

Q. Mr. President, why didn't you do a systematic followup on the two previous Presidential commissions on AIDS? You promised in your campaign to adopt the recommendations. Why has it taken another year for you to—[inaudible].

The President. Didn't you listen to what we said before about what we've done the last 2 years? Most of the—

Q. I heard you talk about—[inaudible]—

The President. Do you want me to answer, or do you want to keep talking?

Q. —I did not hear you talk about specific actions that will save lives today. And there's a list of 50 that have been followed by a range of New York organizations that have been submitted to officials in your administration. And it has taken 2 years, and now—

The President. First of all, that's not accurate. We implemented a lot of those recommendations, as you know. So I think that's a little unseemly for you to say. We had a set of recommendations we got when we got here, most of which have been implemented.

I am very sorry—I am very sorry—now, wait a minute. I listened to you; now you listen to me. I listened to you. Look, I am very sorry that there is not a cure. I am very sorry that there is not a vaccine. I regret that not everything I have asked for has been approved by

the Congress. In the context of what has happened in this country in the last 3 years, I believe we have gone a long way toward doing what we said we would do. But I will never be satisfied, and you won't, and you shouldn't be, until we have solved the problem. That is what this meeting is about, and that's what I am trying to do. And I think all of us should do what we can to be constructive.

Q. [Inaudible]

The President. Well, that's a matter of dispute. You have your version of the facts and I have mine, and I'll leave it to others to make a judgment.

Q. [Inaudible]

The President. Let me just say, I believe this has been a good meeting. I think most people are glad they came, and I think most people believe they're better off than they were 4 years ago.

NOTE: The President spoke at 1:10 p.m. in the Cash Room at the Treasury Department. In his remarks, he referred to Sean Sasser, member, board of directors, AIDS Policy Center for Children, Youth & Families; Eileen Matzman, board member, Mothers' Voices; and Dr. Scott Hitt, Chair, and Bob Hattoy, member, Presidential Advisory Council on HIV/AIDS.

Remarks on Vetoing Budget Reconciliation Legislation December 6, 1995

The President: Throughout our history, American Presidents have used the power of the veto to protect our values as a country. In that spirit today, I am acting to protect the values that bind us together in our national community.

My goals as President have been to preserve the American dream for all of our people, to bring the American people together, and to keep America the world's strongest force for peace and freedom and prosperity. In pursuit of that strategy, I have sought to grow the economy, to shrink the Government but leave it strong enough to do the job, and most important, to elevate mainstream values that all Americans share: opportunity and responsibility, work and family, and bringing our community together so that we can be stronger.

I have consistently said that if Congress sends me a budget that violates our values, I'll veto it. Three decades ago, this pen you see here was used to honor our values when President Johnson used it to sign Medicare into law. Today, I am vetoing the biggest Medicare and Medicaid cuts in history, deep cuts in education, a rollback in environmental protection, and a tax increase on working families. I am using this pen to preserve our commitment to our parents, to protect opportunity for our children, to defend the public health and our natural resources and natural beauty, and to stop a tax increase that actually undercuts the value of work.

We must balance the budget, but we must do it in a way that honors the commitments

that we all have and that keeps our people together.

Therefore, today, I am vetoing this Republican budget because it would break those commitments and would lead us toward weakness and division when we must move toward strength and unity.

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

Can you bring me some more ink, boys? Here, Todd, I knew you had some. It's a small well. Leave it here and see if I need it.

Q. Mr. President, what happens next?

The President. I'm about to say. As I have said repeatedly, America must balance its budget. It's wrong to pass a legacy of debt onto our children. Our long-term growth depends on it. But we must do it in a way that is good for economic growth and for our values.

The budget I have vetoed in a very real sense, in very concrete ways, undermines our values and would restrict the future of families like the ones that are here with me today. American families want to make the most of their own lives and to pass opportunity onto their children. They deserve our respect and our support. Above all, we shouldn't make it harder for them to fulfill their dreams.

When it comes to health care, we owe a duty to our parents. We have to secure Medicare, and I've spelled out how to do that. But the budget I just vetoed would turn Medicare into a second-class system. The Medicare system has served all senior citizens well for 30 years; it would be over.

This budget would end Medicaid's guarantee that no senior citizen and no American in need would be denied medical care, including poor children and children with disabilities. It would deny care for hundreds of thousands of pregnant women and disabled children. It would repeal standards that ensure quality for nursing homes.

Education means opportunity, and opportunity is the key to the American dream. But this budget cuts education by \$30 billion, even in this high technology age when education is more important than ever before. It would essentially end the direct student loan program. It would deny college scholarships to 360,000 deserving students. It would deny preschool opportunities to 180,000 children in the Head Start program.

