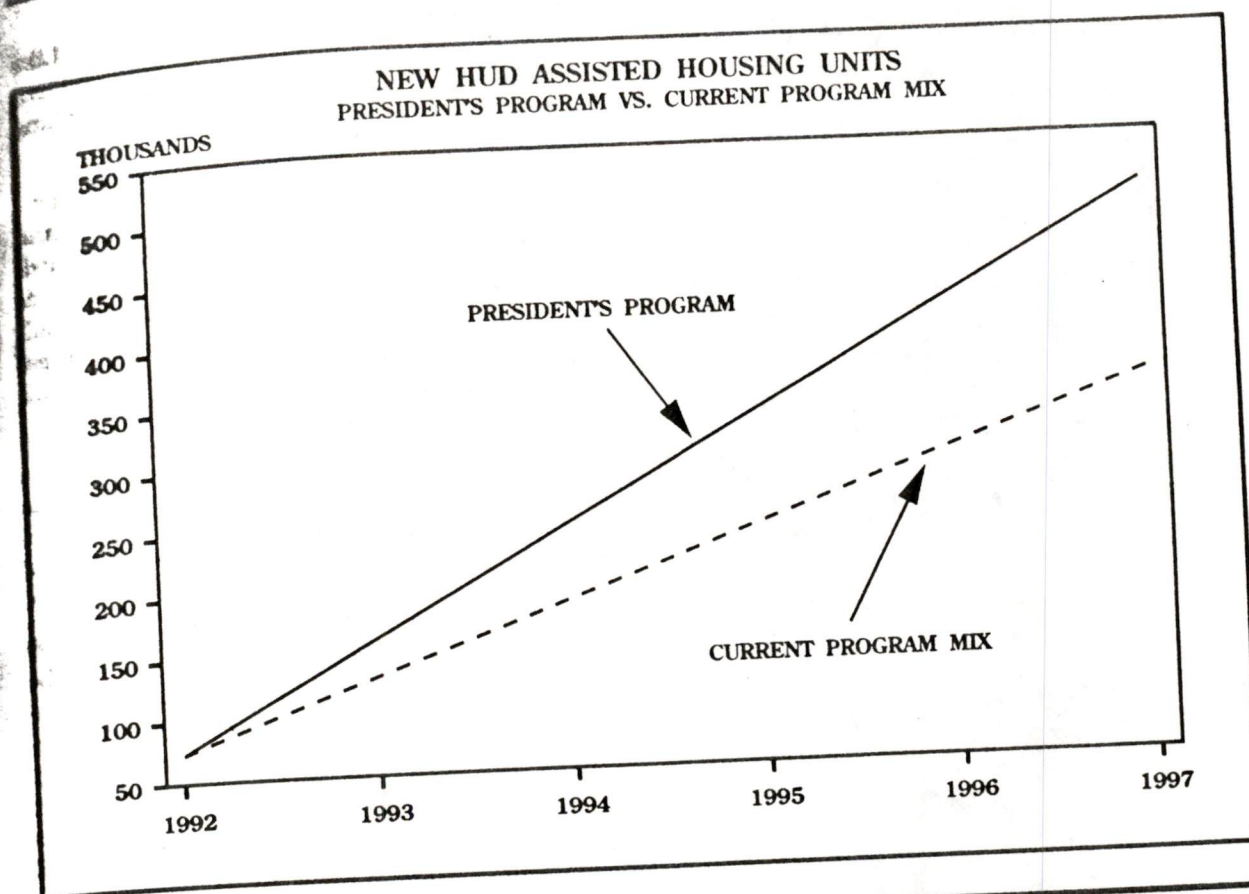
In either case, the development would remain as low-income housing, receiving both operating subsidy and modernization funds from HUD and serving very-low-income families who pay public housing statutory rents (generally 30 percent of their adjusted income.)

"Operation Take the Boards Off:" The Administration is proposing that substantially vacant public housing developments, which are dragging down their neighborhoods, can be removed from the public housing inventory and sold to community-based non-profit organizations (including tenant groups) for substantial rehabilitation, rental reoccupancy, or tenant ownership.

These developments will be eligible for a special pool of \$192 million of modernization funds and for short-term transitional funding—the equivalent of operating subsidies for up to five years to cover lease-up and stabilization of the development. These funds would be awarded competitively.

The current or former residents of partially occupied developments will have a "right of first refusal" to retain the development as low-income housing. If the development is sold to a Community Housing Development Organization, (CHDO), or a State or city, the housing authority will receive replacement vouchers.

- **Housing Choice Through Vouchers.—** Giving low-income families housing vouchers offers them more choice and opportunity than consigning them to live in a particular unit in a particular neighborhood. It is also more efficient and effective, as the chart on New HUD-Assisted Housing Units shows. Given the budget authority requested in 1993 for new housing subsidies administered by HUD, \$3.0 billion, the Administration is able to serve 87,241 new households. (Almost all of these are vouchers; 4,542 subsidies for the elderly and disabled are tied to buildings.) With



**Table 8-6. THE BUDGET PROPOSES A 67-PERCENT INCREASE FOR
CHOICE-BASED NEW HOUSING ASSISTANCE**
(Budget authority; dollar amounts in millions)

Budget Authority	1989 Actual	1992 Proposed	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
HUD Vouchers	1,840	2,416	1,693	2,681	+988	+58%
FmHA Vouchers	—	190	—	140	+140	n/a
Total Vouchers	1,840	2,606	1,693	2,821	+1,128	+67%

this same amount of budget authority, the current "market basket" approach used in 1992 for HUD would serve 56,691 new households, 35 percent fewer. Extrapolating these differences through 1997, the total additional families served under the Administration's housing choice approach is almost 153,000. As shown in Table 8-6, the budget authority requested in 1993 for

HUD vouchers is 58 percent higher than enacted in 1992.

Additionally, 5,895 housing vouchers are proposed for rural areas. Vouchers administered by the Farmer's Home Administration (FmHA) will give rural residents more freedom to choose where they live than the current project-specific FmHA Rental Assistance program. Many rural areas suffer from vacant housing stock problems

that a new construction rental program only exacerbates. Vouchers will address affordability problems in these areas without limiting new construction in areas short of adequate, decent housing.

- **HOPE: Elderly Independence.**—This demonstration program, funded in the budget at \$48 million, will test the effectiveness of combining housing vouchers with supportive services to assist frail elderly persons to continue to live independently rather than be institutionalized. Of the \$48 million, \$10 million will be for supportive services appropriate to the needs of the frail elderly; \$38 million will cover the costs of the vouchers. Funds for supportive services will have to be matched. HUD will contribute 40 percent of the services cost, with State/local entities contributing 50 percent, and the elderly recipients, themselves, responsible for 10 percent. The \$10 million in HUD funds for services will, therefore, leverage \$15 million additional for such services.

- **Operation Occupancy.**—The Administration intends to publish proposed regulations in 1993 that discontinue the current practice of full Federal operating subsidies to housing authorities for vacant public housing units. The Department of Housing and Urban Development proposed this rule in September 1991, but Congress placed a provision in HUD's 1992 appropriations bill that prevented any further action by the Department in 1992.

Currently, over 100,000 public housing units are vacant. The current practice does not make policy sense given the large number of poor families in desperate need of housing assistance, and the adverse uses to which vacant units are too often put.

- **Restore.**—While the Administration regards housing vouchers as the subsidy of choice, it is still protecting the interests of tenants who live in projects developed under older FHA multifamily housing programs. Restore is a \$412 million Administration initiative to improve the housing conditions, financial health, and affordability of an estimated 1,800 troubled projects insured by FHA that are in dan-

ger of defaulting on their mortgages. Like *Perestroika*, Restore maximizes resident involvement in managing and owning these projects.

