

## Remarks to the National Governors' Association Conference in Las Vegas, Nevada

July 28, 1997

Thank you very much for the warm welcome. I must say, whenever I come back here, I feel terribly nostalgic. I'm eager to come, I hate to leave, and I always know there's something that we don't entirely agree on. And right before we came in here, I came into the Mirage and I saw Steve Wynn and Governor Miller, and right before we walked in, we walked through another room which is set up just like this one, a committee room. There wasn't a soul in there. And I thought, look, I know we don't agree on everything, but this is taking it a little far. [Laughter] I was delighted to see the real thing. Thank you very much.

I want to say that—to you, Governor Miller and to Sandy and all your team here in Nevada, Hillary and I are very grateful to you for many things but especially for what you've done on early childhood development. I congratulate Governor Voinovich on assuming the chairmanship. And I thank him for what he has done for young children. It is a remarkable record in Ohio. And Governor Carper, congratulations. I'm delighted to be joined here by many members of the administration who have been here before and will be here when I leave.

And I would like to talk today about a number of things, but let me say that I have tried to establish a better and a growing partnership with the NGA since I first took office. I've been working on one thing, really, which is to prepare our country to go into this new century where every American who is responsible enough to work for it has a chance at the American dream; where out of our vast diversity we build one America; and where we will continue to be the world's leading force for peace and freedom and prosperity, with opportunity for all and responsibility from all, an American community of all.

The Governors who have been kind enough to share with me work experiences, now going back nearly 20 years, have played a major role in a lot of what I have tried to do, because it seems to me now, as it seemed to me when I took office—although I feel more strongly about it now—that in some ways our major challenge is to develop new ways of thinking and acting about all of our problems, going beyond false choices which are imposed on us by limited

thinking and beyond old conflicts. It's so much easier to keep fighting in the same old way than it is to imagine a new way of doing business. Indeed, a great deal of my time away from domestic issues is spent trying to get people to stop doing things that no one should have to ask them to stop doing. In Bosnia people lived together for decades in peace; within 2 months they were shooting at each other's children. In Ireland they're still fighting over 600-year-old disputes when the young people are dying to get away from it. But people just can't escape the habits of old conflicts. Thank goodness ours are more constrained, but we have to do better.

And I must say, Governor, the best example that I have seen of a new way of doing things I saw 2 days ago when I was in Nevada at Lake Tahoe, one of the most perfectly beautiful large lakes in the world, which is losing about a foot of its clarity every year because of pollution. And at Lake Tahoe, I saw the most conservative business people sitting with the most active environmentalists on the same page. They would say the same things. You couldn't tell after a point who was in what group, because they have concluded that they cannot preserve their economy and grow it without also preserving their environment. And it was a marvelous thing. I couldn't tell who was a Republican or who was a Democrat. I couldn't tell who was in the public interest environmental group and who was running a local business, because they have just imagined a future that is different from their past. And in large measure, that is what we all have to be doing, because the time we're living in is so dramatically different.

And we've tried to do a little bit of that in Washington. They told me when I got there we couldn't balance the budget and reduce the deficit and cut spending and still invest more money in education, but we did. They said that we couldn't have an activist Federal Government if we were going to cut the size of it and reduce regulations and give more authority to the States, but the Government is 300,000 people smaller than it was the day I took office.

And I think it's clear that we've got a different kind of partnership here.

So that's the sort of the thing I'm interested in, in all these areas. Let me just say that the most important test of any endeavor, I guess, is results. If you look at the economy, we said that we thought we had to cut the deficit but invest more in our people and their future, and we had to open new markets to American products and services. And we've got the strongest economy in a generation.

In crime, we said we had to keep being tough on criminals, but we had to do some intelligent things—that we could have reasonable restrictions on keeping guns out of the hands of people who shouldn't have them without interfering with the right of Americans to keep and bear arms, and we have done it. We said we had to punish people more, but we had to give children something to say yes to, and we've had 5 years of declining crime and last year the biggest drop in violent crime in 35 years.