We must protect the Earth that God gave us and guarantee our children safe food and clean water. This budget would give oil companies the right to drill in the last unspoiled arctic wilderness in Alaska. And it is loaded with special-interest provisions that squander our natural resources. Already, short-term budget cuts have forced us to pull back enforcement of clean air, clean water, even inspections of toxic waste sites in our neighborhoods.

People who work hard and save for retirement ought to be able to retire with dignity. We worked hard last year to secure the pension benefits of 40 million Americans with landmark reform legislation. This bill would give companies the green light to raid pension funds and put those retirements at risk again.

Americans know we have to reform the broken welfare system. But cutting child care that helps mothers move from welfare to work, cutting help for abused and disabled children, cutting school lunch, that's not welfare reform. Real welfare reform should be tough on work and tough on responsibility but not tough on children or tough on parents who are responsible and who want to work. We shouldn't lose this historic chance to end welfare as we know it by using the words welfare reform as just another cover to violate our values.

No one who works hard should be taxed into poverty. In 1993, we nearly doubled the earned-income tax credits so that we could say, "If you work 40 hours a week, you've got children in the home, you won't be taxed into poverty. The tax system will help lift you out of poverty." But this budget raises taxes on our hardest pressed working people, even as it gives unnecessarily large income tax relief and other tax relief to those who need it least. Nearly 8 million working families would pay more in new taxes than they would receive from any tax cut in this bill.

Beyond our principles, let me just say this budget is bad for the economy. No business on the edge of the 21st century would cut its investment in education and training, in research. No business would do that. No business would cut back on technology on the edge of the 21st century. The Japanese are in a recession, and they recently doubled their research budget. We are voting in this budget, if I were to allow it to become law, to cut our research budget by a year when we're in a period of economic growth, while another country, looking

to the future in a recession, is doubling theirs. So this not only violates our values, it is bad, bad economics.

Now, with this veto, the extreme Republican effort to balance the budget through wrong-headed cuts and misplaced priorities is over. Now it's up to all of us to go back to work together to show we can balance the budget and be true to our values and our economic interests.

Tomorrow, I will present to the congressional leadership a plan that does balance the budget in 7 years, but it also protects health care, education, and the environment, and it does not raise taxes on working families. It is up to the Republicans now to show that they, too, want to protect these principles, as they pledged to do.

Let me say again, our country is on the move; our economy is growing. Many of our most difficult social problems are beginning to yield to

the effort and commonsense values of the American people. We have proved again that we are a model for the entire world of peace and reconciliation. With all of our difficult problems, we are moving in the right direction. Now is not the time to derail this movement.

I have vetoed the budget. Now, the question is, will we get together and balance the budget in a way that is consistent with our values? It's time to finish the job of balancing the budget and do it in the right way.

Thank you.

Q. Mr. President,—[inaudible]—Medicare and Medicaid, how are you going to—where are you going to find—

The President. Tune in tomorrow.

NOTE: The President spoke at 3:36 p.m. in the Oval Office at the White House. In his remarks, he referred to White House Staff Secretary Todd Stern.

Message to the House of Representatives Returning Without Approval Budget Reconciliation Legislation

December 6, 1995

To the House of Representatives:

I am returning herewith without my approval H.R. 2491, the budget reconciliation bill adopted by the Republican majority, which seeks to make extreme cuts and other unacceptable changes in Medicare and Medicaid, and to raise taxes on millions of working Americans.

As I have repeatedly stressed, I want to find common ground with the Congress on a balanced budget plan that will best serve the American people. But, I have profound differences with the extreme approach that the Republican majority has adopted. It would hurt average Americans and help special interests.

My balanced budget plan reflects the values that Americans share—work and family, opportunity and responsibility. It would protect Medicare and retain Medicaid's guarantee of coverage; invest in education and training and other priorities; protect public health and the environment; and provide for a targeted tax cut to help middle-income Americans raise their children, save for the future, and pay for postsecondary education. To reach balance, my plan would

eliminate wasteful spending, streamline programs, and end unneeded subsidies; take the first, serious steps toward health care reform; and reform welfare to reward work.

By contrast, H.R. 2491 would cut deeply into Medicare, Medicaid, student loans, and nutrition programs; hurt the environment; raise taxes on millions of working men and women and their families by slashing the Earned Income Tax Credit (EITC); and provide a huge tax cut whose benefits would flow disproportionately to those who are already the most well-off.

Moreover, this bill creates new fiscal pressures. Revenue losses from the tax cuts grow rapidly after 2002, with costs exploding for provisions that primarily benefit upper-income taxpayers. Taken together, the revenue losses for the 3 years after 2002 for the individual retirement account (IRA), capital gains, and estate tax provisions exceed the losses for the preceding 6 years.

Title VIII would cut Medicare by \$270 billion over 7 years—by far the largest cut in Medicare's 30-year history. While we need to slow