

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

March 14, 1995

REMARKS BY THE PRESIDENT
TO THE NATIONAL PTA LEGISLATIVE CONFERENCE

The Washington Renaissance Hotel
Washington, DC

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9:15 A.M. EST

THE PRESIDENT: Thank you very much, Katherine. Thank you, ladies and gentlemen. I am delighted to be here with you. More importantly, I am delighted to have you here with me. I need all the help I can get. (Laughter and applause.) I feel like reinforcements have just arrived. (Laughter.)

I want to say, too, a special word of thanks to the PTA for presenting Secretary Riley the PTA Child Advocacy tomorrow. He's here with me. And I think he's done a magnificent job. And I thank you for giving him that award. (Applause.)

Such a beautiful sort of premature spring day outside. I almost feel that we should be having recess instead of class. (Laughter.) But unfortunately events compel us to have class, for we are in danger of forgetting some of our most fundamental lessons.

I want to start by thanking a kindergarten class taught by Linda Eddington from Jackson Hole, Wyoming -- (applause) -- for the wonderful letters they sent up here with her. I reviewed the letters. I had some favorites. Charlie Wheeler said, "You are a good paper-writer, because you practice." (Laughter.) My favorite letter, regrettably, was unsigned, otherwise I would be writing a letter back. It said, "You're one of the best. I never have seen you, but I like your speeches." (Laughter.) I am sending to the Congress today a proposal to lower the voting age to five. (Laughter and applause.) We might get better results. (Laughter.)

I want to thank the PTA for now nearly 100 years of help to children and to parents and to schools. The PTA has meant a lot to me personally. I have been a member of the PTA -- Hillary and I both were active when I was the Governor of Arkansas. Essie used to come sell me my membership every year. (Laughter.) And I actually paid and actually -- (laughter and applause). You know how Presidents never carry any money anywhere they go? (Laughter.) I brought some money today, because I knew she was -- (laughter). I did. (Applause.)

I also, besides being an active member of the PTA, and spending a lot of time at Chelsea's school, had a chance to work with the PTA for a dozen years in my state, and throughout the country as we worked to implement the recommendations of the Nation at Risk Report, starting in '83. And then we worked up to the national

education goals in '89. And then, of course, ultimately culminating in my service as President in the last two years.

At a time when many of our most important citizenship organizations have been suffering and civic institutions generally are often in decline, the PTA has grown, as parents have come back in droves to understanding that they had to do more to make their children's education work and that they had to be involved.

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PTA embodies the three ideas that I have talked about so much for the future -- opportunity, responsibility and community -- what we call the New Covenant.

This is a period of profound change in the life of America and in the lives of Americans. There are many things going on which are wonderful, exhilarating, exciting, and others which are profoundly troubling. The biggest challenges we face on the eve of this new century relate to our economic and social problems, which threaten the middle class economics of the American Dream and the mainstream values of work and family and community. We see it everywhere in every community. About half of the American people are making the same or less money than they made 15 years ago.

We have an enormous divide opening up within the great American middle class based largely on the level of education. And in spite of the fact that -- and I'm very proud of the fact that we've had an economic recovery that has produced the lowest rates of unemployment and inflation combined in 25 years, and 6.1 million new jobs; a whole lot of Americans are still worried about losing theirs, or losing the benefits associated with their job -- their health care, their retirement, or never getting a raise.

And in spite of the progress we are making on many fronts, there is still an awful lot of social turmoil in this country, from drugs and violence and gangs and family breakdown. And these things are profoundly troubling to the American people. So we have a lot of good news and a lot of bad news. And a whole lot is happening. In 1993 we had the largest number of new businesses started in the United States in any single year in the history of the country.

So we're all trying to work through this as a people, as we must. I believe our common mission must be to keep the American dream alive for all of our people as we move into the next century, and to make sure our country is still the strongest force for peace and freedom and democracy in the world. To do that, we've got to have a strong economy. We've got to be able to grow the middle class and shrink the under class. We have to support all these wonderful entrepreneurial forces that are bubbling up in our society. We have to dramatically change the way government works. But our goal must be, always, always, the same -- to make sure that every American has the chance to live up to his or her God-given potential. And that is what the PTA is all about.

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Education has always been profoundly important in American life from the very beginning. Thomas Jefferson talked about it a lot. But it has never been more important to the prosperity and, indeed, to the survival of the American we know and love than it is today -- never. (Applause.)

Now, as we move away from the Cold War and the industrial age into the post-Cold War era and the information age where most wealth generation is based on knowledge and technology is changing things at a blinding pace. We know that there will be big changes and there must be in the role of government. There's a huge debate going on here in Washington which can be seen in almost every issue about exactly what the role of the government should be as we move toward the 21st century.

On the one side is the largely-rejected view that Washington still knows best about everything and that there is a one-size-fits-all big answer to every big problem in the country. On the other side is what you might call the Republican Contract-view which is that the government is the source of all the problems in the country, and if we just had no government, we'd have no problems; and unless something is going on at the state and level that they don't

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agree with, in which case they want federal action. But, basically, that's the argument stated in the most extreme forms.

I believe that the truth is somewhere both in between and way beyond that. I believe we have common problems that require common approaches. I believe we need a government in Washington that is leaner but not meaner, one that does not pretend to be the saviour of the country, but does not presume to sit on the sidelines, either. One that, instead, is a partner in working with the American people to increase opportunity while we shrink bureaucracy, to empower people to make the most of their own lives and to enhance the security of the American people, both here at home on our streets and around the world.

I believe that such a government would promote both opportunity and responsibility. And I believe that such a government should have clear priorities that put the interests of the American people first, the interests of all the American people.

Now, there are strong feelings on both sides of this debate. And a lot of what is said may be hard to follow. But I think it's important that we keep in mind what is really the issue. The issue is, how are we going to get this country into the 21st century? How are we going to give our children and our grandchildren a chance to live out the unlimited aspirations of the human spirit, and to fulfill the traditions of America.

Now, let's look at this thing on an issue by issue basis. There is broad agreement that we should cut the size of government, that we should send more responsibility back to the state and local level, and that we should work more in partnership directly with citizens -- with businesses, with other organizations, and less in a regulatory government-knows-best way. There is broad agreement on this. Indeed, we started this movement.

But the question is, how do you implement these challenges, and what does the government still have to do? For example, I believe we should downsize the government, but I think we should invest more in education, training, technology and research. Why? Because I think it's in our interest. (Applause.)

It looks to me like walking away from our opportunities to succeed in the global economy and to develop the capacities of all of our people, at a time when we have so much diversity in our country and the world is getting smaller, so all this racial and ethnic diversity is a huge advantage to us; at a time when we have people who have phenomenal abilities who live all over the country in tiny, tiny places and big, big cities, to walk away from our common objective of developing their capacities, it seems to me, is not very smart. I just don't think it makes much sense. And I don't think that any theory of what we should or shouldn't be doing should be allowed to obscure the clear obligation we all have to help our people get into the next century. This is about a fight for the future.

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Now, let me put it another way. It seems to me like trying to cut back on education right now would be like trying to cut the defense budget in the toughest days of the Cold War. Because that what -- our competition for the future, our security now, is

going to be determined in large measure by whether we can develop the capacities of all of our people to learn for a lifetime. (Applause.) That is it. (Applause.)

For the 12 years before I came here, there was this political tug of war where government was regularly bashed, but the deficit quadrupled and we walked away from our obligations to invest in our future. For the four years before I came here, we had the slowest job growth in America since the Great Depression. For two

years, we have worked very hard here to both create more opportunities and insist on more responsibilities. And we're making progress. The deficit is down. The federal government is smaller by over 100,000. We're on our way to the smallest federal government since Mr. Kennedy was the President. We have more jobs, more police on the street, more prosperity, than when I took office.

And we have invested more in our children. In the last two years, we have, I believe, had the best year in terms of legislative advancements for education that we've had in 30 years. (Applause.) And I might say, it was done in a largely bipartisan way. We expanded and reformed Head Start. We passed an apprenticeship program for young people who don't go on to four-year colleges, but do want to move into good jobs after high school. We made college loans more affordable and the repayment terms better for millions and millions of middle class and lower income students. We made a new commitment to help you to get drugs and guns out of our schools and to end the mindless violence that too many of our children still suffer from. And of course, with your help, we passed Goals 2000 -- something that was very, very important to me and very important to you. And it's a clear example of government as a partner, not a savior and not on the sidelines.

No one disagrees with the fact that education is largely a state matter when it comes to funding, and a local matter when it comes to teaching and learning. But global education and global competition will go hand in hand. There must be some idea in our country of the world class standards of excellence we need to really meet the challenges of the future.

As Secretary Riley reminded me when we were governors working together and the Nation at Risk Report came out, that's what the name of the report was, and it came out in a Republican administration. It was a nation not -- at risk, not one place here and another place there and not somebody somewhere else. It was a nation at risk.

And Goals 2000 responds to that. It sets those standards, reflecting the national education goals that were adopted by the governors in 1989, working with President Bush and the Bush administration, plus a commitment to continuing development of our teachers, plus the very important parental involvement goal that the PTA got in this -- (applause).

If it was a good idea last year with bipartisan support, it didn't just stop being a good idea because we had one election. We worked for 10 years on this in a bipartisan way. It didn't stop being a good idea because we had an election. That is not what the election was about. It was not about turning our backs on world-class excellence in education and a partnership to make our schools better and the support that you need to succeed in all of your communities. That was not what was going on.

The success we've had in the last two years is building on what has been done in the last 10 years. You know, after all, I think it's important to remember that there's been a lot of progress in our schools in the last 10 years. To hear these folks talk about it, you'd think that it's all gotten worse and only because we had a Department of Education in Washington -- ran the whole thing into the

ditch. (Laughter.) I don't know what they're doing in Idaho today, carrying the burden of the Department of Education around all day long in their schools. (Laughter.) That's the kind of talk we've got.

The truth is that kids are staying in school longer, more of them are going to college, math and science performance is up, because we emphasized, we worked on those things. We did it together. Are there a lot of problems? You bet there are. But this

country is the most remarkable experiment in diversity of all kinds in all of human history. And we are doing better because we are working together and setting goals and working as partners. And that's what we should continue to do.

Dick Riley in a way has been perfectly suited to be the Secretary of Education at this time. I can't imagine why anybody would want to abolish his job after watching him do it for a couple of years. (Applause.)

I'd just like to point out something to the people who say on the other side that the answer to our problems in education is to abolish the Department of Education. I noticed one of the Republicans leaders said the other day that they had actually -- the Department of Education actually made things worse.

Well, here are the facts. There are fewer people working in the Department of Education today than were working for the federal government in education when it was part of the Department of Health, Education and Welfare in the '70s. That's an inconvenient fact for the people who want to abolish it. (Laughter.)

Here's another interesting fact. Secretary Riley has proposed to end in this present rescission package that we sent up, or in the coming budget, 41 programs, and to consolidate 17 others -- 58 of the 240 programs in the Department of Education. Inconvenient facts for those that are saying that it's terrible, and they're throwing money away. It happens to be true.