In welfare, all of you proved that you could be tough on work and still supportive of children and families, that it was a false choice, and we had the biggest drop in welfare rolls in history.

Today I would like to talk about three things, basically. One is finishing the job of balancing the budget; two is following through on welfare reform; and third, achieving national excellence in education.

First, with regard to the budget, we're now in our final stage of negotiations on the details of legislation to write into law a balanced budget agreement. We know now that the deficit this year, when it comes in, will be over 80 percent less than it was in 1992—when I took office, in January of 1993. And some people are saying, well, we ought to just forget about it, the economy will keep growing and the budget will be in balance next year. That is dead wrong. It might be in balance next year or it might not, but if it is the deficit will start going up again immediately. Why? Because as all of you know, you can't reform the entitlements in an annual appropriations basis. We have over \$400 billion of savings in the entitlement programs in this balanced budget agreement and \$900 billion in savings over 10 years.

Secondly, one of the things that keeps the economy going is confidence that we're serious about fiscal responsibility. So if we walked away from the budget agreement we don't know what

impact it would have on the stock market and on individual investment decisions and on the other things that keep our economy growing. So I think it would be a mistake.

More important, this is a remarkable budget. Because of the prosperity of our country we have a historic opportunity to balance the budget in a way that reflects our values and strengthens our economy as well; a historic opportunity to pass a balanced budget that includes the largest increase in education since 1965, the largest increase in helping people go to college since the GI bill passed 50 years ago; and, as Governor Miller said, the largest increase in health insurance and health support for children since Medicaid was enacted in 1965 with a bipartisan vote from the Congress.

We have a chance to pass a balanced budget that will move more people from welfare to work, that protects the environment, that extends the Medicare Trust Fund for a decade, although to be sure, we will have to do more on that in the future. We have an opportunity to give the American people a tax cut that is modest in the context of the overall economy but still will provide much needed relief to middle class families, will support education, and will help to grow this economy in the future.

This is an historic opportunity. It can be the achievement of a generation. It can only happen with big majorities of people in both Houses and both parties coming together. And I believe we're on the verge of achieving it.

We've worked hard over the past weekend trying to work out some of the last difficulties with which many of you are very familiar. I am pleased to say that we have reached agreement that the American people will get America's version of Georgia's HOPE scholarship, a \$1,500 tax credit for the first 2 years of college. There will be other things in the agreement that are well-known, but it's clear to me that it must have a child tax credit available for working families who need it, from teachers to technicians, from firefighters to small-business people across this country. It should include \$24 billion for children's health care. It should include a tobacco tax to help pay for that health care. And it should preserve the fiscal integrity of the budget. We need to be able to say to you, not just in 5 years but in 10 years, we will continue to be able to keep this budget in balance if we have a reasonably successful economy. Over the long term, the policy of fiscal

responsibility is the best economics. And we dare not go back to a policy of sustained structural deficits. We will be punished in the international markets, and people in every State in this country that you represent will be hurt if we do that. I think we're going to do it.

I know that you have some concerns over the continuing debate in the children's health package. We're trying to work through that. Let me just say that I am striving to achieve two principles that I do not believe have to be in conflict. First of all, I think there will be more flexibility than the States have had in the past even in the administration of the Medicaid program and the new children's health program. And there will be no new costs to the States in the children's health program. But it is important also that we have an adequate benefit package for children, recognizing that there are some problems that children have in a way that is more profound than adults, including problems with vision, with hearing, with dental health. I also think it's important that the American people know if we're going to raise this tax money on tobacco that the money will actually add children to the ranks of the insured and not be used, in effect, for people to be able to drop other insurance schemes of children and put them on a public program, or that the money would be spent on things other than adding children.

