

mentary Agreement). The Second Supplementary Agreement, signed at Ottawa on May 28, 1996, is intended to modify certain provisions of the original United States-Canada Social Security Agreement signed at Ottawa March 11, 1981, which was amended once before by the Supplementary Agreement of May 10, 1983.

The United States-Canada Social Security Agreement is similar in objective to the social security agreements with Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Such bilateral agreements provide for limited coordination between the U.S. and foreign social security systems to eliminate dual social security coverage and taxation, and to help prevent the loss of benefit protection that can occur when workers divide their careers between two countries.

The Second Supplementary Agreement provides Canada with a specific basis to enter into a mutual assistance arrangement with the United States. This enables each Governments' Social Security agency to assist the other in enhancing the administration of their respective foreign benefits programs. The Social Security Administration has benefited from a similar mutual assistance arrangement with the United Kingdom. The Second Supplementary Agreement will also make a number of minor revisions in the Agreement to take into account other changes in U.S. and Canadian law that have occurred in recent years.

The United States-Canada Social Security Agreement, as amended, would continue to contain all provisions mandated by section 233 and other provisions that I deem appropriate to carry out the provisions of section 233, pursuant to section 233(c)(4) of the Act.

I also transmit for the information of the Congress a report prepared by the Social Security Administration explaining the key points of the Second Supplementary Agreement, along with a paragraph-by-paragraph explanation of the effect of the amendments on the Agreement. Annexed to this report is the report required by section 233(e)(1) of the Act on the effect of the Agreement, as amended, on income and expenditures of

the U.S. Social Security program and the number of individuals affected by the amended Agreement. The Department of State and the Social Security Administration have recommended the Second Supplementary Agreement and related documents to me.

I commend the United States-Canada Second Supplementary Social Security Agreement and related documents.

William J. Clinton

The White House,
March 3, 1997.

**Executive Order 13037—
Commission To Study Capital
Budgeting**

March 3, 1997

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App.), it is hereby ordered as follows:

Section 1. Establishment. There is established the Commission to Study Capital Budgeting ("Commission"). The Commission shall be bipartisan and shall be composed of 11 members appointed by the President. The members of the Commission shall be chosen from among individuals with expertise in public and private finance, government officials, and leaders in the labor and business communities. The President shall designate two co-chairs from among the members of the Commission.

Sec. 2. Functions. The Commission shall report on the following:

- (a) Capital budgeting practices in other countries, in State and local governments in this country, and in the private sector; the differences and similarities in their capital budgeting concepts and processes; and the pertinence of their capital budgeting practices for budget decisionmaking and accounting for actual budget outcomes by the Federal Government;
- (b) The appropriate definition of capital for Federal budgeting, including: use of capital for the Federal Government itself or the economy at large; owner-

ship by the Federal Government or some other entity; defense and non-defense capital; physical capital and intangible or human capital; distinctions among investments in and for current, future, and retired workers; distinctions between capital to increase productivity and capital to enhance the quality of life; and existing definitions of capital for budgeting;

- (c) The role of depreciation in capital budgeting, and the concept and measurement of depreciation for purposes of a Federal capital budget; and
- (d) The effect of a Federal capital budget on budgetary choices between capital and noncapital means of achieving public objectives; implications for macroeconomic stability; and potential mechanisms for budgetary discipline.

Sec. 3. Report. The Commission shall adopt its report through majority vote of its full membership. The Commission shall report to the National Economic Council by March 15, 1998, or within 1 year from its first meeting.

Sec 4. Administration. (a) Members of the Commission shall serve without compensation for their work on the Commission. While engaged in the work of the Commission, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government service (5 U.S.C. 5701–5707).

(b) The Department of the Treasury shall provide the Commission with funding and administrative support. The Commission may have a paid staff, including detailees from Federal agencies. The Secretary of the Treasury shall perform the functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App.), except that of reporting to the Congress, in accordance with the guidelines and procedures established by the Administrator of General Services.

Sec. 5. General Provisions. The Commission shall terminate 30 days after submitting its report.

William J. Clinton

The White House,
March 3, 1997.

[Filed with the Office of the Federal Register, 8:45 a.m., March 5, 1997]

NOTE: This Executive order was released by the Office of the Press Secretary on March 4, and it was published in the *Federal Register* on March 6.

Remarks Announcing the Prohibition on Federal Funding for Cloning of Human Beings and an Exchange With Reporters

March 4, 1997

The President. Good morning. I'm glad to be joined this morning by the Vice President, Secretary Shalala, Dr. Harold Varmus, the head of NIH; Dr. Harold Shapiro, the president of Princeton and the Chairman of our Bioethics Advisory Commission; and Dr. Jack Gibbons, the President's Adviser on Science and Technology, all of whom know a lot about and care a lot about this issue we are discussing today.

The recent breakthrough in animal cloning is one that could yield enormous benefits, enabling us to reproduce the most productive strains of crop and livestock, holding out the promise of revolutionary new medical treatments and cures, helping to unlock the greatest secrets of the genetic code. But like the splitting of the atom, this is a discovery that carries burdens as well as benefits.

Science often moves faster than our ability to understand its implications. That is why we have a responsibility to move with caution and care to harness the powerful forces of science and technology so that we can reap the benefit while minimizing the potential danger.

This new discovery raises the troubling prospect that it might someday be possible to clone human beings from our own genetic