- **Lead Abatement.**—The budget also proposes \$24 million in grants to States and localities so they can assist low- and moderate-income homeowners and landlords with low-rent properties to abate lead-based paint. Preference for financial assistance will be given to households with children.

The \$2.292 billion requested in the budget to renovate or repair public housing units can also be used to test for and abate lead paint. It is estimated that \$50 million of these funds will be used for this purpose.

- **HOME.**—The budget also proposes \$700 million for HOME grants, which can be used to rehabilitate housing, provide tenant subsidies to very-low-income households, or less often, construct new housing. The Administration is very concerned that the requirement that States and locals provide a matching amount for HOME grants, originally contained in the National Affordable Housing Act of 1990, and agreed to by Congress on a bipartisan basis at that time, was waived in the VA, HUD, Independent Agencies appropriations bill for 1992. The Administration strongly opposes any 1993 waiver of this matching requirement, which was a key feature of the HOME program. In fact, if the match is restored, the Administration would be willing to submit a budget amendment to increase funding for HOME to \$950 million.

- **Reducing barriers to creating more affordable housing in all communities.**—In 1990, the Administration established a bipartisan commission to study the impact of government regulation on housing affordability. In July 1991, the Commission submitted its report, *Not in My Back Yard: Removing Barriers to Affordable Housing*, to the President and Secretary Kemp.

Nationally, affordability for homebuyers improved in the 1980s and 1990s, after deteriorating during the 1970s. The im-

provement occurred largely because of economic policies, which reduced inflation and mortgage interest rates. Mortgage interest rates were below 9 percent in 1970. They increased up to 13 percent in 1980, and 15 percent in 1982. Today, mortgage interest rates are below 9 percent, their lowest level in 15 years.

Over time, however, barriers to housing affordability were erected that countered the trend of improving affordability. Foremost are government housing regulations that drive up the cost of building and buying a home.

The Commission's report concluded that millions of Americans are being priced out of buying or renting the kind of housing they otherwise could afford were it not for this web of government regulations.

Low-income and minority persons have an especially hard time finding suitable housing. Middle-income workers, such as police officers, firefighters, teachers, and others, often live many miles from the communities they serve, because they cannot find affordable housing there. Workers who live far from their jobs commute long distances by car, which contributes to clogged roads and highways and air pollution.

Examples of regulations that can add to costs or reduce the potential supply of housing include:

- Exclusionary zoning, one of the most common actions taken by local governments that wish to preserve exclusivity;
- Subdivision controls, which ensure that the physical and design characteristics of communities meet overly demanding standards;
- High impact fees that bear little resemblance to the cost of services that subdivisions require;
- Burdensome permit approval processes that can add years to the time required to build a home;
- Rent control, while having short-term benefits of helping hold down the cost of housing, can also contribute to the housing supply problem in the long run. First, it can act as a disincentive to building new rental properties. Second, much of its benefits go to middle- and upper-income households rather than low-income households. Third, in some situations, it can result in poorly maintained properties because other costs are rising faster than rent.

To address these issues, the Barriers Commission made several recommendations to the President and Secretary Kemp. Most of these recommendations have been adopted by the Administration and are summarized in Table 8-7.

Table 8-7. PROPOSALS ADOPTED FROM THE ADVISORY COMMISSION ON REGULATORY BARRIERS TO AFFORDABLE HOUSING

- Provide \$10 million to fund planning grants to States for barrier-removal.
- Require HUD's approval of State and local barrier-removal plans as part of their Comprehensive Housing Affordability Strategy (CHAS).
- Reduce the burden on localities of complying with CHAS requirements.
- Extend the Low-Income Housing Tax Credit and Mortgage Revenue Bond programs for one-and-a-half years and require HUD approval of CHAS.
- Establish an Interagency Affordable Housing Regulatory Review Board to expedite waivers to Federal regulations.
- Work with public interest groups to build support for regulatory reform.
- Create a Regulatory Reform Clearinghouse in HUD for States, localities, and others interested in reform.
- Encourage the development of model zoning and other types of housing regulations for States and localities to follow.
- Appoint a Barrier Removal Officer within HUD to assist States and localities to initiate barrier-removal programs.

ADDRESSING THE NEEDS OF THE HOMELESS

Helping the homeless has been a major goal of the Administration. Few issues have touched upon the sensitivities of the American people more than the presence of homeless men, women, and children in communities across the country.

For those who are homeless, providing food and emergency shelter is important but usually not enough to help them achieve or regain self-sufficiency. Temporary shelter, while allowing people to escape from the elements, does not address the root causes of why individuals become homeless. For those able to benefit, job-training must be available. Homeless families often need an array of support services, without which, homeless recidivism is likely. For those homeless individuals suffering from severe, disabling conditions, such as severe mental illness, different responses are necessary to ensure these individuals receive requisite housing, counseling and other supportive services.

For the past three years, the Administration has worked diligently to reduce the number of homeless persons and to alleviate the burdens of those who remain homeless. In 1989, the Federal government spent slightly

more than \$600 million on homeless programs. The recommendations contained in this budget represent a 76 percent increase over 1989 enacted levels. The effectiveness of this dramatic increase in spending is difficult to quantify, in part because some of the assistance afforded by this increase aims to prevent persons from ever becoming homeless.

In the budget, the Administration demonstrates its continuing resolve to end the tragedy of homelessness by:

- **Proposing over \$1 billion for 1993.**—

This request represents a 6 percent increase above funding enacted by Congress for homeless programs in 1992. Table 8-8 delineates by Federal agency this request for increased assistance for the homeless. For HUD homeless programs, the budget recommends an increase of \$87 million, or 19 percent, above 1992 enacted levels. The chart on HUD's homeless programs points out Congress's consistent underfunding of the Administration's request for funding for HUD's homeless programs.

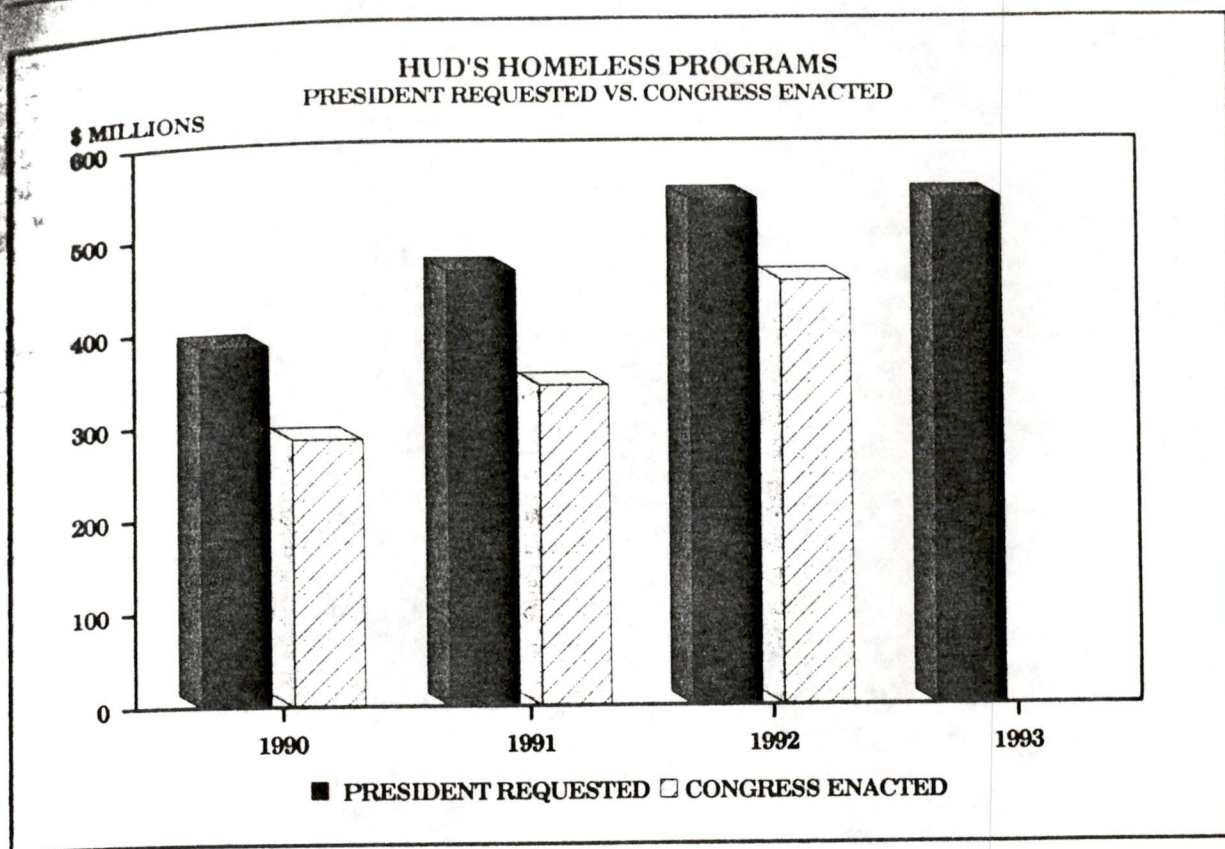
- **Increasing the availability of support services in combination with housing.**—The Administration requests \$266 million for HUD's Shelter Plus Care, more than a 140 percent increase over the amount appropriated by Congress in 1992.