So that's where we are. I feel good about it. And I think we're on the right track. And I will be surprised and deeply disappointed if we do not achieve an agreement in the near future that you will, hopefully, be quite supportive of and that will achieve sustained, big majorities from both Houses and both parties.

The second thing I'd like to talk about briefly is welfare reform. It has been one of my top priorities for a long time—as Governor Miller said, for at least 10 years, since my predecessor as head of the Governors' Association, Lamar Alexander, asked Mike Castle and I to head a welfare reform task force a decade ago.

Since I took office, we have given waivers to 43 States to help you launch your own welfare reform experiments to make welfare a second chance, not a way of life; to promote independence and family and work and responsibility. And about a year ago, I signed the welfare reform law which has tough work requirements, time limits, parental responsibility, and imposes significant responsibilities on you, while giving

you more flexibility to be fully responsible for the program.

There was a lot of debate about the time I signed the bill about whether welfare reform would work, about whether people would actually move from welfare to work or whether they could. I would submit to you that after 4½ years that debate should be over, based on the evidence that you have worked so hard to amass. There are now 3 million fewer people on welfare than the day I took office and 1.2 million fewer people since I signed the welfare reform bill just a year ago. Nine States have cut their welfare rolls by more than 40 percent in the last 4 years. Wisconsin and Wyoming have cut their welfare rolls in half. This is the largest decrease in history. And we now have the lowest percentage of our population on welfare since 1970. And you should be very proud of your role in that achievement. That is something America can be proud of, the lowest percentage of people on public assistance since 1970.

Now, I know there are a lot of reasons for that. The good economy has taken some people from welfare to work. There's been a 50 percent increase in child support collections, and that's helped. The minimum wage and the earned-income tax credit have made work more attractive for people on the margins; that's helped. But make no mistake about it—our Council of Economic Advisers did a very rigorous analysis of this, making clear that a significant percentage of the people who had moved from welfare to work did so because of State welfare reform initiatives and because of the new law. So we know it can work.

Now, let me also say I know that a lot of you were concerned, as I was, about some of the things that were in the welfare reform law that I felt should not have been there, and we are moving forward in this budget agreement to fix that. Among other things, the most egregious cuts in aid to legal immigrants will be restored under agreements we have already reached with the Republican and the Democratic leaders in the Congress. And there will be another \$1½ billion for food stamps, which I think is important, among other things, because it's important for us to remember that most people on welfare are single mothers and their little children. But a lot of unemployed people long term in this society are single men, and we should not forget about them. And one of the things that I like so much about what

Governor Carnahan has been doing in Missouri is the attempt to integrate the efforts to put single men into the work force with the effort to put people from welfare into the work force. If we can't do this now when our unemployment is 5 percent nationwide and when prosperity is virtually uniform across the country but there are pockets of people who are still unemployed, when can we do it?

So I believe that these restorations will help you in your efforts. And State officials were central to this budget debate without regard to party, and I thank you for your help in getting that into the agreement.

But there's also a lot more to be done. You asked to be cut loose from the Federal Government's bureaucratic strings, and we did that. But now you have continuing responsibility that is greater, and we have continuing responsibility because it's still a national priority. So I think we ought to take a look at how we're doing—our successes, our shortcomings, and our continuing challenges—in four areas: jobs, child care, transportation, and child support.

First, how well are we doing in creating the jobs that are necessary to move people from welfare to work? If we require people to work, they have to be able to work; there have to be jobs there for them. Nearly all the State welfare-to-work programs include the traditional elements of job search, training, education, community work experience, placement in unsubsidized jobs. But now—I think this is remarkable—now 36 of the 50 States are doing what I would encourage every State to do, using welfare checks to subsidize private employment for a period of time.

Almost every State in America today has more money under the welfare program of the reform law than you would have if the old law was in place, because we pegged the block grant to the time when welfare rolls were the highest, and they've dropped at a record rate. So the 36 States that are doing this I predict will find much, much greater success in getting private employers to be willing to take a chance, because now that we've moved 3 million people off the rolls, you know as well as I do that the remaining adults on the rolls, by and large, are the hardest to place in employment in the private sector, need the most training, need the most support, may have a false start or two, and we cannot do it unless we have private

sector support. So for those of you who have done this, I take my hat off to you.

