

Memorandum on Dedicating Federal Housing Administration Revenues for Affordable Housing

March 7, 2000

Memorandum for the Secretary of Housing and Urban Development, Director, Office of Management and Budget, Director, Domestic Policy Council

Subject: Dedicating Federal Housing Administration (FHA) Revenues for Affordable Housing

One of the fundamental goals of my Administration has been to reinvent government, to make it serve the public better and restore public confidence in the institutions of government. The Department of Housing and Urban Development (HUD) has met these goals well. HUD's 2020 Management Reform Plan has transformed HUD from top to bottom, and helped HUD improve performance even as it has reduced the number of its employees. The Department has twice been recognized by the Kennedy School of Government for innovation in government.

Nowhere is the turnaround at HUD more evident than in FHA. In the early 1990s, FHA was in near-bankruptcy. Today, FHA and its Mutual Mortgage Insurance (MMI) Fund are financially healthier than they have been in decades. On March 6, HUD released the results of an actuarial review showing that the total value of the Fund in Fiscal Year 1999 was more than \$5 billion above the total value reported

for Fiscal Year 1998. These improvements in the Fund are due not just to recent economic prosperity, but also to fundamental changes in FHA. The Office of Management and Budget will assess the actuarial review to determine its accuracy, its implications for the overall status of FHA finances, and its consistency with my Administration's economic assumptions.

As you know, my Budget for Fiscal Year 2001 substantially expands our efforts to provide affordable housing. The Budget provides a total of \$32 billion—\$6 billion more than last year—with increases for all of HUD's core programs. And as the improved administration of HUD and the FHA make available additional resources, we will have the opportunity to do even more to ensure that all Americans have access to affordable housing.

Therefore, I direct you to report to me within 160 days your recommendations on how newly available funds can be used to further strengthen Federal housing programs and develop a plan to enhance comprehensive affordable housing opportunities.

WILLIAM J. CLINTON

NOTE: This memorandum was released by the Office of the Press Secretary on March 8.

Remarks on Minimum Wage Legislation

March 8, 2000

The President. Wasn't she great? I don't think the rest of us need to say much. [Laughter] I want to thank Senator Kennedy and Congressman Gephardt, Congressman Bonior, and all the Members of the House who are here with us today. I want to thank the members of the administration who are here, in addition to Mr. Podesta: Treasury Secretary Larry Summers, Gene Sperling, Deputy Labor Secretary Ed Montgomery. I thank the religious leaders who are here, including Reverend Paul Sherry, the

former president of the United Church of Christ; the Reverend David Beckmann, the president of Bread for the World; and the other community leaders.

But most important of all, I want to thank Cheryl Costas for being here, because we're here today on behalf of her and so many people like her all across our country. People who work for the minimum wage often don't get a chance to see the White House. They don't have time to come, even for the public tours. They work