Table 8-8. THE BUDGET PROPOSES A SIX-PERCENT INCREASE FOR HOMELESS ASSISTANCE

(Budget authority; dollar amounts in millions)

Budget Authority	1989 Actual	1992 Enacted	1993 Proposed	Dollar Change: 1992 to 1993	Percent Change: 1992 to 1993
Housing and Urban Development	172	450	537	+87	+19%
Health and Human Services	140	223	209	-14	-6.5%
Agriculture	117	119	128	+9	+8%
Federal Emergency Management Agency	126	134	100	-34	-25%
Veterans Affairs	24	33	35	+2	+5%
Education	12	35	35	—	—
Labor	9	9	17	+8	+83%
Defense	3	3	3	—	—
Interagency Council on the Homeless	1	1	1	—	+20%
Total	604	1,008	1,064	+56	+6%

¹ The 1993 proposed level is \$200,000 more than the 1992 enacted level.



- **Reaching out to the homeless who are mentally ill and unwilling or unable to commit to existing treatment programs.**—Safe Havens, a new \$50 million Administration initiative in 1993, offers a stable living environment and the opportunity, but not the requirement, to participate in mental health services for those individuals who are unable or unwilling to commit to existing programs, such as HUD's Shelter Plus Care or HHS' Transition From Homelessness.
- **Requesting that all Federal agencies produce and implement a Federal Plan to Help End Homelessness.**—The goal of the plan is to reduce homelessness by improving the coordination and delivery of assistance.

The Administration's homeless program strategy recognizes that there are many homeless individuals with problems not amenable to a solution by a short-term infusion of housing and support services. The Shelter Plus Care Program provides rental assistance and appropriate resources and treatment to

homeless persons who are mentally ill, chemically dependent, or afflicted with AIDS. Safe Havens is a new initiative designed to reach those mentally ill homeless who do not want or are afraid to commit to the long-term, comprehensive treatment offered by Shelter Plus Care. Both initiatives highlight the Administration's commitment to meeting the varied and multiple needs of the homeless.

The Stewart B. McKinney Homeless Assistance Act of 1987 has been the major Federal vehicle specifically targeted to help the homeless. McKinney Act programs fund housing, job training, food and nutrition assistance, health care, mental health, and supportive services for the homeless and demonstration treatment projects for the large number of homeless who are chronically mentally ill or substance abusers. The Departments of Veterans Affairs and Labor fund programs for veterans and job training demonstrations. The Department of Education provides funds to enable States to establish educational programs for homeless children and adults.

In addition to McKinney Act programs, the homeless receive assistance through other Federal programs such as the Community Support Program of HHS and at least 70 more traditional Federal programs such as AFDC and Supplemental Security Income (SSI), and block grants for community development and social services.

Substantial efforts have been undertaken to increase participation of the homeless in these programs. For example, Secretary Kemp has pledged that up to 10 percent of all units in HUD's single-family acquired-property inventory will be targeted to the Single Family Homeless Initiative. In total, about 1,800 homes are now under lease and HUD has sold over 230. Secretary Sullivan of HHS has supported demonstration projects and other outreach strategies for the Supplemental Security Income Program and has made it a Department priority to help homeless children and their families.

The solution to homelessness must, of course, involve more than the Federal government. Communities, non-profit groups, and State and local governments must be a part of any viable solution. Fortunately, all sectors of the Nation have been responding to the homelessness problem. A 1988 National Survey of Shelters for the Homeless showed that 9 of every 10 shelters are operated

by private non-profit groups, aided by many volunteers. In 1987-88, private philanthropic foundations provided \$28.5 million while the United Way raised an additional \$118.6 million directly for homeless programs. State and local governments have also been supporting programs to provide emergency health care, social services, emergency shelter, and transitional housing to homeless individuals and families. These programs were funded by State and local governments at \$430 million in 1988.

CONCLUSION

Many of the proposals discussed in this chapter are new. Some maintain or expand resources for proposals in previous Administration budgets. Together, they represent a comprehensive, coordinated, and creative package to enable this Nation's low-income families and low-income communities to become safe, productive and self-sustaining.

The key themes underlying these proposals are "opportunity" and "choice." One of the main attractions of this country to citizens of other nations is that America is a "land of opportunity," where they are able to choose how and where they wish to live. The proposals discussed in this chapter go a long way to ensure this is true for all Americans.

THE BUSH ADMINISTRATION RECORD ON

CHILD CARE

"Our challenge today is to take this democratic system of ours -- a system second to none -- and make it better. A better America ... [w]here women working outside the home can be confident their children are in safe and loving care -- and where government works to expand child care alternatives for parents.

-- President George Bush
January 31, 1990

Four guiding principles underlie the Bush Administration's approach to child care:

- . Parents, who are best able to make decisions about their children, should have the power to make these decisions;
- . Federal policy should support both parents who work at home and those who work outside the home;
- . Federal policies should act to increase, not decrease, the range of child care choices available to parents;
- . New assistance should be targeted to families most in need.

Administration Accomplishments

The principle of parental choice framed the President's child care legislation, the basis for the legislation which became law in 1990. The legislation:

- . Ensures parents (not government) have maximum control over child care arrangements for their children.
- . Provides tax credits that will increase the income of low-income families by \$31 billion through payments and lower taxes over the next five years.
- . Increases the basic earned income tax credit.
- . Offers an additional "wee tot" credit for the youngest children;
- . Provides a higher credit for families with two or more children;
- . Establishes the Child Care and Development Block Grant, with authorized appropriations of \$2.5 billion over three years.
- . Includes the strongest pro-parent provisions in any Federal program, requiring that eligible parents be allowed to choose their own child care arrangements.
- . Permits care by relatives, neighbors, or centers in religious institutions.

(February 18, 1992)

THE BUSH ADMINISTRATION RECORD ON

CHILDREN'S HEALTH

"We've got to find out what works and make sure the word spreads so that the disease does not. By getting to kids at an earlier age, by educating parents, and finding creative ways to get them into the clinics, we can see that no child is left vulnerable without a vaccine for preventable childhood diseases."