We also know that there will be some places in this country where the impact of welfare is so great and the present absence of private sector, successful job creation is limited that we have to do more. So this agreement will include \$3 billion to go to communities and States to help you create the work opportunities in those areas where the private sector will not be able to provide them alone. And I think that is a good thing.

We also have secured in this agreement from congressional leaders a private employers tax credit to help hire long-term welfare recipients. And I believe it is drawn as narrowly as we could draw it so that the tax credit cannot, in effect, be used for people other than those who are actually moving from welfare to work. And I hope that will help you to meet your goals in each State. Pennsylvania and Massachusetts are among the States that are already doing this.

And I also believe, if I might say, that every one of these workers should earn the minimum wage. And I know there's been some debate about that. I've heard already from Governor Voinovich and Governor Miller what your position is, but I just want to reaffirm my view that when people go into the workplace and they earn the minimum wage—they ought to be able to earn the minimum wage. They should be eligible for the earned-income tax credit. That's what I believe. Whether we can work some resolution of some of the other issues, I don't know, but I feel very strongly about that. I know right now that according to our analysis, the fact that we raised the minimum wage and raised the earned-income tax credit is one of the reasons a lot of people voluntarily tried to move from welfare to work, and I don't think we ought to do anything that would undermine that incentive.

Let me say that we also have a welfare-to-work partnership nationally with CEO's of large, medium, and small businesses. And I want to thank Governors Thompson and Carper for agreeing to cochair the advisory council of that partnership. I think it would be a good thing if every State had a similar partnership. North Carolina, I know, is one of the States—a growing list—that have established them locally.

My experience has been that private employers are actually quite eager to help us solve

this problem. If we will help them with some of their problems, I think that they will carry a lot of this load for us because all of America has a vested interest in seeing that welfare is a second chance, not a way of life. MGM Grand Hotel here has hired over 1,000 welfare recipients during the past few years. And the State of Nevada has set a goal for new casinos to set aside 10 percent of all their positions for former welfare recipients. And we thank you for that.

The second thing that it seems to me that we ought to look at is child care. We all know that it's essential if low income families are going to succeed at work and at home. And I think we all agree that raising children will always be our most important job. It's more important than our day job. It is the most important thing any society can do. And we can't have people with young children moving into the work force unless they know that their children are going to be well-cared for and safe and secure in a nourishing environment while they're at work.

Now, we worked hard to add \$4 billion to the welfare reform law to increase child care assistance to you. And States are now receiving more Federal dollars, and about half the States over and above that are increasing their spending beyond what is needed to receive these Federal funds. And for those of you that are doing that, I applaud you. And I think the States with the biggest drop in welfare loads would say—I see Governor Thompson nodding his head—I believe they would say that that has been critical in their endeavors. Florida, Wisconsin, and a few other States have added quite a bit more than required under the Federal law. Some States are creating seamless child care systems which provide subsidies for all workers below a certain income whether they were once on welfare or not. That is a model that I hope one day we'll be able to have everywhere in America.

The First Lady and I have worked on this—she, particularly—for a long time. We think every child should have access to quality child care, and we think it's the next great frontier if we're going to make sure all Americans can succeed at home and at work. On October 23d we're going to have the first-ever White House Conference on Child Care to discuss the strengths and weaknesses of the present system and what else we have to do. And I hope you

will all be involved in that and will have representatives there.