But we don't agree with what they're trying to do in the House -- to cut \$1.7 billion from education, to eliminate all the funds for the Safe and Drug-Free School Program -- all the funds at a time when, disturbingly, young people are beginning to use drugs casually again, forgetting that they're dangerous and illegal, when schools still need the funds they need to be literally more secure in difficult areas. They want to eliminate all the funds in that bill for teaching homeless children, all the funds for the parent resource centers, which you know are very important. We're dealing with a lot of parents, folks, who want to do a better job by their kids but need some help and some support from people like you who have been showing up in the PTA for years, some of you for decades. (Laughter.) They need it. (Laughter.) -- kid stays in school. (Laughter.) Listen, I got to keep laughing. Otherwise, we'll be in tears thinking about this. (Laughter.)

They want to eliminate much of the money for computers and new technologies. The amount they propose to cut from Goals 2000 is equal to all the funds now allocated for poor and rural communities, and all the funds necessary to help 4,000 schools raise their academic standards. And they want, of course, to cut back on the school lunch program.

Now, how are we going to cut? Dick Riley found a way to cut 41 programs without doing this. This school lunch program is a mystery to me. Everybody wants to cut funds in the Agriculture Department because the number of farmers is smaller.

You know what we did? We finally concluded a world trade agreement so that our competitors would have to cut

agricultural subsidies, so we cut agriculture subsidies. And then we realized we had basically an outdated structure in the Agriculture Department. The best line in the '92 presidential campaign was Ross Perot's line about the employee at the Department of Agriculture who had to go to the psychiatrist because he lost his farmer. (Laughter.) Because the number of farmers had gone down.

So what did we do? We closed 1,200 agricultural offices. They want to cut the school lunch program. I think we know

how to cut better than they do. (Applause.) I think that's the way to do it. (Applause.)

So let me say again, every effort we had in the last two years from Head Start, to apprenticeships, to Goals 2000, to the reformation of the Elementary and Secondary Education Act -- everything we did was done in a bipartisan way. And now, we see education becoming both a partisan and a divisive issue again. We cannot walk away from this. You need to be here.

You are the reinforcements for America's future, and I want you to go up there today and say that. Say this \$1.7 billion in a \$1.5 trillion budget is a drop in the bucket, and it should not be eliminated to pay for \$188 billion in tax cuts. It should not. (Applause.)

You know, I want us to have the right framework here so that you can go back home and do your job. I've done everything I could and Secretary Riley's done everything he could to devise Goals 2000 so that we would really have a partnership. We'd say, here are some resources, here are the goals, here's what we know, you decide how to implement. We want more responsibility for principals and teachers and parents at the grass-roots level. We want less control of education in Washington. We have done a lot in the legislation that we have passed to reduce the degree of federal control and rulemaking below that which previous administrations imposed. But we don't want to walk away from the kids and the future of this country. (Applause.)

I want to just mention one other thing. I want to thank Secretary Riley again for taking the lead in creating the National Family Involvement Partnership for Learning. It includes many members of the private sector, more than 100 organizations, including the PTA. He's been proposing seven basic steps for all parents to take. And I like them so much that I want to repeat them for every parent now here at the PTA meeting, because if these things are not done, then our efforts won't succeed. And if these things are done, then our efforts here become even more important to support the parents who are doing them.

Find more time to spend with your children. Read with them. Set high expectations for them. Take away the remote control on school nights. (Laughter.) Check their homework, check their grades, and set a good example, and talk directly to your children, especially to your teenagers about the dangers of drugs and alcohol and the values you want them to have.

Thank you, Mr. Secretary. That's about as good as it gets. (Applause.)

Let me say again in closing my remarks, I am doing my best to work in good faith with this new Congress. There are deep trends going on here which can make this a positive time if we stop posturing and put our people first. We do have to change the way government works. We need dramatic reform in the government. And we are working hard to get it.

But what is the purpose of all this? The purpose of all this is the same purpose that you have. To elevate the potential of

the American people to make the most of their own lives, to keep the American dream alive and to guarantee a future for their children. So go up there on Capitol Hill and remind everybody that we need to work together, tone down the rhetoric, and put the kids of this country and our future first.

Thank you and God bless you. (Applause.)

END

9:43 A.M. EST

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March 13, 1995

REMARKS BY THE PRESIDENT
TO THE NATIONAL LEAGUE OF CITIES

The Washington Hilton

1:02 P.M. EST

THE PRESIDENT: Thank you very much, Carolyn, for that warm introduction. And thank you, ladies and gentlemen, for the wonderful welcome you have given me. I'm glad to be here on this podium with all your officers, including Mayor Lashutka of Columbus. Did I pronounce that right? Close? Lashutka.

I just had the Nebraska football team -- (applause) -- over at the White House -- lot of practice pronouncing names this morning. (Laughter.) The Nebraska football team are so big, that's the only group of people in American I could stand with and look like the resident ballet dancer. (Laughter.)

Mayor James, it's good to see you here, and all the other mayors who are here, and all of the other representatives of the cities and towns of our country.

I like to come here and meet with you because you deal with people at the level where you can have the greatest contact with them. When I was governor, nothing was more important to me than actually being able to spend a lot of time with the citizens at the grass roots community level who were interested in solving the problems of people. And I've always said that one of the things I like most about the job I used to have and one of the things I like least about the job I have now is that the closer you get to the people, the less political the work is. And the closer you get to Washington, the more political it becomes.

The most frustrating thing about being President is that I don't get enough time to speak with ordinary Americans in terms that they can understand about what we're trying to do up here. Although I must say, when I was driving up here today, I thought, these local officials may be out of touch, too -- this is the most beautiful we've had in Washington in six months. (Laughter.) And here you are listening to a politician inside -- (laughter) -- I don't know.

You have the opportunity to see people struggling to keep the American Dream alive everyday. And when you think of these issues, it must stun you at times what you hear in the news about what's going on up here, when it seems to rhetorical. Because I know when you think of these issues you know a name, you see a face, you know a life story. That gives meanings to the problems that we are dealing with. And I think Washington has suffered grievously from

losing that connection, losing that touch with the people who sent us here, and trying to communicate with people from such a long way away over the mass media through so many millions of conflicting messages with high levels of rhetoric.

I want to try to move back from that today and just to speak frankly about the choices that we face here and the choices that you face in doing your job and how we both can make the right decisions. As we stand on the edge of a new century and a new millennium, I think there are two great tasks facing America and our

generation. The first is to make sure that we enter the next century with the American Dream alive and well for all of our people -- for the middle class whose interests are so often forgotten, for those who are struggling to make it in the global economy, for all the poor people in this country who are working hard to play by the rules and to live up to their God-given capacity.

The second thing we have to do is to make sure we enter the next century making sure that America is still the strongest country on Earth, still the greatest force in the world for freedom and democracy and opportunity. There are two great threats to this endeavor. One is the stagnation of middle class economics. The other is the erosion of mainstream values.

And the third thing that I want to talk to you about is the fact that the government has often made these problems worse, not better, in the last several years. So we have to ask ourselves, what can we do to restore middle class economics, the opportunity part of the American Dream? And what can we do to restore mainstream values, the responsibility part of the American Dream? And what kind of government changes do we need here to make sure we're good partners with the American people, where you live and work.

For the last 20 years, most people have worked the same hours, or even longer hours, for the same or even lower, wages. There is a new class of permanently poor people, mostly young women and their small children. And they're growing. And the anxieties of people are pronounced, economically. Even in this time of economic recovery, people worry about downsizing everywhere and whether they really count in the workplace anymore. And there is a huge inequality growing among our workers, where those with good education and those capable of learning new skills tend to get good jobs with growing incomes and those without tend to be stuck in a rut forever.

We have all this good news. We had -- in 1993, we haven't gotten the '94 figures yet -- in '93 we had the largest number of new businesses started in the United States of America in any year in our history. (Applause.) And that's something to be proud of. (Applause.)

But we also see people struggling just to hold on and to maintain their lifestyle, even though in many families both the husband and the wife are working and having less and less time to spend with their children.

On the social front, the values we all cherish -- work and family and community -- are threatened as crime and violence and drug use rises all across America. And even when it falls, it's still too high. The rate of children that are born out of wedlock continues to go up. Our social problems, in many ways, seem more profound today than they have in a long time.

And you see the traditions of breakdown in family, community, rooted in a loss of allegiance to these mainstream values and a lack of opportunity. This is a dangerous erosion of the things that made America great and kept us strong for over 200 years.

We are now in the midst of a great debate here in Washington about what we ought to do about this. How can we make the good things more present and how can we reduce the bad things in

America? How can we do the things we need to do to keep the American Dream alive and keep our country strong? How we answer these questions will say an awful lot about what kind of people we're going to be and what kind of country we're going to pass on to our children in the 21st century.

There is on one side of the debate, on the extreme, the old, and now discredited, Washington view, that a big, bureaucratic,

one-size-fits-all government can provide big solutions to all America's big problems, and maybe to some of America's not so big problems.

The other extreme is the view of the Republican Contract, that government is the source of all the problems; and if we could just get rid of it completely, or at least reduce the federal government's spending role, every problem in American would miraculously solve itself.

I have a different view, and it's probably rooted in the fact that I didn't live and work here until two years ago. My view is rooted in the fact that my experiences as a Governor of a small state are much more like yours than they are like most of the people who make most of the decisions in this community. I think we have to chart a course between and beyond the old way of big government and the new rage of no government.

No great country can survive without a national government that in the information age is more limited but is still strong and effective. We do have, after all, common problems as a people. We have common opportunities. And these require a common response. We need the government, in short, to be a partner with people in their private lives as citizens, a partner with state and local government, a partner with all of us.

I believe in a government that promotes opportunity and demands responsibility, that deals with middle class economics and mainstream values; a government that is different radically from the one we have known here over the last 30 to 40 years, but that still understands it has a role to play in order for us to build strong communities that are the bedrock of this nation.

That's what the New Covenant I talk about all the time is really all about -- more opportunity and more responsibility.

Our job is to work together to grow the middle class, to shrink the under class, to expand opportunity and to shrink bureaucracy, to empower people to make the most of their own lives. We can't give any guarantees in this rapidly changing world, but we can give people the capacity to do for themselves. And we must do that -- all of us must do it.

And finally we have to work to enhance our security on our own streets and around the world. I believe, in short, that the role of this government is to be a partner in the fight for the future, not a saviour -- it can't be that -- but not a spectator on the sidelines either. We've tried that and it didn't work out very well.

We must face the fact that we live in a certain historical period in which the economy is global, the information age means that the basis of most wealth in the future will be knowledge, and that we can be far more decentralized and flexible than we ever have been before. No one will ever again have to rely on a distant bureaucracy to solve every problem in today's rapidly changing environment.

We have to focus more on equipping people with the

resources they need to tackle their own problems, and to give people the responsibility to determine how best to do that. We have to send more and more decisions back, not only to state and local government, but to citizens themselves.

We must cut spending. We must cut government. But I believe we must also invest more in jobs, incomes, technology, education and training. That's what will make us wealthy.
(Applause.)