-- President George Bush
June 13, 1991

Improving the health of infants and children is an important objective of the Bush Administration. The 1993 budget invests over \$100 billion throughout the Federal Government in programs serving children -- a 66% increase over 1989 levels. The prevention, immunization, and Healthy Start initiatives are a vital part of the Administration's policy of investing in the future of our Nation's children.

Prevention

Prevention offers the greatest opportunities for realizing a healthier America. The Bush Administration is vigorously pursuing a prevention strategy to realize that goal. Practicing healthy lifestyles and taking preventive measures are the keys to improving the health of all Americans. Better control of fewer than 10 factors -- such as diet, prenatal care, exercise, smoking, illegal drugs and alcohol, and the use of seat belts -- could prevent between 40% to 70% of all premature deaths, a third of all cases of acute disability, and two-thirds of all cases of chronic disability.

Childhood Immunizations

Childhood immunizations are a vital prevention measure. Every year since 1981-1982, 95% or more of elementary students entering school have been immunized against each of the vaccine-preventable diseases. We are focusing greater attention to ensure that pre-school children are immunized. Immunizations are among the most cost-effective prevention activities. A \$1 investment in the Measles-Mumps-Rubella vaccine may save as much as \$14 in averted medical care costs. The President's 1993 budget increases support for childhood immunization grants by \$52 million -- an 18% increase.

THE BUSH ADMINISTRATION RECORD ON

HEAD START

"Many children need a head start, and we're going to make sure they get it. . . . in Head Start we found a government program that works, that works to strengthen families and communities for the future."

-- President George Bush
January 21, 1992

President Bush's commitment to Head Start is strong and deep. He has more than doubled funding for Head Start, so that every eligible four-year old may participate in this highly successful program. The President recently proposed the largest funding increase in Head Start's history -- \$600 million -- in his Fiscal Year 1993 budget. If approved by Congress, this will mean funding will have more than doubled -- a 127% increase -- since the President took office. The President's initiative will enable even more economically disadvantaged children and their parents to benefit from quality pre-school education and preventive health services.

The Program

Head Start is a comprehensive child development program serving pre-school, low-income children, usually in the year just before they enter school. It provides educational, health, medical, nutritional, social, and parenting services to children and their parents.

Children enrolled in Head Start receive immunizations, medical and dental care, speech and hearing screening, and social services. Every program also provides each enrollee with at least one meal per session. A typical Head Start program lasts for nine months with 3-4 hours of service each day and can be home-based, center-based, or some combination. The program emphasizes parental involvement in its direction. As the President has said, "Head Start is about family. [It] couldn't be the success it's been without the direct involvement of parents." More than 800,000 Americans volunteered in a Head Start program last year.

Head Start is one of many efforts to ensure that children arrive at school ready to learn. In addition to Head Start, 38 States and the District of Columbia also fund pre-school programs.

THE BUSH ADMINISTRATION RECORD ON

CRIME AND LAW ENFORCEMENT

"The comprehensive plan that we sent to Congress seeks to take violent criminals off the streets on four fronts: new laws to punish them, new agents to arrest them, new prosecutors to convict them, and new prisons to hold them."

-- President George Bush
June 16, 1989

One of government's principal obligations is to protect the safety and property of citizens. President Bush's budget proposes \$15.8 billion for Fiscal Year 1993 -- 59% more than in FY 1989 -- for aggressive policies to combat crime in the streets, prosecute offenders in the courts, and incarcerate the guilty. These resources will address the criminal activity that continues to threaten the American family, the security of neighborhoods, and the financial strength of America.

The Bush Administration has sought strong new laws, pursued new law enforcement techniques, and cooperated with State and local law enforcement officials in its efforts to reduce both violent and white collar crime.

Comprehensive Violent Crime Control Act

The President has proposed the Comprehensive Violent Crime Control Act of 1991. The bill includes:

- . A Federal death penalty for the most heinous crimes with procedures to ensure its fair and colorblind application.
- . Habeus corpus reform to reduce unnecessarily repetitive appeals that clog the courts and delay justice.
- . Exclusionary rule reform to ensure that the evidence gathered by law enforcement officials in a good faith belief that they are acting lawfully can be used to help courts establish the truth.

The bill also includes provisions to strengthen Federal laws concerning the safety of women by modifying rules on the admissibility of evidence in cases of sex crimes, increasing penalties for the distribution of illegal drugs to pregnant women and for recidivist sex offenders, and offering greater protection for victims below the age of sixteen.

"Weed and Seed"

The President proposes a new \$500 million "Weed and Seed" initiative designed to help reclaim and rejuvenate embattled neighborhoods and communities. The Attorney General will lead this effort to combine the strength of Federal law enforcement with the expertise and resources of Federal and local social services and community assistance programs.

"Weed and Seed" will use a neighborhood-focused, two-part strategy to control violent crime and to provide social and economic support to areas in which high crime rates and social ills are prevalent.

To remove or "weed" gang leaders, violent criminals, and drug dealers from the neighborhoods, the initiative targets Federal law enforcement to select communities. To support this initiative, the Justice Department will provide \$30 million for law enforcement activities in over 30 neighborhoods. In total, the President announced that his budget will request a \$1.2 billion increase, 8% above FY 1992 levels, for Administration-wide efforts to fight crime.

To prevent the return of criminal activity, the initiative "seeds" the neighborhoods with public and private services, community-based policing, and the tax incentives of Enterprise Zones. Federal agencies would make available \$470 million to fund a broad range of educational opportunities, job training, health care, and social programs in these neighborhoods.

White Collar and Financial Crimes

To fight white-collar crime, DOJ and Treasury will coordinate efforts to investigate and prosecute financial, insurance, Medicaid, bankruptcy, and computer fraud. The budget proposes \$864 million in 1993 for this effort -- an increase of more than \$70 million or 9% over 1992 and more than double the amount spent on white-collar crime in 1989.

Sentencing and Prisons

The President's budget proposes \$2.2 billion for Federal prisons, an increase of \$185 million, or 9% over 1992 and 44% over 1989. Space for 4,640 more prisoners will be added to the Federal prison system, and over 3,400 more slots will be made available in future years based on \$399 million for prison construction requested for 1993.

THE BUSH ADMINISTRATION RECORD ON

THE NATIONAL DRUG CONTROL STRATEGY

"Our outrage against drugs unites us, brings us together behind this one plan of action -- an assault on every front."

-- President George Bush
September 5, 1989

On September 5, 1989, the President unveiled the Administration's National Drug Control Strategy, which enhanced the Nation's war against drugs on every front. Since taking office, President Bush has nearly doubled Federal funding for drug-related programs to \$12.7 billion for FY 1993. Between 1988 and 1991, overall drug use declined 13%; drug use among adolescents declined 27%.

The National Drug Control Strategy

The fundamental principle of the National Drug Control Strategy is to reduce drug use through a mix of policies oriented towards both supply and demand. The strategy is truly national in scope. It calls upon all sectors of American society -- private and public, Federal, State, and local -- to combat the scourge of drugs.

Criminal Justice

- . The Administration has increased drug-related criminal justice funding by 88%.
- . The Strategy has increased funding for State and local law enforcement by nearly 197% between FY 1989 and FY 1993.
- . The Strategy has responded to the wave of drug-related crime by increasing the number of Federal courts, prisons, judges, prosecutors, and investigators.
- . The Administration has three times called for legislation that would require drug testing in State and local criminal justice systems; each time Congress has rejected it.

Drug Treatment

- . Since taking office, the Administration has increased funding for drug treatment by \$1.046 billion (97%).
- . In FY 1993, the Administration has proposed spending over \$213 million in research to make drug treatment more effective.
- . In FY 1993, Federal funding will generate the equivalent of over 143,000 slots capable of treating over 402,000 people.

THE BUSH ADMINISTRATION RECORD ON

DRUG TREATMENT AND PREVENTION

"We can win the drug war only by winning the wars that rage within the hearts of those who abuse drugs."