The third thing we have to do is to make sure there's adequate transportation for those moving from welfare to work, because the jobs, the training programs, and the child care centers are often outside the neighborhoods. I must say, I thought I knew a lot about welfare, but until we actually got into the end of the law here, I was unaware that only 6 percent of the people on welfare have cars, and that in many big cities, no matter how long people are willing to ride the bus or the subway, they will never get to the available entry-level jobs. That is a stunning statistic. At the same time, there are a lot of suburbs where businesses need new workers. And Congress, therefore, I think should put in this new transportation bill the proposal I've made for \$600 million to help States and localities devise transportation strategies to move people from welfare to work.

Some communities and States have already started. Kentucky has an Empower Kentucky initiative that uses the resources of four different Cabinet offices in a free transportation brokerage system to assure transportation in all areas of the State. And this will probably be something that all of us who come from States with large rural populations, where there are people in rural areas on welfare, will have to adopt. Michigan's Project Zero provides transportation in its effort to put every able-bodied person to work. In Wisconsin—this was a stunning statistic to me—only 3½ percent of the people on welfare have cars. So the State has a job ride initiative to van-pool literally thousands of central city workers to suburban jobs. Other States are spending part of the welfare block grant you now have on transportation. And I would just encourage you to do more of it, and I ask you to please help me persuade Congress to put this \$600 million in the new ISTEA bill, because it will help you to do what you have to do to meet your goals of employment.

Finally, let me say a word about child support. The Governors have been in the vanguard of insisting on more uniform, tougher child support requirements. The legislation that has been passed and the efforts that we've made together have led to an increase of 50 percent in child support collections between '92 and '96. And that is very good; that's billions of dollars. But with the unanimous support from this body we made sure in the welfare law there were tough

new measures to help the States track deadbeat parents across State lines.

To date, however, as you saw from the study that was published a few days ago, not all States have put these measures in place. This is one of the critical steps to welfare reform. And the more people who are obliged to pay for their children, who can pay for their children, are unable to escape the obligation to pay for their children, the more there will be public money to spend on productive ways to help the people who actually have to have help. So I would urge all the States to put in place these tough, statewide child support collections mechanisms as fully and quickly as possible.

Finally, let me say that I have some concern that the savings from welfare, which have been very considerable in some States, will not be used on welfare reform to move all the people who can move from welfare into the work force. We have lowered welfare rolls by 3 million over 4½ years, and that's a great accomplishment. But we know we've been helped by the other things that I mentioned.

Now, I know in some State capitals there are big debates about how to use extra money caused by the fact that the block grant was pegged to the peak welfare caseload and the caseload is much lower in your States. But I think if we were to revert these savings to other things away from welfare reform, it would be a big mistake that would come home to haunt the States the next time there is an economic downturn. Anybody who does it, I think, would really wind up regretting it the next time there's an economic downturn. And if you can get people—even in an economic downturn, if people lose their jobs, if they have work experience now, if we can get all these people into the work force now, then when they become unemployed, as there will always be some people who are unemployed, they will be far, far more likely to be unemployed for a shorter period of time and to get back to productive work more quickly. Maryland has decided to take the money that they have from lowering caseloads, and they're using all of it for child care, transportation, and training people. And I think that that is the way to go.

After a year of this law, we know that welfare reform will work; we know it will. But we know that we have a ways to go to make a culture of dependency a thing of the past. And so in these four areas, for all you're doing, I applaud

you. But I would urge you, all of you, to make sure that you've done everything you can in each area.

Finally, let me ask your help in one other area. As all of you know, and particularly those of you who served with me know, education has been not only the centerpiece of a lot of what I'm trying to do in this second term, it's been an obsession of mine throughout my public life. We have made a lot of progress since the "Nation At Risk" report was issued in the spring of 1983, and Governors have led the way. But we have a lot more to do.

In the State of the Union Address I asked every State to adopt high national standards and, by 1999, to participate in testing every fourth grader in reading and every eighth grader in math to make sure the standards are being met. Since I issued that call, Governors and education leaders in six States have agreed to participate. And I thank the Governors of North Carolina, Maryland, Massachusetts, Michigan, Kentucky, and West Virginia—three Republicans and three Democrats—along with the Department of Defense schools all over the world for stepping up to the challenge. I wish Governor Weld were here for me to thank him, but I appreciate the fact that he's willing to go to Mexico. And I hope we can get him there.