I ran for President because I felt these challenges were not being met. Because I felt that there was no economic strategy for putting our people first. We had 12 years of trickle-down economics in which the deficit quadrupled, and our future was mortgaged. But we didn't invest in our people or our economy. We had both less opportunity and less responsibility. In Washington all I ever heard was the blame game. And it often reminded me of -- I felt often when I was out there in the country like you, like people must feel in a jury box, you know when two lawyers get in an argument with a judge over what they can say or not? All the jury wants to know is who did it. (Laughter.)

And the American people, what they want to know is, what are we going to do? And are we going to do? And so I ran for this job because I was tired of a system in which both middle class economics and mainstream values were suffering. And the government was doing well by special interest, but not the public interest. I felt very strongly that we had to do something to stop the conditions in which most Americans were living -- where people were working harder and harder and harder for less and less and less security. And I still believe that's what we ought to be about.

Now, we have begun to change all that. We have begun to change all that. And it required some pretty tough decisions, some of them were unpopular. Some of the people who made those unpopular decisions lost their seats in Congress last year, because people were told for years and years and years they could have a free lunch -- that there were no tough decisions to be made.

Everything here operated at the level of rhetoric. We got down to business. They talked about cutting the deficit; we did, by \$600 billion. (Applause.) And we did it with over a quarter of a trillion dollars in spending cuts, with income tax increases on the wealthiest 1.2 percent of our people, with discipline -- (applause) -- not, by the way, because I think that's a good thing to do, but because they were the ones best able to pay. And those were the people were benefiting most economically from the economy. (Applause.)

And at the same time, we were cutting 300 domestic programs. We were also providing tax relief for 15 million working families who were working at or near the poverty line to make sure that nobody who works 40 hours a week with children in their home should ever live in poverty. It's the biggest incentive to stay off welfare to know that if you work hard and you raise your kids, you're going to be able to make a living wage. These are the things that we worked on. (Applause.)

Now, we eliminated or consolidated or cut about 300 programs. And in this new budget that I've got -- we'll talk more about that in a minute -- we propose to eliminate or consolidate 400 more. We reduced the size of the federal work force in two years by over 100,000. And if no new laws pass -- (applause) -- thank you -- if no new laws pass, the work force will be reduced over a six-year period to its smallest size since John Kennedy was President. It will be 272,000 fewer people working here than on the day I was inaugurated President. I'm proud of that. (Applause.)

We have shifted power away from Washington to more responsibility for states and counties and cities and towns. The Vice President has lead our reinventing government initiative, which has already saved the taxpayers \$63 billion, and will save more. We've already cut regulations in banking and intrastate trucking and many other areas that make it now easier for businesses to create jobs and create opportunities. And we must do more, and we will. We've worked to hard to try to make it easier for you to do your jobs and to improve the lives of the people that we both serve.

Now, we've done a lot of other things, as well, that often get lost in the smoke around here. We passed the family leave law after six years of arguing about it. We passed the crime bill after six years of arguing about it. (Applause.) We expanded Head Start and provided for the immunization of all children under two by 1996. (Applause.) And we made lower cost, better repayment college loans available to 20 million young Americans so more people could go to college. We were busy around here in the last two years. (Applause.)

And along the way we were able to pass two major trade agreements, resolve major trade disputes with China and other countries, and expand trade by more than at any time in a generation. Very important when you consider the fact that low-cost goods from other countries come into our open markets if we have no trade agreements, but the trade agreements open markets for high value-added American goods and American services and American jobs all around the world. (Applause.)

I say this to point out how much different it is where you live than where we live. If you had done that, your voters would know it. (Laughter and applause.) Right? (Applause.) And all the naysayers said, oh, if they put this economic plan in, it'll be the worst thing that ever happened to the country; the economy will collapse immediately; everything will be terrible. Now they're all going to New Hampshire and giving the same speech all over again. (Laughter.) I heard it for two years.

You know, since no country has permanent growth, if they keep predicting a recession, eventually we'll get around to it. (Laughter.) They said, oh, this is a terrible thing. If they pass this program, oh, it's terrible. The economy will just -- it'll be terrible.

Well, what's happened in the last two years? We've got the lowest combined rate of unemployment and inflation in 25 years -- (applause) -- because we took it on. (Applause.) Over 6.1 million Americans have new jobs in the last two years. That is a good beginning. (Applause.)

Now, having said all that, let's face the facts. You live with these folks, and you know as well as I do, there are still profound problems out there. Most people still have not gotten a raise. Every year more and more people lose their health insurance even though they're in the work force. This is the only advanced country in the world that has a smaller percentage of people in the work force covered by health insurance in 1995 than had it in 1985. No other country can say that.

And we know these other problems are still with us. Half of all Americans are living on less money than they had 15 years ago. So we now have to focus not only on creating jobs, but raising incomes, and improving the security of working life and family life when people do the right thing. If we're going to strengthen the middle class and shrink the under class, we have got to do those things which will enable people to really feel the American Dream. We've got to begin by equipping people with the skills they need to compete in today's economy.

Even as we cut yesterday's government, we must invest more in the education and training of our people. (Applause.) We must. (Applause.) We must. (Applause.)

We have tried to approach that work as the partner of people at the local level. Most folks around here think last year was the best year for education legislation passing through Congress in 30 years as we expanded Head Start and provided more funds for

apprenticeships for young people who don't go onto college, and made those college loans more affordable, and wrote into federal law the Goals 2000, the world class standards for our schools.

But we changed the way we were making education law in Washington pretty dramatically. We didn't neglect our responsibilities to help create educational opportunity, but we didn't presume to tell the people at the grass roots level how to meet the standards as the government had done so much in the past. Instead, we gave to local educators and to parents the power to decide how to meet global standards of excellence.

We said, here are some things that have to be done to improve our children's education. Here are things we'd like to do to help you do it. But you decide how to do it. In many ways, in dealing more directly with city government, our empowerment zones and enterprise communities are the embodiment of that kind of approach -- to create opportunity, to shrink bureaucracy, to demand more responsibility, and then let you decide what you want to do with it and how you can best create jobs and opportunities.

We said to distressed communities, give us a comprehensive plan to create jobs, to revitalize neighborhoods, to bring the community together, to involve the private sector. Find the solutions together. The opportunity you get will be some cash money and tax incentives to encourage investment and resources to deal with other problems, like transportation or safety. And we'll cut the red tape so you can apply those resources as you see fit. This is a partnership between government, the private sector and communities to encourage investment, to create jobs in places where too many people have been left completely behind.

If you think about it, our country has had major initiatives in the last several years to invest in Latin America, to invest in the Caribbean, to invest in all different kinds of places. They're fine. But this is the first major initiative we've had to get people to invest in America, to create jobs and markets in our best opportunity. (Applause.)

And, by the way, I hope that before this session is over, we will see an expansion of that program, not a contraction of it -- one that is paid for; one that is funded -- but we ought to work to expand it, to involve more communities. We had hundreds of communities wanting to be involved in it who had good proposals that could not be funded.

We have to recognize that if we want people to live by the work ethic, there must be work for them to do. (Applause.) That also is something we should remember as we deal with the next issue that is coming in this session of Congress that affects some of you more than others, depending on how the system operates in your state, but all of you in some ways -- and that is, how are we going to fix the welfare system? I believe we should offer more opportunity in the form of education and work to people on welfare, and then insist on more responsibility -- requiring work after two years, tougher child support enforcement, responsible parenting. I've been working on this issue -- (applause) -- I've been working on this issue for 15 years now, and I know that Washington doesn't have all the answers, and neither does anybody else or we'd have solved it by now.

But we have done our best here to give more and more and more authority to conduct sweeping welfare reform efforts to the states. We have given 25 states waivers from the federal rules and regulations to pursue welfare reform. Today, we will give a waiver to Oklahoma, the 26th state to pursue a welfare reform proposal. (Applause.) That is more combined shift of power from the federal government to the states than occurred under my two predecessors combined. I believe in this. I believe in this. (Applause.)

I know that the government shouldn't dictate all the rules from Washington. On the other hand, I don't think we should give states welfare money without any standards at all. We do have a national interest in promoting work and responsible parenting, the reduction of out of wedlock births. We have a national interest in doing this.

Last year, I sent to Congress the most sweeping welfare reform plan ever proposed by an administration. It included the toughest possible child support enforcement. Let me just mention child support for a minute. Do you know if we collected all the money owed in this country by deadbeat parents, we could move 800,000 mothers and children off the welfare roles immediately -- (applause) -- 800,000. (Applause.)

Now, one of the things that we have reached agreement with the Congress on is that in this area there has to be some national standard setting, because 30 percent of these cases cross states lines. So even though we want to move decisions back to the states, when the governors came to town they said, look, we know we've got to have some national action on child support enforcement, otherwise we can't ever collect on these orders that cross state lines. Justice should not depend solely on geography.

Reforming welfare is now a top priority for both parties, and that's good news. And we've worked together to find common solutions. And that's good news. We still have our differences. My plan and the one our administration has been behind for over a year now, sends a clear message to young people. It says, take responsibility to turn your life around. Teen fathers must pay child support. Teen mothers should stay at home or in other appropriate settings. And they have to stay in school if they want to get a check.

But the Republican plan sends a different message at some points. It says, for example, if you make a mistake before you're 18, and you have a baby, you're on your own. No benefits for teenagers and their children who have babies before they're 18 -- until they turn 18, and then if the states want to keep them out of benefits forever, that's okay. I think that's a mistake. I think what we ought to be saying to people is, you should not have done that; you made a mistake; we don't want anybody else to do it; but we're going to help you succeed as a student and a parent and a worker; and you have to help yourself by playing by these rules. I think that is a better approach. (Applause.) And I think it's in your interest.

Look, when people get -- if we just cut people off without putting them to work or keeping them in school, without making sure they have child care, if we just end all this, well, the federal government will save a little money. And you know what will happen, don't you? They'll be on your doorstep. They won't be part of some federal statistic, and people say, oh, we're not spending money on that up here like we used to; we'll just give you the problem, and you figure out what to do with it.

Well, my own view is that just shifting the problem is not enough. Like many of the cuts currently being debated, I think

it will ultimately be counterproductive. It will cost us more than we will save. The federal government, the cities, the states, the taxpayers all will pay more down the road if we do something that fundamentally undermines the health of our children, the future of our children, and our commitment to getting more Americans to live with the opportunities of middle class economics and the responsibilities of mainstream values. (Applause.) That's what I believe. (Applause.)

Now, yes, yes, we do have to continue to cut the deficit. We do have to continue to save money. My new budget cuts the deficit another \$81 billion and has over \$140 billion in spending cuts. And I want to work with the Republicans to do more. We have already reduced the rate of health care cost increases in the federal budget over the next five years by \$100 billion. We have to keep working on the deficit.

But we have to do it in the right way. One of the things that the Republican leadership and I agree on is the line-item veto. We're about to take up debate on the line item-veto in the Senate. I hope it will pass quickly because it will give the President the opportunity and the responsibility to look at every single line-item in the budget for waste. It will give us the chance to cut pork without hurting people. And that is an important distinction. (Applause.)