-- President George Bush
September 12, 1991

The President's National Drug Control Strategy expands drug treatment while insisting on its accountability. The Administration seeks to promote drug treatment that works. By enhancing treatment research and encouraging States to coordinate their treatment services, the Administration has helped ensure that those who complete drug treatment stay off drugs.

Under the President's National Drug Control Strategy, the Federal Government has increased funding for drug treatment and treatment research by 94%.

Expanding Drug Treatment

- The Administration has increased funding for drug treatment by nearly \$1.046 billion -- nearly 97%.
- To focus on hard core drug users, the Administration proposed a \$99 million special drug treatment expansion program in FY 1992, of which Congress funded only \$9 million.
- The Administration has increased drug treatment funding that goes directly to States by 107% since taking office.
- The Administration has expanded drug treatment services offered at veterans hospitals. The FY 1993 budget will provide \$591 million to VA for this effort, an increase of \$46 million.
- In FY 1993, Federal funding will generate the equivalent of 143,000 slots capable of treating over 402,000 persons.

Supporting Drug Treatment That Works

Since taking office, the Administration has:

- Increased funding by about \$88 million (72%) for basic drug treatment research and the development of medications that could be critical in treating cocaine addiction.
- Developed carefully targeted drug treatment strategies aimed at helping populations where drug addiction is prevalent -- including public housing communities and within the criminal justice system.

THE BUSH ADMINISTRATION RECORD ON

DRUG FUNDING FOR STATE AND LOCAL GOVERNMENT

"The war on drugs will be hard-won, neighborhood by neighborhood, block by block, child by child."

-- President George Bush
September 5, 1989

Under the Bush Administration, funding for State and local drug control activities has more than tripled. For every four Federal dollars spent on the war on drugs, one dollar goes toward State and local efforts. With this leadership, State and local law enforcement, drug treatment, and drug prevention programs have become more effective in communities throughout America.

A National Strategy

The National Drug Control Strategy recognizes that the war on drugs must be fought at every level of government. In most cases, State and local governments bear the greatest responsibility in providing citizens with neighborhood safety, drug treatment, and school and community drug prevention activities. The Bush Administration has provided both funding and technical assistance to States and localities so that those on the front lines can adequately confront the threat of drugs.

State and Local Law Enforcement

- The Administration has nearly tripled the level of Federal funding to assist State and local law enforcement. This funding has increased from \$127 million in FY 1989 to a proposed \$496 million in FY 1993.
- The Drug Enforcement Administration has expanded its State and local task forces, which cooperate closely with local police.
- The Administration has designated five "High Intensity Drug Trafficking Areas" that receive additional Federal support to dismantle major trafficking organizations.
- The Administration has increased efforts to eradicate marijuana grown on public lands. The Administration has provided additional training and support to State agencies which assist in marijuana eradication.

THE BUSH ADMINISTRATION RECORD ON

INTERNATIONAL DRUG CONTROL

"Our initiatives in the Andes and around the globe are of paramount importance."

-- President George Bush
March 28, 1991

Under the President's National Drug Control Strategy, international awareness of the scope and nature of the drug threat has grown significantly. The governments of those countries that are a source for drug production are now working closely with the U.S. to disrupt drug production and dismantle drug trafficking organizations.

International Drug Control in the Bush Administration

As the Administration works to reduce demand for drugs at home, it has also sought and achieved unprecedented cooperation in reducing the supply of drugs from abroad. Colombia, Bolivia, and Peru -- the key cocaine producing nations -- are all demonstrating their willingness to cooperate with U.S. drug control efforts and lead their own efforts to fight trafficking activities within their borders.

Expanding International Efforts

- In February 1990, President Bush travelled to Cartagena to attend an historic anti-drug summit with the leaders of Colombia, Bolivia, and Peru.
- Since taking office, President Bush has increased funding for international drug control from \$304 million to \$768 million -- an increase of over 152%.
- Roughly 165 metric tons of cocaine were seized en route to the United States in the first eleven months of 1991.
- The Administration provides assistance and training to Andean governments so they can lead their own fights against drug trafficking.
- The Administration provides intelligence to Andean governments so they can make air interceptions and ground apprehensions that disrupt the drug trade.

THE BUSH ADMINISTRATION RECORD ON

THE PRESIDENT'S COMPREHENSIVE HEALTH CARE REFORM PROGRAM

"[M]y plan will preserve what works and reform what doesn't. We stand at a crossroads. We can move forward dramatically to reform our market-based system or we can force ourselves to swallow a cure worse than the disease."

-- President George Bush
February 6, 1992

The President's comprehensive plan for health care reform addresses the two major problems facing the U.S. health care system: inadequate access to affordable health care for some Americans and excessive growth in health care costs.

In addressing these problems it enhances the quality of our health care system, widely acknowledged as the best in the world. Moreover, it recognizes and builds upon the strengths of America's health care system: the freedom of individuals to choose physicians, hospitals, and health plans; diversity and flexibility in the financing, organization, and delivery of care; the best educated and most skilled physicians and health professionals in the world; millions of volunteers who assist in providing quality health care; world leadership in biomedical research; and dramatic technological innovation.

The President's four-point plan for comprehensive health reform, which he proposed on February 6, 1992, will:

1. Make health care more accessible by making health insurance more affordable;
2. Reduce the runaway costs of health care by making the health care system more efficient;
3. Cut waste and excess in the present system; and
4. Get the growth in government health programs under control.

Expanding Access to Health Care

Tax Credits and Deductions: The President's plan provides a transferable health insurance tax credit (certificate) or deduction, worth up to \$1,250 for individuals and \$3,750 for families of three or more. The credit and deduction would be available for those with modified adjusted gross income of up to \$50,000 for single persons and \$80,000 for married persons filing jointly.

Containing Health Care Costs

Malpractice reform: States would have incentives to reform their malpractice laws, including limits on punitive damages, and in all cases, a party that refused to pursue alternative dispute resolution and subsequently lost at trial would pay the other party its attorney fees.

Excessive state mandated benefits: States have passed numerous laws mandating that health insurance include specified benefits or coverage, now numbering close to 1,000. Excessive mandates benefits that increase costs and limit consumer choice over the scope of insured benefits would no longer be allowed.

Reducing Administrative Costs

Insurance law changes and market reforms will end the paperwork blizzard that afflicts all who have health insurance. For small employers, administrative costs may account for as much as 40% of the cost of insurance purchased, compared to 10% for large employers. HINs, because they bring together many purchasers, would cut the cost of administering insurance and therefore help reduce premiums substantially. HINs would follow uniform claims processing standards, yielding additional administrative savings.

Expanded use of coordinated care: In 1990, about 40 million Americans were enrolled in one of a variety of coordinated care arrangements. The President's plan encourages broader use of coordinated care in the public and private sectors, including preferred provider organizations (PPOs), health maintenance organizations (HMOs), and point of service plans. New coordinated care arrangements would be allowed in Medicare. States would have incentives to use coordinated care in Medicaid. Restrictions on the operation of coordinated care in the private sector would be ended.

Prevention: The President's budget includes \$26.4 billion, a nearly \$4 billion (18% increase) for preventive health activities. Prevention funding has increased over \$11 billion (74%) since 1989. Among other activities, the President's budget proposes increases of 18% for childhood immunizations and infant mortality reduction, a 27% increase for Head Start and Early Childhood Development, a 24% increase for breast and cervical cancer mortality prevention, and a 90% increase for childhood lead poisoning prevention.

THE BUSH ADMINISTRATION RECORD ON

AIDS

"In this nation, in this decade, there is only one way to deal with an individual who is sick: with dignity, compassion, care, and confidentiality -- and without discrimination."