Last week Secretary Riley and I went to the National Association of Elementary School Principals where we were able to announce, thanks to the Coalition of Great City Schools, that 15 of the largest school districts in this country, including schools in six of the seven largest cities in America, have committed to adopt national standards and to participate in the program. This will get us up to about 20 percent of the children in America who are now committed to be a part of this in 1999.

Now, this is an astonishing thing. For those of us who have been at this for a long time, just 5 years ago, the idea that 15 of the largest cities in America, which were written off in terms of their school system, would come up and say, not only do we not wish to be written off, we're willing to be held accountable, and if our kids aren't measuring up, we want to know about it, is an astonishing development in the modern history of education reform and something we should all be very, very excited about and grateful for.

Now, I know there is some reluctance here, and I would just like to deal with a couple

of issues. One is the cities wouldn't do it for a long time because they thought that our kids couldn't do it. That's the truth. They said America has a higher percentage of poor kids than other countries; America's got a more diverse student body than other countries; America's got all these problems in the way they work than other countries, and on and on and on—and these kids, they just have too many loads to bear. My theory is that the kids with too many loads to bear need to be held to the highest expectations and need a good education more than anybody else.

And now we know we can do it. The results we got just a few weeks ago from the third international math and science tests, which include a few thousands kids from America—but they are a representative sample by race, by region, and by income—had—for the very first time on any international test, our fourth graders scored way above the international average in math and science, way above the international average. It had never happened before. But we know we can do it now. That's the good news.

The bad news is, the kids in the eighth grade still scored below the international average. And we know why. When they reach adolescence, they—all the problems of adolescence come to bear. They become more vulnerable to the gangs, the guns, the drugs, all the other things. The middle schools in many, many of our States were organized—many of them are too big to be functional. They were organized when our society was far more stable and coherent than it is now.

We know there are a lot of problems we have to face, but we don't have to guess anymore about whether our kids can do it. We don't have—that's not—it's not an open debate. They proved that they could do this. And we owe it to them. So we're not doing them any favors by not saying we're prepared to be held to international standards.

The second reservation I think is that somehow this was a power grab by the Federal Government to erode States' constitutional responsibility for education or local control of the schools. Now, Secretary—Governor Riley is going to be here after I leave, and I know he's been here, but let me reemphasize, our basic role here is to pay for the development of this test. And most of you now participate in the National Assessment of Education Progress; over 40 States do. We participated in

helping to pay for the development of that test, but it's a national test that is given to a representative sample of students; it has nothing to do with the Federal Government. They're not Government questions, Government standards, Government anything. We helped them to develop the test. That's what we propose to do for all the kids at the fourth and eighth grade level, not to have a Federal standard but a national standard. Governor Romer has been working on that for years. When I handed over the leadership of the standards movement and he took it up, he's been, I think, perhaps our most passionate and certainly our most well-informed advocate on this issue for a long time.

But this is not a Federal Government power grab. It's a question of whether there should be national standards. Neither is it inconsistent with the fact that the Department of Education has actually given more say to States and local school districts than our predecessors in how to spend Federal funds. So I think that that is not accurate.

Now, the third and the legitimate concern that a lot of you have is that you already have sometimes more than one other testing regime. That is a legitimate concern. And so we have to work with you if we're going to ask you to participate in this to try to reconcile these things so that you're not overburdened in terms of the administrative time, the time that kids spend, all that. I understand there are practical implementation issues that I consider legitimate. But I think we can work through those.