Let me give you an example of what I mean. Everybody knows we have to shrink the Department of Agriculture. Ross Perot had the best line of any of the candidates in the 1992 election. It grieves me to say that, but he did. (Laughter.) Ross Perot had this great line where he said, did you hear about the employee at the Department of Agriculture that had to go see a psychiatrist because he lost his farmer? (Laughter.) And what he meant by that was, of course, that the number of farmers was shrinking and that technology and the modern world had reduced the need for some of the size and scope of organization of the Agriculture Department. So we all wanted to do that. Everybody knows we've got to save money.

We can -- one of the reasons I fought so hard for that GATT world trade agreement is so we could cut agricultural subsidies here without hurting our farmers in the global market. So my budget cuts agricultural subsidies, but now our competitors have to cut theirs more, to give our people a fair break.

I'll give you another example. We wanted to cut the Agriculture Department, so we just closed 1,200 offices -- 1,200. That's a lot of money. I do not think the way to cut the Agriculture Department is to freeze the school lunch program and send it to you, which means we're going to cut school lunches as the price of food goes up, and the number of kids goes up. (Applause.) I don't agree with that. (Applause.)

And you cannot make me believe with all the poor kids in this world today and in this country who show up hungry to school every day, whose only decent meal occurs in school -- you cannot make me believe that we cannot find a way to eliminate unnecessary spending from the government budget without cutting the school lunch program. We can, and we will -- we will. (Applause.)

I'll give you another example that affects a lot of you here. Some in Congress want to eliminate our Community Development Bank Initiative. Most of you probably have never heard of that, but let me tell you what it does. It's an initiative that would spend \$500 million to either establish or support banks that are set up in economically distressed areas, whose primary purpose is to get lower income people in high unemployment areas into the free enterprise system. (Applause.)

Now, I found out about this a few years ago when I was in Chicago, when I had a friend working for the South Shore Development Corporation. And we set up a community development bank in Arkansas when I was governor that operated in a rural area, and it did amazing things. People got credit who could never get credit from any bank before, and they set up businesses, and they started working, and they started hiring people. And it changed lives for a lot of people in these communities.

So when I ran for president, I said here's a good idea that came out of grass roots America. We could put a little money in it and make a lot of difference. It is estimated that the \$500 million that we could spend on the Community Development Bank Initiative in your communities all over the country, will generate \$22 billion in activity in the free enterprise system in places that have no enterprise today. So I think it would be a mistake to eliminate it. That's what I believe. (Applause.)

Believe you me, there's a lot of government programs that don't have that kind of return. And keep in mind, what is the purpose of the government? It's to empower people to make the most of their own lives, to enhance their security, and to help create opportunity as a partner. That's what this does.

I'll give you another example. The things that I don't think should be cut; our national service project, AmeriCorps, is all about opportunity and responsibility. A lot of you have AmeriCorps projects in your communities. Young people get a helping hand -- (applause) -- with their college in exchange for helping people solve their problems at the local community.

Thousands of young people now are participants, as partners, as nurses, as teachers, working with pastors, working with police officers at the grass roots level. They walk police beats in Brooklyn, they build homes in Georgia, they fight fires in Idaho. But some people in the House want to cut this effort; to deny 15,000 young people the chance to participate in it. Now I've offered spending cuts, and I'll find some more. But I think it is a mistake to cut AmeriCorps because it's a good deal. It gives us better citizens, stronger communities, more education for limited money. And it enables a lot of people to do things in their communities that simply would not get done any other way.

Ironically, one other area where we're having a big difference of opinion is in college loans. There's some in the Congress who want to severely limit the reach of the so-called direct loan program that we started, which believe it or not, lowers the cost of the loans to the students, cuts the time of paperwork and bureaucracy to the colleges and saves money for the taxpayers because we get around the middle man. So here's one area where we can do more to send people to school for lower cost and actually save money. We've offered millions and millions of young people the opportunity to take these loans out and then pay them back as a percentage of their income.

But I want to emphasize that we've also been more responsible than government was before. When I took office it was costing you as taxpayers, \$2.8 billion a year to pay tax money for defaulted loans. We have cut that \$2.8 billion down to \$1 billion; we've cut it by nearly two-thirds, and made more loans available so people can go to college. That's the approach -- (applause) -- we ought to be taking. That is the way to save money on the program. (Applause.)

Now, one last thing in this area that I'm very concerned about -- in the education area. And that is, one of the things in the House list of rescissions to cut is all the money for safe and drug-free schools that would go to 94 percent of the schools in this

country. And that's very important to me, personally. I invested a lot of time in fighting the problem of drugs when I was a Governor.

We have worked hard to get more investment to fight drugs in every area, and which we fight it here, since I've been President. And we see disturbing signs that in parts of our population, among young people, drug use is going up again; more casual drug use -- young people thinking, after a decade of it going down, that somehow it's maybe not dangerous anymore; forgetting that

it's illegal. And a lot of our schools are still not safe because of the root problems of drugs and violence. Now this money gives schools the ability to hire police officers, to put up metal detectors, but also to have drug education programs; the programs like the DARE program that so many of you have had in your schools, and others that try and help these kids stay off drugs. I think it would be a mistake to cut this money out.

Let me remind you that this money got into the Crime Bill, which you worked so hard for, because I gave the Congress, for the first time, a plan to cut the size of the federal government by 270,000. So we didn't raise any taxes, we didn't take any money away from anybody. We shrunk the government and gave the money to the communities of this country to fight crime, including the safe and drug-free schools money. We should not eliminate that. (Applause.) We should fight for it, not fight to cut it out. (Applause.)

As we are trying, you and I, to make responsibility a way of life in this country again, to teach young people the value of work, I think that all of us are going to have to say, first of all, without regard to our party, we agree with that.

Now that brings me to one other point I want to make beyond education. When I was a child, my mother used to say, idle hands are the devil's workshop. You're going to have a whole lot more idle hands this summer if we cut out those 600,000 summer jobs -- (applause) -- for our young people. (Applause.) And is it worth it to deny 1,000 young people in Louisville or 1,600 young people in Boston -- I met with a young -- the Mayor's Youth Council up there not very long ago, 2,000 in the San Jose area. Is it worth it to deny them the chance to work, to be around responsible adults, to learn what it's like to sort of show up on time, put a day's work in, how you relate to other people at work? I mean, this goes way beyond the little amount of money you get out of this.

Now, I have proposed -- I will say again -- to consolidate 60 programs that eliminate 4,000 bureaucrats to save money in the Housing and Urban Development Department, for example. I have proposed to do a lot of things like that.

I told you about the Agriculture Department. We're coming with more. Hold on -- every week, there will be more. I am not here to defend the way government has operated in the past in Washington. But we have to make judgments here. We get hired to make judgments and the right decisions, and not to throw out the baby with the bath water. (Applause.)

Take the HUD Department, for example. I'm all for -- I'm consolidating 60 programs. We're getting rid of 4,000 people. We're phasing the department down. But I don't believe in the proposed cut to housing assistance that helps 63,000 families -- women with small children, low-income senior citizens.

What we ought to do is to look at the right kind of cuts. This whole rescission package does some interesting things. We're supposed to be passing responsibility back to you, but not undermining your ability to do your job.

I think it's smarter to streamline programs and cut

bureaucrats than to put families on the street, or to leave you to deal with the problem. Many of the people willing to pass you the buck are talking about ending unfair burdens on local government. I do want to say this: I think -- and the Speaker probably said this earlier today -- it looks like we may have an agreement now among all of the conferees and the administration and everybody on this unfunded mandate bill. I am very strongly in favor of that. It is a good thing to do. It's something we should do. (Applause.)

It is long since past time to stop imposing those mandates on you without paying for them. I spent a decade in the Governor's Office in Arkansas, writing checks for decisions other people made. Now, I'm excited about that. That bill just passed the House a few weeks ago, it passed the Senate; it's a good, good thing.

But look at this: The rescission package that's moving through the Congress actually cuts off funds to help you comply with present federal requirements, including safe drinking water, lead paint, and asbestos removal. So that makes them, I guess, not unfunded, but de-funded mandates. (Laughter and applause.)

Now, so we eliminate burdens on the one hand and create new ones on the other. I think that is an error. Let me mention just one final area where we worked closely last year. We passed the Crime Bill after the people who were here before just talked about it for six years, played politics with it, and the rhetoric was so juicy on both sides they could never get around to passing a bill. That's what always happens, you know?

Every one of these issues are tough. If they were easy, somebody would have done them. And you could pick either side and say it in a way that a majority is for you. Right? I mean, you can. Are you for a balanced budget? Yes. Do you want to cut Social Security? No. (Laughter.) See what I mean? So -- both sides win, right? (Applause.)

Meanwhile, you're like the jurors listening to the lawyers' argument. Well, what's going to happen? Who did it? So we've got to work on this. But I want to say this about the Crime Bill. We finally did that.

And what we did largely was what was recommended by law enforcement officials and community leaders around the country. Money for prevention with a lot of flexibility for people at the local level, tougher punishment, but help for states that would adopt tougher punishment, to build more prisons, and, of course, more police -- 100,000 more police on the street.

We did that because of two things. First of all, the law enforcement people said, we need more police. They also said they wanted a prevention fund. Secondly, we did it because of the evidence of what happens when community policing is properly instituted in the cities of our country.

From over about the last 30 years, the number of police in our country had grown by only about 10 percent, while the violent crime rate tripled. Clearly, there is a connection between those two statistics. And yet, still we've seen in place after place, where more police are put on the street in community policing modes, the crime rate will drop. That's why every major law enforcement organization supported that.

Now, the congressional bills and the Crime bill are different from the House and Senate, but I ask you to look at the system we have now and the work it did not only to catch criminals, but to prevent crime. In New York City, the police commissioner implemented an aggressive community policing program that helped to significantly reduce serious crimes last year -- auto thefts down 15

percent, robberies down 16 percent, murder down 19 percent. not just in big cities. The mayor of Odessa, Texas, wrote to tell me that in 1991 and '92, they had a very high crime rate. Then they implemented community policing, and three years later, serious crimes have dropped a total of 43 percent. Union City, Tennessee -- calls for help from the police went down by 30 percent and arrests went up by 35 percent with community policing.

That's why this Crime Bill was a partnership to help communities willing to take the responsibility to invest in their own security be more secure. An opportunity that is buried in red tape can hurt more than it helps. I don't know how many times I've seen little towns in my state have to hire consultants to figure out how to get federal money, and it cut the margin of benefit dramatically.

What we did was to set this police program up so that cities and counties can apply directly to the federal government, using a one-page application with eight questions, awarding police resources directly to you. Now, I think that's a pretty good deal. (Applause.)

I know one of those bills wants to add another layer to that. I don't think that's a very good idea, either. I think that we ought to have an opportunity for communities to apply directly and get the funds directly for law enforcement. (Applause.) My fellow governors may disagree with that, but that's what I think.