-- President George Bush
March 29, 1990

AIDS is a public health problem that challenges all of America. The approximately one million Americans infected with the Human Immunodeficiency Virus (HIV) deserve both the best our biomedical research can produce and care in times of need. Those not infected should show compassion for those who are infected and need education and prudence to avoid infection. The Administration's commitment of \$4.9 billion in Fiscal Year 1993 in Federal spending on AIDS -- up 118% since President Bush took office -- reflects the strength of our desire to fight this disease and minimize its impact on individuals and our Nation.

Research

The Administration's major biomedical research effort has three elements: research on the nature of HIV, research on treatment of HIV infection and its complications, and the development of vaccines to immunize against the virus.

- . The Federal Government is committing more resources to AIDS research than for any disease other than cancer.
- . In FY 1993, the Administration is spending \$1.2 billion on AIDS research. Research spending has risen 39% since President Bush took office.
- . Our Nation's investment in biomedical research is enabling us to make rapid research advances. Had AIDS occurred before this investment, we would have been without the tools that make research and treatment possible.

Prevention

The Bush Administration budgeted \$621 million for AIDS prevention activities in FY 1993. This effort focuses on education, including greater public awareness of how the HIV virus is transmitted and how it is not and efforts to change behaviors that lead to infection. The greatly expanded testing effort allows those infected to seek early treatment and to modify their behavior to avoid infecting other people. Of course, people can educate themselves and others about AIDS, both to prevent

Help to Individuals and Communities

The Administration is working to help meet the costs of care for those with few resources and to provide legal support against discrimination.

- . The President worked for and signed the Americans with Disabilities Act to provide legal protection to HIV-infected Americans against discrimination in public employment.
- . He also signed the "Ryan White Act," which authorizes assistance to hard-hit communities and medical help to individuals before their HIV infection progresses to AIDS. The President's 1993 budget requests \$307 million for these activities, including relief grants to States and early intervention programs.
- . The Medicaid program -- Federal funding for which has more than doubled from \$35 billion to \$72 billion under this Administration -- ensures that those who have AIDS and are so disabled they cannot work are not without health care. In FY 1993, the Federal share of Medicaid on AIDS will be nearly \$1.3 billion.
- . Assistance provided through the Social Security Administration has also sharply increased for people with AIDS. The Disability Insurance and Supplemental Security Income programs will provide approximately \$530 million in 1993.
- . Medicare will spend about \$385 million in 1993 to cover the medical bills of those disabled with AIDS.

Meeting the challenge of AIDS is appropriately a major Administration objective and merits the major Federal commitment the President has made this past year for his comprehensive research, prevention, and treatment strategy. The President has requested and received substantial increases in funding for AIDS each year. As the President has said, "[F]or those who are living with HIV and AIDS, our response is clear: They deserve our compassion, they deserve our care, and they deserve more than a chance -- they deserve a cure."

(February 18, 1992)

THE BUSH ADMINISTRATION RECORD ON

ACCESS TO HEALTH CARE

"[B]etter, more affordable health care must also be more accessible. Expanded efforts to reduce infant mortality and expanded Medicaid eligibility to cover more women and infants are just two of the steps that we are taking to help."

-- President George Bush
February 22, 1990

The President's comprehensive health care reform program is designed to expand access to health care to all Americans while retaining the best features of our market-oriented system. But even before this program was announced, the Administration proposed several initiatives to expand access to care.

Expanding Access in a Cost-Effective and Well-Targeted Manner

By relying on the private sector and targeting government resources to those who need it most, access to health care can be improved.

Overall Access Has Risen

Access to health care, as measured by the number of individuals having health insurance, reached a record high during the Bush Administration --- 214.2 million (as measured by the March 1991 Current Population Survey, which asked about coverage in 1990.) At the same time, 34.7 million Americans were without health insurance.

Many public and private programs (such as public hospitals) provide health care to the uninsured. These programs provided about \$60 billion in health care in 1990.

Expanded eligibility to Medicaid is the greatest source of recent gains in insurance coverage. The number of Medicaid recipients rose by 6.6 million from 1989 to 1992 -- an increase of over 25%.

Large Increases in Medicaid Eligibility

As part of the President's "Building a Better America" address to Congress in February 1989, he called for expanding the requirement that States provide Medicaid coverage to pregnant women and infants up to age one.

THE BUSH ADMINISTRATION RECORD ON

MEDICARE/MEDICAID

"We look to you [Dr. Louis Sullivan] and the HHS team to meet a number of major challenges in the years ahead. We ask to you to work to get better value for health care dollars, targeting effective services, finding ways to contain the escalating costs of medical care without compromising the quality of health service."

-- President George Bush
March 10, 1989

Balancing Financial Security with Cost Restraint

The President has sought to assure that seniors and the poor are protected against the high cost of health care while constraining the unsustainable rate of health care inflation in both programs.

Federal Health Entitlements Grow Rapidly

Both Medicare and Medicaid have grown rapidly in the Bush Administration:

- . In the current Fiscal Year (1992), combined Federal/State spending on Medicaid will surpass \$127 billion, up from \$61.2 billion in 1989 -- a 108% increase. For FY 1993, the Federal portion is projected to reach \$84.4 billion. This is an \$11.9 billion or 17% increase over current FY 1992 estimates and an increase of 1,395,000 recipients, making the total projected number of recipients for FY 1993 equal to 31,509,000.
- . Spending on Medicare has also risen. In FY 1989, Medicare spending was \$107.3 billion. Under the President's budget total Medicare benefit outlays in FY 1993 will reach \$141.5 billion, 9.5% higher than the current FY 1992 estimate. These funds will incorporate approximately 2.3 million new beneficiaries in Medicare Parts A and B, making the estimated number of persons enrolled for FY 1993 equal to 35,028,000.

THE BUSH ADMINISTRATION RECORD ON

HOUSING AND COMMUNITY DEVELOPMENT

"HOPE will do what traditional programs have not done: empower low-income families to achieve self-sufficiency and to have a stake in their communities by promoting resident management as well as other forms of homeownership."

-- President George Bush
November 28, 1990

"The real answer for the homeless -- those with mental problems or dependent on drugs or alcohol -- is shelter plus care -- shelter supplemented by the necessary support services to get these people the help they need to live in dignity."

-- November 10, 1989

The Administration has focused on broadening housing opportunities and providing hope for communities through:

- . expanding opportunities for first-time homebuyers by easing the transition from renting to homeownership and making financing more accessible and houses more affordable;
- . reforming the way the Federal Government assists poor renters by expanding their residential choices and improving the quality of public housing;
- . widening the array of services to meet the diverse needs of the homeless; and
- . encouraging the private sector through tax incentives to take an active part in community development.

Homeownership Opportunities

- . President Bush's HOPE initiative will create 12,000 new low-income homeowners and put at least 20,000 more on the path to homeownership. The President's 1993 Budget requests over \$1 billion for this program, a 180% increase over the 1992 enacted level of \$361 million. The 1992 enacted level was only 42% of the President's 1992 request.
- . Through the President's Low-Income Housing Preservation program, tenants will have the right to purchase buildings from private owners who wish to terminate low-income housing subsidies.
- . The Bush Administration has supported resident management as the first step toward turning tenants into homeowners.

Homeless Shelter and Service

- . Since taking office, President Bush has proposed over \$1.7 billion for HUD homeless programs and over \$4 billion for all Federal homeless assistance. Through FY 1992, the President has requested 11% more than Congress has appropriated.
- . The President's request for HUD's homeless programs in 1993 is \$536 million, nearly a 20% increase over 1992.
- . The Bush Administration's Shelter Plus Care program links rental assistance with support services for homeless persons who are mentally ill, chemically dependent, or afflicted with AIDS.
- . President Bush proposed nearly \$260 million for Shelter Plus Care in FY 1992, 136% more than Congress provided. For FY 1993, the President proposes over \$265 million for this program.
- . Safe Havens is a new initiative that will offer low-cost housing for homeless persons who are mentally ill but unwilling to begin longer-term, intensive treatment for their illnesses.