I just have to say, though, I do not believe that we will be the leading economy in the world 50 years from now unless we can do a more uniform job of getting people out of high school with excellent world-class educations. I do not believe that. You have to ask yourself whether you believe that. I don't believe that. We've got the finest system of higher education in the world. It will continue to carry us a long way, but we simply have to do a better job in K through 12. And I believe this will help. And I want to implore you to work with us and try to work through the legitimate administrative concerns you have of the duplication of tests and the time and all that business. We will do everything we can to help with that. But I think this is a terrific opportunity for us, and now we know we can do it.

So those are the things I wanted to say about the budget and welfare reform and education:

State responsibilities involving education and welfare reform but high national priorities; and critical to move with these forward into the 21st century.

Just very briefly let me mention one more thing. I have been helped greatly by two of your former colleagues, Governor Kean of New Jersey and Governor Winter of Mississippi, who agreed to be two of the seven members of our advisory board in this yearlong effort we're making to look at the state of race relations in America, race reconciliation, and where we're going into the 21st century. I think all of us know there is still some unfinished business represented by the continuing debates we have in America over affirmative action and other issues. But what I think has not been as clearly thought through are the implications of where we're going racially as a country.

Today, Governor Cayetano is the Governor of the only State in America that has no majority race. In Hawaii, about a third of the people are of European heritage; about a third of the people are of Japanese heritage, maybe a little lower, both; about 18 percent of Philippine heritage; about 16 percent native Pacific Islanders. But within 5 years the State of California will have no majority race. And unless there is a dramatic change in birth patterns and immigration patterns—I mean a dramatic change—within 30 to 40 years in our Nation as a whole there will be no majority race. We have to think about the implications of this.

I just welcomed all the delegates from Girls Nation and Boys Nation to the White House. And both the delegates from Girls Nation, Governor Carlson, from Minnesota were Asian-Americans—in Nordic Minnesota. This country is changing in dramatic ways. Race, ethnicity, and religion is convulsing the rest of the world. If we can somehow not only respect but actually celebrate our diversity and still have people say that the most important thing is I'm an American and we have one America, this is an unbelievable opportunity for us in the new century. It can do as much as anything else to preserve our world leadership for the things that we care about and to make America really work.

And so I would ask all of you over the course of the year, and maybe we'll take it beyond—we'll be trying to get in touch with people in every State—I hope you will participate in this. This will be a good, healthy thing for America. But it is also absolutely essential to the function of this country as we move into the 21st century. If we can't find a way to say it's good, whatever our ethnic heritage is and we celebrate it, but the most important thing is we are a part of one America, we can't achieve any of these other things we want to achieve over the long run.

And again I say, if you think about what the Governors are about—getting rid of false choices, getting rid of phony debates, going into the future—this is at the core of that. So the country is in good shape. We're moving in the right direction. We've got to finish the job of balancing the budget, follow through on welfare, put education on the front burner, and learn to work and live together. If we do that, then all of us together will leave our grandchildren an America that will be greater than it is today.

Thank you very much.

NOTE: The President spoke at 11:05 a.m. in the Ballroom at the Mirage Hotel. In his remarks, he referred to the following National Governors' Association officials: Gov. Bob Miller of Nevada, outgoing chairman, and his wife, Sandy; Gov. George Voinovich of Ohio, incoming chairman; and Gov. Tom Carper of Delaware, incoming vice chairman. The President also referred to Steve Wynn, chairman and chief executive officer, Mirage Resorts, Inc.; former Governors Lamar Alexander of Tennessee, Michael N. Castle of Delaware, Thomas H. Kean of New Jersey, and William F. Winter of Mississippi; Governors Mel Carnahan of Missouri, Tommy G. Thompson of Wisconsin, Roy Romer of Colorado, James B. Hunt, Jr., of North Carolina, Parris N. Glendening of Maryland, Paul E. Patton of Kentucky, John Engler of Michigan, Benjamin J. Cayetano of Hawaii, Arne H. Carlson of Minnesota, and William F. Weld of Massachusetts, nominee to be U.S. Ambassador to Mexico; and the Intermodal Surface Transportation Efficiency Act (ISTEA).