Now, in just the last few months since the Crime Bill took effect last fall, half the police departments in America have already received authority to hire almost 17,000 new police officers. We are ahead of schedule, and we're under budget. Some people who criticize our bill said that local governments wouldn't really want it, it was too much of a burden, it's an imposition, they can't afford to pay any match. All I know is, we have already received almost 11,000 applications representing over 60 percent of the police departments in America. Somebody thinks it's a good idea, and I think we ought to stay with it. (Applause.)

Here's the bottom line: The Crime Bill now on the books guarantees 100,000 new police officers. The alternative proposals doesn't guarantee a single one. We do give more flexibility and responsibility to you. Some of their proposals add bureaucracy and cut funds at the same time. So I say to you, if it ain't broke, don't fix it. (Applause.)

We should never, never close the door to writing new laws that will make us more secure in the fight against crime. And it should never be a partisan issue again. I was sick when I got here two years ago and I realized they'd been fooling around with that crime bill for four years because each side could figure out how to gain rhetorical advantage. And small differences obscured large agreements. So I want to continue to work on this problem.

But this police initiative is a better deal for you and a better deal for the American people. And as I have said repeatedly -- (applause) -- if necessary, I will veto any effort to repeal or undermine it. (Applause.)

But let me say this, what we need is not more vetoes. What we need is more action. What we need is for people here to behave the way you have to behave or you couldn't survive. Half of you come from places so small that if you made people declare their party every time they walked through the door to see if they got anything done or not, you'd be run out on a rail within a week. (Laughter.)

So, the veto is a useful device and an important thing on occasion. But what the country really needs is action. We need

action. We need to remember these problems have faces, names and life histories. We need to pull together. We're doing it on the unfunded mandates. We can do it on the line-item veto. We can do it on all these other areas if we will exercise simple common sense and recognize what our mission is. We've got to keep the American Dream alive -- middle-class economics, mainstream values, jobs, incomes, work and family. We've got to make sure this country stays strong.

And I'm telling you, it takes action, not just words.
You live where the action is. If you don't do anything else while
you're here, give us your energy and tell us you want action.

Thank you and God bless you all. (Applause.)

END

1:52 P.M. EST

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

18-Mar-1995 06:10pm

TO: Jennifer M. O'Connor

FROM: DONALD K. DUNN
 Office of Political Affairs

SUBJECT: nj

remember to call Deborah Lux to get a list of Mayors and Co.
Exec's who are up for re-election or open seats.

See ya..

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

19-Mar-1995 07:58pm

TO: Oconnor_j

FROM: Jason Goldberg

SUBJECT: <http://docs.whitehouse.gov/white-house-publications/1995/02/>

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

February 14, 1995

PRESIDENT CLINTON'S REMARKS TO STUDENTS AND FAMILIES OF THE
SAN BERNARDINO VALLEY COLLEGE COMMUNITY

San Bernardino Valley College
San Bernardino, California

5:45 P.M. PST

THE PRESIDENT: Thank you for that wonderful, wonderful welcome.
(Applause.) Thank you, Dr. Singer, for your introduction. I know the
Secretary of Education, Secretary Riley, has already spoken; I'm glad to
be here with him. And I thank the Mayor for being here, and Dr. Bundy.
And let's give the Etiwanda High School Band a hand. Didn't they do a
great job? (Applause.) Great job. Thank you. (Applause.) When I
heard them playing Hail To The Chief outside I thought they'd
transported the Marine Band from the White House here, they were so
great. They were great. (Applause.)

I'd also like to recognize a couple of other groups that are here.
First of all, I want to thank the members of our national service
program, AmeriCorps, who are here. They're over there. (Applause.)

And I want to thank a representative group of incredible people who
just spent about an hour with me, talking to me about this institution,
how it has affected their lives and your community and the remarkable
partnerships that are being made, and the dreams that are being made to
come true. I'd like for all the people who were just in the little
roundtable discussion with me to be recognized. They're over here
somewhere. Where are they? There they are. (Applause.) Thank you.
They were great. (Applause.) I feel that I know a lot more about you
now because I listened to all of them. And, believe me, they put you
all in a very good light.

I want to talk to you today about the importance of this community

> college and education in general not only to your future, but to the
> future of our country -- what it means and what we should be doing about
> it. I met a lot of folks already here today that represent what I think
> America is all about --

> people who are coming together around the idea of education without
> regard to their race, their income, their background, what country they
> were born in, what situation they're in now just because they want to
> make the most of their own lives and make a contribution, live up to the
> fullest of their God-given abilities. And I really think that's what we
> ought to be supporting.

> The reason I worked so hard for the national service program that
> you see all these young people in is because I believe that we ought to
> be helping young people to find ways to earn money for education and
> contribute to the strength of their communities at the same time.
> (Applause.)

> I ran for President because I was worried, as we come to the close
> of this great century, that we wouldn't be able to guarantee the
> American Dream for all people moving into the 21st century, and we
> wouldn't be able to make sure America was the strongest country in the
> world; and I believe those are the two jobs the President has to do.
> And I believe the way we should do that is what I have called the New
> Covenant. We should create more opportunity; we should insist on more
> responsibility from all of us; and we should work to build our
> communities at the grass-roots level, where the real strength of America
> is. (Applause.)

> Now, there's been a lot of debate in our country now in two
> separate elections -- in 1992 and 1994 -- about what the role of
> government is and whether government is bad or good inherently. My
> answer to you is that we need a different kind of government for the
> 21st century, and that your national government has three major jobs.

> One is, we should expand opportunity while shrinking the federal
> bureaucracy and the burden it imposes. (Applause.) Two, we should
> recognize that the government can't support everybody, but it should
> work to empower people to make the most of their own lives. (Applause.)
> And three, we should work to enhance the security Americans feel not
> only in terms of what goes on beyond our borders, but here at home as
> well. More opportunity, more empowerment, more security -- that is what
> we should be about in the national government. (Applause.)

> Now, if you look at what this national service project does --
> they're working in the San Bernardino forest; people who are helping to
> clean up the forest, maintain it, strengthen it, keep it there for our
> children and our grandchildren, make sure it's an important resource.
> Last year there were 89 young people in this program in South Texas who
> immunized 102,000 infants to help them live. (Applause.) And all of
> them earned money on their education -- 16 of these young people work at
> Berkeley, helping 750 of their classmates to tutor middle-school
> students. These are the kinds of things that are going on all over
> America, and I think it emphasizes what I'm saying. For a small amount
> of federal money we have increased opportunity with no bureaucracy.
> This is all done at the grass- roots level. (Applause.)

> We have certainly empowered these young people to make more of
> their own lives, and we are clearly going to be a stronger country
> because we have more people getting an education and more people

> preserving the environment, making our kids healthier, making our
> country stronger at the grass-roots level. That is what I am trying to
> do. And I want to talk to you today about what that means for education
> in general, and especially for community colleges like this one, which
> are the key to the future of the American economy and the ability to
> preserve the American Dream for all people. (Applause.)
>

> Let me give you an example of what we're trying to do in another
> area on security, and then I'll come back to education, because I want
> to make sure that you understand exactly how I'm thinking about this. I
> welcome the call of the new Republicans in the Congress to cut the
> government, but I -- now, wait a minute, you all don't get into a
> partisan fight already; wait until the end of the speech. (Laughter.)
> For the last two years, we've been doing it without any help. I'd like
> some help. (Applause.) I'd like some help. But what is the purpose of
> this? That's what I want you to think about.
>

> Now, there are now over 100,000 fewer people working for the
> federal government than there were the day I took office. We have
> shrunk the federal government. If they don't pass a single law this
> year, we will reduce the size of the federal government by over a
> quarter of a million because of the budgets adopted in the first two
> years of my term, and we'll make the federal government the smallest
> it's been since John Kennedy was President. (Applause.)
>

> Now, what do we do with the money? What are we doing with the
> money? We cut, already, over \$600 billion from the deficit, and we're
> going to cut more. I've just sent a budget to the Congress that cuts
> more spending from the deficit. What are we doing with the money? We
> propose, first, to reduce the deficit, and secondly, to increase
> investments in the areas that I mentioned -- to increase investments
> that would create more opportunities, jobs; that would empower people
> more, education; and that would enhance security.
>

> Things like the crime bill. If you just take the crime bill, for
> example, I said when I ran for president -- I came to California and
> campaigned -- vote for me and I will reduce the size of the federal
> bureaucracy by 100,000 and we'll put another 100,000 police officers on
> the street. And that's exactly what we've done, except we reduced the
> size of the federal government by 270,000, and used it to pay for police
> officers, prisons and prevention. We passed that crime bill last year
> with a bipartisan majority. After six years of partisan haggling and
> scrapping around and people throwing words at each other, we actually
> passed a bill. And since October, we have put -- (laughter) -- well, I
> only was there a year and a half, you understand -- (laughter) -- but
> since October, we've put 16,000 police officers out -- 16,000.
> (Applause.)
>

> And we've got 17 right here in San Bernardino, new police officers.
> (Applause.) Listen to this -- we did it with a one-page form, eight
> questions that could be faxed in; nobody had to hire consultants and of
> all the communities in America with police officers, every size,
> including those with just one -- one-half of all the communities in
> America have already applied for help under this program because it's a
> good program, it works and there's no hassle in it. That's the kind of
> government we ought to have -- a leaner, not a meaner government that
> makes sense and makes people more secure. We're under budget, ahead of
> schedule, moving forward. (Applause.)
>

> It took six years to pass the bill. I started working on it when I

> got elected; we got it done. In only six weeks of this new Congress,
> the new majority in the House of Representatives is trying to wipe out
> the crime bill and pass two block grants; to cut back on the money that
> goes to police and to prevention; to put it all in one package, send it
> to the states and say, you all do whatever you want to with it; and to
> put more money into the prison system. Now, here's the interesting
> thing -- wait a minute, don't get into a partisan fight, just listen to
> me make my piece. (Laughter.) Every police organization in the country,
> including those that are overwhelmingly Republican, has endorsed our
> position to leave it alone and let it work. (Applause.) This is not a
> partisan issue.

> So the people in the House said, I don't care what the police said;
> I don't care what the people working in the community said; I don't care
> what the evidence shows; this is what we're going to do; we're
> determined not to spend any money on prevention; if the states want to
> do it and not put police on the streets, that's their business; and
> here's the money, build the prisons, or else. Now, what I believe is
> that we still have a chance to keep this a bipartisan issue. And I'm
> going to do my best to go into the Senate and to work with people who
> understand law enforcement, who will listen to people who are out here
> on the streets every day trying to save these kids and save our
> communities and save our streets and keep this Bill intact so we can put
> the police on the street and have the prevention programs. (Applause.)

> But I will not -- I will reiterate what I said Saturday -- if I
> have to, I will veto any bill that attempts to undermine the commitment
> that we made last year after six years. (Applause.) But it need not be
> a partisan issue; it ought to be an American issue. (Applause.) And
> that's what I say to you about education. What are we going to do in
> this day and time? What is our job in Washington that affects you way
> out here in the Inland Empire when it comes to education? What is our
> job when it comes to helping to raise middle-class incomes and let
> people in the underclass work themselves into the middle class? What is
> our job and what is the problem?