Tax Incentives for Housing and Community Development

The President has proposed:

- . Extension of the Low Income Housing Tax Credit as a means of ensuring an adequate supply of low-income housing.
- . Tax incentives for enterprise zones to create jobs and stimulate entrepreneurial activities in blighted urban neighborhoods and poor rural areas.
- . A 5% income tax credit on the wages of low-income workers employed in enterprise zones.
- . Income tax deferrals for small investors owning stock in businesses located in enterprise zones.
- . A zero capital gains rate for real property investments in enterprise zones.

(February 18, 1992)

THE BUSH ADMINISTRATION RECORD ON

HOMELESSNESS

"[N]o child in America should have to grow up on the streets, and every family in America should have a roof over its head."

"The real answer for the homeless, those with mental problems or dependent on drugs or alcohol, is shelter plus care: shelter supplemented by the necessary support services to get these people the help they need to live in dignity."

-- President George Bush
November 10, 1989

The President has made ending the tragedy of homelessness one of the Administration's top priorities. During President Bush's term, the Administration has requested and received record levels of funding for homeless programs. The Administration has spent nearly \$3 billion on McKinney Act homeless assistance, while developing new, comprehensive programs such as Shelter Plus Care and Safe Havens.

Record Levels of Funding

Congress has consistently underfunded President Bush's funding requests for HUD's homeless assistance programs, by a cumulative total of 11% as of FY 1992. Since taking office, the President has requested over \$1.7 billion for these programs and over \$4 billion for all Federal homeless assistance. The President's request for HUD's homeless programs in FY 1993 is \$536 million, nearly 20% more than what Congress provided last year.

Shelter Plus Care and Safe Havens

The Shelter Plus Care program links rental assistance with support services for homeless persons who are mentally ill, chemically dependent, or afflicted with AIDS. Because it offers hope and help to homeless persons who require more than short-term, shelter-only assistance, Shelter Plus Care forms an integral part of the President's strategy to end homelessness.

- : The President requested nearly \$260 million for Shelter Plus Care in FY 1992, but Congress provided well under half that level -- \$110 million. For FY 1993, the President proposes over \$265 million for this program.

THE BUSH ADMINISTRATION RECORD ON

HOMEOWNERSHIP

"That's the real centerpiece of our HOPE initiative -- to recapture the American dream of homeownership for those who have been left behind -- through resident management and ownership."

-- President George Bush
November 10, 1989

"HOPE will do what traditional programs have not done: empower low-income families to achieve self-sufficiency and to have a stake in their communities by promoting resident management as well as other forms of homeownership."

-- November 28, 1990

Under President Bush's leadership, the Administration has dramatically expanded programs to promote homeownership among low and middle-income families.

The driving principle behind the Administration's housing programs is homeownership. Homeownership is a vital part of the American Dream; it fosters dignity and pride in the community and offers poor people the opportunity to achieve economic self-sufficiency and escape government dependence.

HOPE -- Homeownership and Opportunity for People Everywhere

President Bush's HOPE initiative, signed into law on November 28, 1990, gives public housing residents the opportunity to buy their own homes. FY 1992 funding of \$361 million -- only about 42% of the President's request -- will create 12,000 new low-income homeowners and put at least 20,000 more on the path to homeownership. The President's 1993 budget requests \$1.01 billion for HOPE Homeownership grants, a 180% increase over the 1992 enacted level.

- . The budget also requests \$879 million for HOPE Preservation/Prepayment of Assisted Low-Income Housing. Tenants will have the right to purchase their buildings if private owners wish to terminate their HUD subsidies.
- . Resident management is the first step towards resident ownership. When President Bush took office, there were only 13 resident management groups. Today, there are over 200 groups training to manage their own communities, and 600 more have expressed interest in the program.

THE BUSH ADMINISTRATION RECORD ON

IMPROVING ASSISTED HOUSING

"Today, more and more Americans know that the solutions of the 1960s can't meet the challenges of the 90s; that a system that puts government bureaucracy in charge of everything leaves no room for individual dignity . . . if the system's not helping build a better life, then we must change the system."

-- President George Bush
May 3, 1991

The Bush Administration's efforts to improve living conditions in public housing center around empowering residents with more control over their lives and their communities.

Tenant Choice

- . The Bush Administration has proposed housing vouchers as the preferred low-income subsidy for renters. They are portable, allow tenants to live in better neighborhoods with access to better services, and are half the cost of new construction subsidies.
- . The President's 1993 budget requests 83,435 vouchers, a 64% increase over the number enacted in FY 1992.
- . At the same level of funding proposed in FY 1993, President Bush's voucher-weighted program mix would provide housing to 46% more families over the next five years than would Congress' current policy favoring new construction.

Resident Management and Ownership

- . President Bush's HOPE initiative, which he signed into law on November 28, 1990, gives public housing residents the opportunity to manage their communities and buy their own homes.
- . FY 1992 funding of \$361 million -- only about 42% of the President's request -- will create 12,000 new low-income homeowners and put at least 20,000 more on the path to homeownership.
- . When President Bush took office, there were only 13 resident management groups. Today, there are over 200 groups training to manage their own communities and 600 more have expressed interest in the program.

THE BUSH ADMINISTRATION RECORD ON

CIVIL RIGHTS

"Discrimination, whether on the basis of race, national origin, sex, religion or disability, is worse than wrong. It's an evil that strikes at the very heart of the American ideal."

-- President George Bush
November 21, 1991

Opportunity

The Bush Administration's approach to civil rights is based on two fundamental goals: equal opportunity and enhanced opportunity. The Administration's accomplishments include successes on several fronts: existing laws have been vigorously enforced, new legislation has been sought where appropriate, and several new milestones have been reached in the long quest to ensure that all Americans can achieve everything that their ability and character allow.

The Americans with Disabilities Act of 1990

The culmination of several years of effort, the ADA is generally recognized as the most significant civil rights legislation in the past quarter century. This landmark statute, for which President Bush began working long before he was elected President, promises to open up all aspects of American life to individuals with disabilities: employment opportunities, government services, public accommodations, transportation, and telecommunications.

The ADA is the world's first comprehensive declaration of equality for people with disabilities. Its passage has made the United States the international leader on this important human rights issue. It ensures that persons with disabilities enjoy basic guarantees that most of us take for granted: independence, freedom of choice, control of their lives, and the opportunity to blend fully and equally into the rich mosaic of the American mainstream.

With major, innovative legislation like the ADA, implementation by the Executive branch can be as important as the statute itself. The Bush Administration has moved quickly and decisively to carry out a variety of new programs that will fulfill the promises of the statute.

able to determine whether new enforcement measures are needed to bring hatemongers out of hiding and into the light of justice. At the same time, by collecting and publicizing this information, we can shore up our first line of defense against the erosion of civil rights by alerting the cops on the beat. As President Bush noted when signing this bill: "For America to continue to be a good place for any of us to live, it must be a good place for all of us to live."

Strong Enforcement of Civil Rights Laws

The Administration has vigorously pursued enforcement of civil rights laws. For instance, 35 cases of hate crimes were prosecuted in FY 1990 and 30 in FY 1991, with conviction rates of 100% and 98% respectively. The Justice Department received over 600 redistricting plans under the Voting Rights Act in FY 1991. Payments continued to Japanese-Americans interned during World War II under the Civil Liberties Amendments Act of 1988. In the Departments:

- . By early 1991, HUD had resolved nearly 12,000 of 16,000 outstanding fair housing cases.
- . In 1990, Education received and resolved more civil rights complaints than in any previous year in its history -- and in record time.
- . The largest settlements in the history of Labor's Federal Contract Compliance cases were achieved in this Administration. A single case involving employment discrimination against women and minorities resulted in a payment of \$14 million. Another case resulted in a back pay settlement of \$3.5 million for approximately 1000 women who were discriminated against in hiring.

(February 18, 1992)

THE BUSH ADMINISTRATION RECORD ON

SMALL BUSINESS

"Small businesses . . . drive America forward. They create most of our jobs. They reinvigorate our communities. They embody the power of the American dream."

-- President George Bush
January 30, 1992

President Bush knows that small business is the backbone of our Nation's economy. Small businesses employ nearly 50% of our private work force and account for 44% of all sales and 39% of GNP. From 1988 to 1990, small businesses accounted for all net new jobs.

Tax Reform

- . The Administration supports a cut in the capital gains tax rate, and small businesses stand to benefit significantly from such a reduction. SBA studies have shown that informal investors provide the largest influx of capital into small firms. A cut in the capital gains tax would increase investment in small business.
- . To reduce the burden of payroll tax compliance costs -- which fall disproportionately on small business -- the Administration is seeking payroll tax simplification legislation. The IRS has already implemented a number of payroll tax reforms administratively.
- . SBA research has shown that small firms are two times more innovative per employee than large firms, and they account for 55% of all innovations in the country. The President's proposal would make the research and experimentation tax credit permanent. This would increase small business investment in innovative technology and products.
- . The President has proposed a dramatic increase in the first-year depreciation allowance for the purchase of property. This would be particularly useful to the small business owner who, lacking the capital reserves of larger businesses, often utilizes personal property as collateral.

- . The President's economic growth plan would designate 50 areas as enterprise zones. This is designed to spur investment, add jobs, and encourage entrepreneurial activity in inner city and rural areas.
- . Through its procurement assistance program, SBA helped small businesses secure Federal contracts worth over \$32 billion in FY 1989 and over \$35 billion in FY 1990 -- almost 20% of all prime contracts let during those years.
- . The Administration has taken steps to restructure the Small Business Investment Companies (SBIC) program, the only venture capital program in the government.

Expanding Trade and Opening Markets for American Exports

Expanding into the global marketplace is becoming increasingly important for small firms. The Administration has acknowledged the critical need for special financing programs for these exporting entrepreneurs. For example, SBA revised its Export Revolving Line of Credit (ERLC) Program, which provides working capital to such businesses. After being revised, ERLC loan volume surged from \$4.8 million in 1990 to over \$21 million in 1991. Current rates indicate a possible tripling of loan volume for 1992. The Bush Administration has sponsored over 200 Matchmaker Missions assisting small firms in the exporting arena.

Fighting Federal Mandates

The Administration opposes Federal mandates that adversely affect small businesses, such as requirements for parental leave and striker replacement legislation.

(March 9, 1992)

THE BUSH ADMINISTRATION RECORD ON

JOB TRAINING

"Job training must be more than merely make-work. It's got to suit the needs of the workplace and the marketplace."

-- President George Bush
January 17, 1992

President Bush believes that to compete successfully in the global marketplace, America needs a dynamic, flexible, and well-trained workforce. While the primary responsibility for job training must remain in the private sector, Federal, State, and local governments can play an important supporting role.

The Bush Administration intends to build a comprehensive and coordinated job training system by streamlining the maze of Federal programs currently dispersed across numerous agencies. This system is intended to provide Americans with opportunities to acquire the broad skills demanded in the new global economy, through "one-stop shopping centers" designed to serve individuals and employers more effectively.

The nucleus of the new system is the more than 600 business-led Private Industry Councils (PICs), which will provide greater input to job training and education programs by the local business community. The PICs will manage Skills Centers, the primary point of entry into Federally-funded job training and occupational education programs. To ensure that Federal funds support only high quality job training, the PICs will certify, in conjunction with State programs, all local vocational education and training programs. They will coordinate the local delivery of more than \$12 billion in funds, including \$7.6 billion in new and existing training vouchers. They will directly control \$4.1 billion for certain programs.

Job Training 2000

Job Training 2000" is based on four basic principles:

- . Simplifying and coordinating program services;
- . Decentralizing decision-making and creating a flexible delivery structure for public programs that reflects local labor market conditions;
- . Ensuring high standards of accountability and incentives for quality job training services; and
- . Encouraging greater and more effective private sector involvement.

THE BUSH ADMINISTRATION RECORD ON

PUBLIC SERVICE AND THE FEDERAL WORKFORCE

"I want to make sure that public service is valued and respected because I want to encourage America's young to pursue careers in government. There is nothing more fulfilling than to serve your country and your fellow citizens and to do it well. And that's what our system of self-government depends on."

"I believe there is tremendous pent-up energy in the Federal Government, a powerful force for good, that needs to be released, and I want to be the President to do that, to release the Federal manager from bureaucratic bondage so that together we can, as I said on the steps of the Capitol, use power to serve people."

-- President George Bush
January 26, 1989

Under President Bush, the Administration has been responsible for changing the inflexible Federal pay system to a flexible, locality-based system which will allow the Government to recruit and retain the best people in the most cost-effective manner. This initiative, coupled with more efficient recruitment strategies and new training and development emphases, will result in a more productive Federal Government serving the public with excellence.

The Bush Administration has a strong commitment to a high quality public service dedicated to excellence, prudent in its use of the public's tax dollars, and as diversified in its composition as the Nation itself.

Increased Productivity and Improved Quality of Service

Under President Bush, there has been heightened interest in ensuring that the Federal Government increases productivity and improves the quality of services to the public. Between 1988 and 1991, the number of Federal organizations using quality management principles significantly increased.

- . In that period, fifteen winners of the Federal Quality Award had documented savings of over \$2 billion.
- . Most major Departments and agencies have increased their emphasis on quality management. Examples of departments and agencies that have widespread efforts underway are Defense, IRS, Interior, and NASA. Many others have quality efforts underway for individual programs.

- . Since 1988, the number of both women and minorities in executive positions (political and career) has increased. For example, women in the Senior Executive Service have gone from 9.4% to 12%; minorities have gone from 6.5% to 7.8%.
- . Federal employment of disabled Americans has increased from 6.6% in 1988 to 7% at the end of FY 91. The percentage of disabled veterans who are Federal employees has increased from 13.2% in 1988 to 14.6% in 1991.

Efficient Recruitment and Referral Systems

The job information and referral systems designed to inform the public of job opportunities and to refer applicants to agencies have become more efficient during the Bush Administration.

- . As of January 1992, a nationwide job information system is in place that allows the public to access, through a 7-day, 24-hour 900 number, information about job vacancies by agency, occupation, and geographic area.
- . Agencies requesting candidates to fill their vacancies can now receive a list of qualified applicants from the OPM within 15 minutes of the time of the request.

More Cost-Effective Federal Employees Health Benefits Program

Under the Bush Administration, the Federal Employees Health Benefits Program, the Nation's largest employer health benefits program, has become more cost-effective, with premium increases being far less than has been the case in the private sector. This has been as a result of cost-containment methods such as pre-admission certification and large case management as well as program reserves.

- . In 1990/1991, the premium increase for Federal employees was 5.7% as compared to 12.1% in the private sector; in 1991/1992 the premium increase for Federal employees was 8.2% as compared to 12% in the private sector.

Federal Employees Engaged in Community Service

The President has called on his Cabinet and other heads of Federal agencies to recognize the community service efforts of Federal employees and to make community service opportunities more accessible through the workplace. The efforts of Federal employees involved in solving serious social problems through community service attempt to link more closely Federal offices and the communities in which they are located.

(February 18, 1992)