> You know, if anybody told me two years ago that we would be able,
> in the space of two years, to bring the deficit down over \$600 billion
> and have a hand in creating almost six million new jobs, I would have
> been very happy to hear that. In 1994, we had the best year for
> economic growth in a decade and the first year in a long time when all
> 50 states, including California that's been through so much, had
> economic growth. What is the problem?

> The problem is, a whole lot of people have jobs but their incomes
> aren't going up; they don't feel secure at work; they're afraid they
> can't keep their health insurance or they don't have it now. We had 8.5
> million people worried about their retirement until we passed a reform
> of the retirement guaranty system late last year. So in this global
> economy the good news is, there are more people in America becoming
> millionaires than ever before; that's good news. The good new is, there
> are more people with an education doing exciting things than ever
> before. The bad news is, if you don't have the skills you need, you can
> work harder and harder and harder for less and less and less, right?
> (Applause.)

> So when you have a good news-bad news story, you have two choices:
> you can tell a joke about it, but if you're President, that doesn't seem
> to be a particularly good option. (Laughter.) The other choice you have
> is to try to make more good news and less bad news. And the only way to

> do that, I would argue to you, is to make sure we give all of our people
> access to the education and training they need to compete and win in
> this global economy, so when they work harder, they'll be rewarded and
> not punished for it. That is what we have to do. (Applause.)

> Now, I want you to focus with me just for a minute, therefore, on
> two big issues -- what we ought to do in this year and what we should
> not do. I think we ought to give some tax relief to hardworking
> middle-class people who haven't felt the benefit of the recovery.
> (Applause.) But the question is, what kind and will we pay for it? I do
> not think we should increase the federal deficit. That's been a big
> problem. We've gotten it down; we ought to keep bringing it down, not
> exploding it.

> Secondly, I think that the best tax relief is embodied in what I
> call the Middle Class Bill of Rights because it rewards work and family.
> It gives tax relief for people raising young children, and it gives tax
> relief for the cost of all education after high school, which I think is
> important. (Applause.)

> You think about it -- you can deduct the cost of interest on your
> home if you have a home. But in the information age, if you don't have
> an education, you may never get to a home. So why shouldn't we let
> people deduct their education costs? It's a good investment. We also
> propose to let more people get an IRA and withdraw from it tax-free for
> the cost of education. I think that's what we ought to be doing.
> (Applause.)

> And finally, I had a lot of questions earlier about unemployment --
> one gentleman talked about his father being unemployed. We have scores
> of different federal training programs that you have to wonder, are you
> really qualified for or not. And what we propose to do is to create a
> GI Bill for America's workers by taking 70 of these programs, putting
> them in one big pot and saying, if you're unemployed or if you're
> working for a really low wage and you're eligible for federal help,
> instead of having to figure out how to enroll in one of these programs,
> qualify; we'll send you a voucher; show up at this community college;
> we'll send them a check. That's the way it ought to be done.
> (Applause.)

> We're also taking the savings from cutting out all of these
> programs. In the Education Department alone, Secretary Riley has
> abolished 13 programs, reduced 38 others, and consolidated 70 more -- in
> the Education Department. We took the savings and put it into more
> funds for Head Start, more funds for apprenticeship programs for people
> who don't go on to four-year colleges.

> I met a young woman today and a police officer who is working with
> her, who is one of these programs that we now see people desperately
> trying to set up all over the country, training young people in high
> school, giving them work experience, letting them see what it's like,
> giving them a chance to look forward to a job in the workplace.
> (Applause.)

> You know, not everybody has to go to a four-year college, but
> everybody needs to get out of high school and have access to at least
> two years of further education, and one way to do it is to abolish the
> artificial distinction between learning and work by bringing the
> workplace into the school, the education into the workplace, and doing
> it everywhere in America, so we've put some more money into that.

> (Applause.)

> The other thing we have sought to do is to make available college
> loans on better repayment terms and lower costs to more people, through
> the so-called direct loan program. (Applause.)

> This is an amazing thing. I want you all to -- this is an amazing
> thing. When I became President, I discovered that we were spending
> about \$3 billion a year in your money because of people defaulting on
> their college loans. I discovered we were spending a fortune because
> the college loan program was a guarantee program. So you'd go to a
> bank, and if you qualified, the bank would give you a note and if you
> didn't pay it back, we'd give them the money.

> So they didn't have much incentive to see that you paid it back,
> because we were going to give them the money. And we discovered if we
> started loaning the money to people directly, these good things would
> happen, if it could be properly managed. We discovered we could loan
> the money sometimes at lower interest rates and always at lower fees, we
> discovered that we could give people a lot of options about how they
> repaid it so that when you get out of school if you take a job that
> doesn't pay much money and you've got a lot of loans, you could pay it
> off as a percentage of your income instead of having to pay an amount
> you couldn't afford to pay. (Applause.) We discovered we could cut the
> bureaucratic paperwork and hassle for the colleges by more than half,
> and we discovered, miracle of miracles, if we didn't have to pay a
> middleman and we started collecting on these student loans, we could
> actually lower the cost to the taxpayers.

> It almost doesn't make sense -- lower costs to students, lower
> costs to taxpayers. But this plan has already saved in the budget about
> \$5 billion, and if we can send it to all colleges and universities in
> the country, it can lower the deficit by \$12 billion and lower the cost
> of loans to every student in America with a student loan. That's one of
> the most important things we have done, and we need to do it.
> (Applause.)

> Now, here's the political problem that you need to be a part of.
> We're having a big debate up there -- everybody wants to cut the size of
> government; everybody wants to reduce the deficit; and everybody has got
> a different idea for a tax cut. But some people in the new Congress
> believe that one of the ways they can reduce the deficit is by
> increasing the cost of student loans to people who don't have to pay
> interest on the loan while they're in school now. You know about the
> loan subsidy -- a lot of you are probably eligible for that. That will
> add 20 percent to the cost of student loans.

> I'm against it. That is not the way to cut the budget. That is
> not the way to pay for a tax cut, to increase the cost of going to
> college to people. We need more people going to college at lower costs,
> not fewer people going to college at higher costs. (Applause.) And I
> hope you will support that. (Applause.)

> The other idea -- this is unbelievable to me -- is we got this
> program working to lower the deficit, lower the cost of student loans,
> and there are some people in the Congress who want to limit the number
> of students in this country who can get these direct loans to 40 percent
> of the colleges in America. Why? Because the people who are in the
> middle who get the money don't like losing it. I mean, it's not a bad
> deal -- I loan you money; you don't pay me back; I get a check from the

> government. But it didn't work very well.

>
> Secretary Riley, since he's been there as Secretary of Education,
> has cut the cost to the taxpayers of college loan defaults from \$2.8
> billion a year to \$1 billion a year. We're collecting the loans. We're
> doing it right, and we ought to keep going. (Applause.)

>
> So what I want to ask you to do is, without regard to your party,
> and maybe -- especially if you have never voted before -- I want to tell
> you something: You've got a big stake in this debate that's going on in
> Washington. And it is a good and healthy debate in some ways. We do
> need a less bureaucratic, more creative, more entrepreneurial, more
> flexible government in Washington as we move into the 21st century. We
> do need more responsibility put down to the state and local levels.
> What's the best institution you know? The community college. Nobody
> from Washington is telling you what programs to have, what to do, who to
> sign up for. Nobody -- you're doing this. It's a community-created
> institution. We do need to change the nature of the federal government.
> We do have to keep cutting federal spending.

>
> But the key to our future is whether we educate everybody so we
> don't need to cut investment in education and we do need to do things --
> I will say again -- that enhance security, empower people to make the
> most of their own lives, and expand opportunity. That is education,
> education, education. We should not turn back on it. (Applause.)

>
> Thank you very much. God bless you. We need your help. Please
> support it. (Applause.) Thank you. (Applause.)

> END 6:15 P.M. PST
>

RFC-822-headers:

Received: from GOLDBERG_JS-1.EOP.GOV (165.119.109.211)

by PMDF.EOP.GOV (PMDF V4.3-13 #6879) id <01HOBUSMMSWW000BQA@PMDF.EOP.GOV>;

Sun, 19 Mar 1995 17:56:29 -0400 (EDT)

X-Mailer: Mozilla/1.0N (Windows)

TO: Jennifer O'Connor
FR: Maureen Garde
RE: New York Day Programs

Tuesday

Welcome and Overview - Minyon Moore - DNC Political Director

Remarks - DNC National Chair Don Fowler

Remarks - Harold Ickes, Deputy Chief of Staff to President Clinton

Questions and Answer Panel - Harold Ickes and Minyon Moore

Keynote Speaker - First Lady Hillary Rodham Clinton

Wednesday

Welcome and Overview - Minyon Moore - DNC Political Director

Remarks - DNC National Chair Don Fowler

Remarks - Harold Ickes, Deputy Chief of Staff to President Clinton

Questions and Answer Panel - Harold Ickes and Minyon Moore

Keynote Speaker - DNC General Chair Christopher Dodd

She never uses anything

will want to talk about
things like

what's a stake funding prop
& policies but our whole
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look back

all gone Govt needs to
be better; does good
for most ppl
impt role & tendency
to blame gov't for
every thing = deserves
more

Govts need to stand
up for most ppl
impt more than ever

b/c workers being
silenced

& govt needs to be better

the take resp for ins
are being taken away.

Op-ed piece

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THE WHITE HOUSE
TALKING POINTS -- 1995: THE RECORD SO FAR
March 8, 1995

While Congress is debating on the Hill, President Clinton is moving forward on a number of fronts, illustrated by the impressive record of accomplishment outlined below.

The record speaks for itself. We are reforming welfare in a way that protects children and promotes work, family and responsibility; forging a new American economy; and making government work better and cost less. As the new Congress cuts programs that help children in order to pay for tax cuts for the wealthy, the President is fighting for children and middle class American families.

New Government

Making Government Smaller. Continued to reduce the size of the federal workforce, bringing to 102,000 the number of jobs this Administration has eliminated and put us on track for the smallest workforce since John Kennedy was president.

Cutting Red Tape. Launched a new stage of the effort to reinvent government: to cut obsolete regulations; reward results, not red tape; get the regulatory process out of Washington and create grassroots partnerships instead.

Continuing to Cut the Deficit. Sent Congress a budget proposing another \$144 billion in budget savings, building on our unprecedented record of over \$600 billion deficit reduction over 5 years.

Holding Congress Accountable. Signed into law the one bill Congress has passed, making Congress subject to the same laws it imposes on the private sector.

New Economy

More Jobs. Continued our focus on the economic recovery, a recovery that has now produced nearly 6 million jobs, almost all of them in the private sector.

Helping Workers. Fighting for passage of the Middle Class Bill of Rights to equip American workers and their families for the future. Preparing an executive order to help striking workers.

Expanding Free Trade. Closed a trade deal with China to protect American goods; began implementing GATT, a trade deal that will generate thousands of high-wage jobs; signed an aviation agreement with Canada that means more jobs for Americans.

THE WHITE HOUSE
New Covenant
WASHINGTON

Ending Welfare as We Know It. Signed an executive order making it easier to find federal employees who owe child support and make them pay; fighting to ensure that the values of work, family and responsibility shape reform of the welfare system.

More Cops For America. Released funds that will put 27,000 of the 100,000 new cops on the street that our crime bill calls for.

WE AMERICANS HAVE long stood for our compassion towards children. We know that the best investment in our future is the one we make in young people. Today, however, that caring spirit is under attack and endangered by a reckless disregard for the future. Shockingly, that attack is being launched by some in the U.S. Congress.

While millions of our children are happy, healthy and flourishing, millions of others are in crisis. Twenty-three percent live in poverty. Too many go hungry every day. Children increasingly bear children of their own. Drugs, violence and abuse claim the lives of our young before they even reach adulthood.

It is tempting to dismiss this as a crisis of the poor. But all of our families feel the ripple effect when children in our society are deprived of basic necessities or are alienated by the conditions of their lives. Children from

wealthy and middle-class families are not immune from this: Divorce and the excesses of consumerism, among other things, alienate them as well.

As a mother, I have felt what so many others feel when we see life in our communities grow harsher and full of greater anxieties. We see it in rising health-care costs and crime, in families where both parents struggle to make ends meet. We also see it in the breakdown of our civic institutions, and when the values that for two centuries have defined us as a people erode.

Given the urgency of our problems, we need a thorough and honest debate about helping children and families. We need to find reasonable ways to make government do its job more efficiently and effectively. What we don't need is a mean-spirited attack on nearly every government program designed to help poor and disadvantaged children.

The President has described Congressional ac-

Hillary Rodham Clinton is the First Lady of the United States. Above: Painting a t-shirt with a patient at the Arkansas Children's Hospital.

tions as "a war on the children of our country." The war takes many forms: cutting funds, eliminating programs or replacing them with block grants in the name of state flexibility. It is a war whose devastation we will feel far beyond the \$40 billion in cuts Congress is proposing for children's programs over the next five years. Along with Big Bird, school lunches, summer jobs, and aid for poor handicapped children, what we stand for as a society is in jeopardy.

Many of these budget decisions are billed as necessary curbs on spending. In fact, eviscerating children's programs will not significantly reduce the deficit. The only winners will be families earning more than \$200,000 a year, who will be eligible for the Republicans' capital gains tax cut.

In only 68 days, we have learned that the Contract With America is a financial arrangement whose purpose is to enhance the interests of the very wealthy and powerful at the expense of the very poor and weak and, for that matter, everyone else. Any country — or family — that views its obligations to children as contractual, not moral, is heading in the wrong direction.

Lost in the blizzard of anti-government rhetoric is an appreciation of the help we can provide children. While we all agree government must be leaner and more efficient, we should remember that not all government is bad or excessive. Those who blame it for the crisis among our children miss the point. Government cannot and should not solve all of our social problems. A school lunch program can help a child's development, but it can't provide shelter or parental love. Nutritional help for pregnant women can help produce a healthy baby, but it can't protect that baby from violence and abuse.

What government can do is provide a safety net for our neediest children and families, and the opportunity to lift themselves up. Through child-care assistance for low-income families and those coming off welfare, through grants for foster care and adoption aid, family preservation support, heating fuel for the disadvantaged, and basic health and nutrition programs, government keeps a safety net in place. And that means fewer children in poverty.

Consider the evidence: The child poverty rate fell from the mid-'60s until the early '70s. It rose again after real wages fell in 1973. Then, in the '80s, when the safety net began fraying, we saw a dramatic increase in the percentage of children in poverty. Not surprisingly, there were simultaneous increases in out-of-wedlock teen pregnancies, juveniles incarcerated for violent crimes, violent teen deaths and low-birth-weight babies. During the same period, the increase in divorce lowered standards of living for many women caring for children. Economically stable families became marginal ones.

Congressional attempts to dismantle the safety net are a total reversal of our historic commitment to children. The first federal child-care effort was in 1863: a govern-

and hungry children through programs and legislation such as the Women Infants and Children program, Head Start and the Child Abuse Prevention Act of 1974. Across-party lines, we have said that early intervention saves lives and money while it strengthens our time-honored values of opportunity and responsibility.

Today, however, poor, vulnerable children are regarded less as subjects for concern than as culprits for everything that has gone wrong in society. They and their families are being singled out for punishment.

What happened? There are many reasons, including these:

- Social and economic changes left most Americans, particularly middle-class people, with stagnant incomes, feeling increasingly frustrated about their lives.



AP Photo

'Eviscerating children's programs will not reduce the deficit significantly. The only winners will be families earning more than \$200,000 a year.'

- The influence of the mass media, particularly its emphasis on sex and violence, undermined parental authority, and led to a yearning for more traditional "family values."

- The guilt many Americans feel about their own children — because of longer work hours, divorce, shrinking resources and all the other kitchen-table issues — is often projected as anger onto other peoples' children.

But there is no such thing as "other peoples' children." There are only the hopes and dreams all parents share, which we must do everything in our power to preserve and strengthen. Instead of making children scapegoats, we should focus on helping poor ones overcome poverty and helping others defeat the anxieties they feel about their futures. Every child needs food, shelter, health care, schooling, a strong family and love. They also need the security of a strong economy. As the National Council of Bishops stated in a 1991 pastoral letter entitled "Putting Families First," "... many [families] are poor because of economic forces beyond their control: recession, industrial restructuring, erosion of real wages, unemployment and discrimination in hiring and promotion."

We cannot afford to deprive children of support and, at the same time, fail to address the broad forces that contribute to poverty and family break-up in the first place. The President has fought to lift up our children and their families through fundamental structural changes: meaningful deficit reduction, the creation of six million new jobs, streamlining and in some cases eliminating bureaucracies to ensure that aid is provided as intended, and investment in the skills and training of our people.

We must judge every proposal in Congress, whether it affects welfare, nutrition, education or health, by its impact on children. We prepare environmental impact statements before taking actions in areas where endangered species live. We have places where children are endangered. They deserve at least the same care we give our physical environment.

Rather than a contract, we need, as the President has advocated, a New Covenant, a sacred trust between government and the American people, and among Americans themselves. Being American is not about being rich, poor or middle-class. It is about having faith in our futures.

We especially need to build that trust between adults and children. But that means adults must assume more responsibility. Parents must provide love, discipline and nurturing, and must make every sacrifice necessary to build families in which children can thrive. Young men and women must delay having children until they can provide love and responsible care. And men who bring children into the world must take responsibility for supporting them — whether they are born out of wedlock or into a marriage that ends in divorce.

Newsday
3/4

ment-sponsored nursery for mothers working in Civil War hospitals. After the war, freed slaves received food vouchers — the equivalent of food stamps. The first federal immunization program began at the turn of the century. In 1909, Congress established the Children's Bureau to safeguard children.

Aid for Families with Dependent Children — welfare — began in 1935 to help mothers, often widows, stay home with their children. Beginning in the 1930s, labor laws protected children. Congress appropriated funds for emergency maternal and infant care in 1943. In 1946, it passed the National School Lunch Act after it realized that many World War II inductees suffered from poor childhood nutrition.

For many decades, Democrats and Republicans alike have recognized that our nation is prosperous and humane enough to ensure that all children get medical care, education and basic subsistence. Members of both parties have fought to defend disabled, abused

- Many politicians in the '80s focused their opprobrium on individual behaviors of the poor — like the much-publicized "welfare queens" — and the waste of federal resources. This disgust overpowered feelings of charity and fueled the anger of many Americans and distracted them from the failure of other institutions, from big business and the media to state and local government.

Such myopia made it harder to see the massive transfer of wealth from the middle class to the rich — which took the form of tax breaks for the wealthy and increased burdens on the middle class. At the same time, companies with lobbying influence gained in power, to the detriment of the average citizen and, of course, their children, who have no such powerful lobbies.

- Illegitimacy and family breakdown led to greater personal insecurity and public consequences, such as increased crime among younger teenagers.

I mentioned before that children have no powerful lobby to protect their interests. The truth is, every one of us must be that lobby. Every one of us must stand up for them, whether we are their parents, teachers, neighbors or fellow Americans. There is no better way to ensure that we will move into the next century still strong and secure than to make children's concerns, our concern.

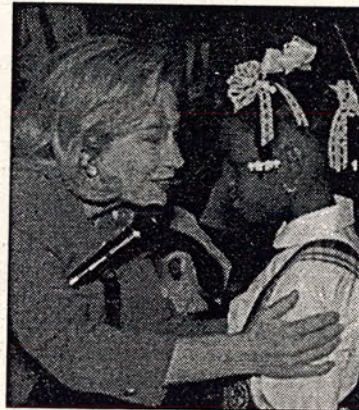
In their 1991 pastoral letter, the bishops also wrote that the most important work for our children is "in our homes and our neighborhoods and our community organizations. No government can love a child, and no policy can substitute for a family's care. But at the same time, government can either support or undermine families as they cope with the moral, social and economic stresses of caring for children."

If we are to safeguard our children, America's personal values and national policies must go hand-in-hand.



The First Lady at P.S. 115M in Manhattan

Newsday / Daniel Sheehan



At Drew Elementary in Miami

AP Photo



With a class of science students in Los Angeles

AP Photo

NEWSDAY, SUNDAY, MARCH 12, 1995

Newsday
4/4

Turner = anti admin

Swernskey = more pro

city = dying b/c state / fed cutback

cc = heated up

city dying b/c growth suburbs

highest tax pay in state

cc probs = awful

medicaid formula unfair to nys
may come up

city itself dying

Turner

political Qs

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New Congress

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Rural areas v. pro-life

but stay away from

welfare reform

David Swartz^S, County Clerk,
with primary Dennis Gorski.
- Has substantive labor support.
Swartz was a supporter of
ours.

effects of Pataki budget → sending
responsibility to local level →
shifting state to local govt

Buffalo - still in recession
essentially

Mr. Abraham ~~Feinberg~~ Feinberg
645 Fifth Avenue
Suite 908
NYC, NY 10022
(212) 755-3070

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Bob Menschel (212) 902-6913

Son +
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February 26, 1995, Sunday, Final Edition

SECTION: BUSINESS

LENGTH: 1294 words

HEADLINE: JOB LOSSES HERE COULD PUT AREA IN 'MINI-RECESSION'

BYLINE: David Robinson

BODY:

IF YOU want to know what the first two months of this year have been like for the Buffalo economy, just imagine going 12 rounds with George Foreman.

In just eight weeks, the region has been battered by announcements that five big local employers are planning major job cuts during the next few months.

In all, about 1,485 jobs, mostly decent-paying factory and white-collar positions, now are waiting their turn on the chopping block.

It's the kind of bad news that you'd normally associate with a recession, but all of this is happening at a time when the national economy is growing at a moderate pace and the state economy is gaining strength, although at a far more modest clip.

The local unemployment rate finished last year at 4.7 percent -- its lowest rate in more than four years. Erie and Niagara counties managed to add 3,900 new jobs last year, which is more than have been created in any of the last five years. And corporate profits have been growing at a healthy clip.

If this is what a growing economy is like, then I'd hate to see what would happen during a recession.

It started in the first week of January, when the news came that the Gioia Pasta Co. plant in Buffalo would close by April, putting 165 people out of work. The bad news continued the following week, when The Bon-Ton Stores Inc. said it was shutting its Buffalo distribution center that employs 98 workers.

The week after that, it was Fisher-Price's turn to make another 700 jobs disappear by closing its Medina plant. Two weeks later, The Bon-Ton was back at it, announcing plans to get rid of downtown Buffalo's last department store and the 220 jobs it provided.

Just two weeks ago, a French competitor, St. Gobain SA, agreed to buy the Carborundum Co., putting another 100 headquarters jobs in jeopardy at the Niagara Falls ceramics manufacturer. And later that week, Key Mortgage Co. told 175 to 200 of its workers they'd be let go.

If that wasn't bad enough, state government is trying to hold the line after a dozen years of boosting spending at twice the inflation rate. Another 800 city and school jobs are in jeopardy in Buffalo because of deep budget deficits, and that could be just the first step in a wave of even deeper cuts.

That's particularly unnerving because government jobs quietly have become a crutch for the local economy. Government agencies, including schools, now are the fourth-biggest provider of jobs in Erie and Niagara counties, trailing only the service, retail trade and manufacturing sectors. In fact, factory jobs outnumbered government positions by just 1,200 at the end of last year.

"We're going to see a rather significant impact on public sector employment," says William T. Ganley, an economics professor at Buffalo State College.

If the current trends continue, Ganley says the Buffalo area could experience a "mini-recession" in spite of the growing national economy. "I don't think we've seen the worst of what we're going to see in 1995," he says.

George P. Smyntek, the regional economist for the state Labor Department in Buffalo, isn't that pessimistic. Despite the recent cutbacks, which won't be fully reflected in the employment statistics for a few more months, he says other parts of the local economy still are growing.

Indeed, White Directory Publishers Inc. plans to add about 100 jobs in the Town of Tonawanda because of acquisitions it recently made, while machinery manufacturer McKenica Corp. hopes to add 20 jobs during the next three years after moving into a new Buffalo plant.

"Eighty percent of the stuff we see happening is in the area of small business," Smyntek says. "Is (the pace of job growth) healthy? No. Is it better than last year? Yes."

Not that 1994 was all that wonderful, anyway. Although that 0.7 percent job growth rate was the best the region has seen since 1989, it was just a fraction of the 3.2 percent increase in the number of jobs nationally.

"Firms are cutting back and slimming down," says Mark P. Zaporowski, a management professor at Canisius College. "The new jobs that are being created are basically just keeping up with the jobs that are being eliminated."

The trouble is that companies, in their never-ending push to make even more money, are doing everything they can to save a few bucks. They're closing older, less efficient plants, just as Fisher-Price did with its Medina factory, and moving work into newer facilities that they can run for less.

"We're competing on the basis of cost and productivity," Zaporowski says.

Companies also are looking for ways to consolidate. That's what Borden Inc. is doing with the local Gioia plant, which it says is no longer competitive. Instead, Borden, which is dealing with financial troubles of its own, is moving Gioia's work to newer, bigger and more heavily automated plants in Massachusetts and Missouri.

"It is the older, bigger plants that are feeling the pain of this economic restructuring," Smyntek says.

"Jobs follow investment," Ganley says. "When a company sells, often times, their plants have not had the investment or been updated for a while, so those are the ones that get shut."

In contrast, look at the local auto plants, which have received heavy investments over the last few years to boost their efficiency and productivity. Those plants now are hiring new workers for the first time in years, even though the Big Three automakers continue to close plants in other parts of the country.

Adding to the local woes is the belief that companies have to be bigger to compete with foreign firms in the United States and overseas. The result has been a wave of mergers that has created even more chances for the surviving companies to consolidate.

That's what's happening at Carborundum, where the new owner doesn't have much need for a second headquarters staff, or at The Bon-Ton, which didn't need another local warehouse to supply its stores here.

The old culprits of high taxes, heavy-handed government regulation and the fact that Buffalo is a branch office town also play a role.

"We end up being too close to the margin when it comes time to make investment," Ganley says.

GRAPHIC: Buffalo News, Chart-Going, Going, Gone

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 28, 1995

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Copyright 1995 The Buffalo News
The Buffalo News

February 19, 1995, Sunday, Final Edition

SECTION: EDITORIAL PAGE; Pg. 8

LENGTH: 1040 words

HEADLINE: FORGET THE BIG OLD STORES; GIVE DOWNTOWN A TOMORROW; OLD ROLE IS GONE, BUT THERE'S A BASE TO BUILD ANEW

BODY:

HERE IT IS, Saturday afternoon in downtown Buffalo. Two or three people scurry in the distance. A light wind blows papers over the pavement near what once was the elegant Berger's store. The streetscape is a lonely canyon, and it doesn't feel very safe.

Is this the everyday fate of downtown now that the former AM&As store is closing its doors next month?

Is it downtown's future to be Ghostville U.S.A. now that the last vestige of its historic role as a regional shopping center is cashing out?

The answer is "no." It doesn't have to happen. And, despite the evidence on certain lonely weekends, it hasn't already happened; people are using the city center.

Downtown still has a lot going for it. The city can build it a future. But the city center needs friends with commitment, energy and creativity, people who believe in downtown as a place to work, do business, have fun and even make a home.

A veteran downtown real estate broker laments the passing of a cadre of "old-timers" who had a solid commitment to downtown and its vitality. No suburbs for them.

Similarly dedicated replacements need to step up to the plate. And if they do, they'll find there really is something for them to swing at.

While the closing of AM&A's is a death to be mourned, there are, in fact, strengths upon which downtown can build for the future. It won't be a regional retail center again; that's gone. But it can still be an interesting, fun and usable place.

The assets and possibilities

Downtown is still the region's geographic center. Highways lead downtown. The public transportation system still functions with Buffalo as the hub. It's a convenient spot to get to from all directions, and it offers large public spaces.

All of that makes it a logical gathering place.

Downtown is close to the Canadian border, making it an ideal destination for border-crossers seeking entertainment. It's a good place to take advantage of international trade.

Downtown is still the largest office center in the area, and it can retain much of that role if influential decision-makers recognize the need to be competitive with suburban office parks.

Downtown is at the edge of an under-used waterfront. It can logically be linked to recreational, tourism, business and residential use of riverfront and lakefront.

Downtown is a government center. City Hall, County Hall, courts and numerous state and federal offices bring workers and the public to the heart of Buffalo.

Downtown is an entertainment center. The bookends of Main Street are a Theater District of growing vitality at the north end and a successful sports district to the south.

Finally, downtown boasts many examples of splendid architecture -- from the historic Guaranty Building to the modern M&T headquarters. They cannot be matched in the suburbs. They are truly irreplaceable. The buildings of downtown are a business and tourist attraction that Buffalonians seem to either take for granted or ignore.

There's no point in thirsting for a return to the good old days. No amount of nostalgia, no amount of hope will bring back the big department stores any more than a dodo bird will be seen strolling down Main Street some lunch hour.

An old-style department store with seven selling floors cannot survive on noon-hour trade from the offices and the business of the few people who live in or near downtown. It's amazing that AM&A's, under local ownership and its new owner, the Bon-Ton chain, hung on as long as it did.

Yet even retail need not be totally dead. It just has to be pitched to the market that is there. Smaller stores serving the immediate neighborhood and the lunch-hour trade can continue to exist in Main Place Mall and other downtown locations. There are specialized retail niches for entrepreneurs to fill and plenty of empty spaces along Main Street for them to use.

Retail innovators should be warmly welcomed. Tiny specialty shops should be encouraged.

Needed: A commitment

Downtown has potential, but it will take commitment to build it over the obstacles the city faces. Buffalo is a poor city in a state whose economy is sluggish. The erosion of the middle class in the city as a whole must be halted if downtown is to be healthy.

Downtown needs entrepreneurs with vision and energy. It needs public officials on a mission.

City Hall has big budget troubles, but it must be a key player in creating a vital future for downtown anyway. At the least, it must tackle anew the very basic issues of parking and security.

Otherwise, it risks presiding over nothing much.

Tomorrow: Start with security and parking.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 21, 1995

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Copyright 1995 The Buffalo News
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February 13, 1995, Monday, City Edition

SECTION: VIEWPOINTS; Pg. 3

LENGTH: 1134 words

HEADLINE: STATE AND FEDERAL AXES TAKE AIM AT BUFFALO AREA

BYLINE: Douglas Turner, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Cyberspace, the information highway -- whatever you call it -- doesn't seem to be bringing politicians any closer to the people and their needs.

Take the hits aimed at struggling Western New York by Democrats in Washington and Republicans in Albany.

First, GOP Gov. Pataki wants to savage the State University system, blowing a \$ 45 million a year hole into the University at Buffalo.

To those concerned about the future of Western New York, few generators of wealth hold the potential of the investing power of the University at Buffalo and the region's progressive integration with the economy of Ontario.

When you sweep aside the Cuomo-style arithmetic, Pataki's budget would slash the SUNY budget by 31.5 percent.

A few days ago, we encouraged Pataki to learn to say "no" to entrenched state bureaucrats, unions and school boards. His SUNY budget goes far beyond prudence and restraint. His assault on SUNY's finances cuts five times deeper than his reductions for most other state operations.

A week ago, we saw the goofiness of President Clinton's fiscal 1996 budget. The Democratic president would set up a financial Berlin Wall on the U.S. side of the four bridges spanning the Niagara River. Clinton's idiotic \$ 3-a-car proposed fee to cross the Niagara creates a disincentive to shop, and entertain on the U.S. side and worsens the bottlenecks at the border.

The Clinton administration is also weighing a move to charge boaters \$ 32 every time they wander into American waters. Can a Clinton border tax on trucks be far behind?

Clinton must be getting his advice on the upstate New York economy from his old pals from Oxford. Pataki may have been inspired to level a killing blow on SUNY and its students from his upper crust friends from Yale.

UB has a \$ 1.5 billion-a-year impact on the regional economy.

But to Pataki and his millionaire friends, SUNY may look like some kind of welfare hostel compared with the neo-Gothic towers at good old Eli.

Taking an ax to SUNY makes Pataki's claims of being a tax-cutting governor look phony. The budget imposes an indirect tax increase on hundreds of thousands of

students and their families.

Meanwhile, Clinton's new budget stooped to the fakery employed by President Reagan, with potentially disastrous impact on the budget of his friend, Erie County Executive Dennis Gorski.

Clinton had the gall to predict that federal Medicaid spending will decrease in the fiscal year starting Oct. 1. No one in the world believes that, but that prevarication will hang on the hook like raw meat for Republican budget cutters.

Medicaid costs are already strangling Erie County. If the GOP Congress is able to use Clinton's flimsy numbers to justify shifting more Medicaid costs to New York and the counties, our already appalling real estate tax rates will soar to new destructive levels.

Clinton's and Pataki's shots at Western New York smacked of Jimmy Carter's ill-considered moves -- actions of single-term chief executives.

Pataki is not helping to dispel that impression with the way he deals, or does not deal, with Washington. He never showed up for this year's pivotal winter meeting of the National Governor's Association to discuss welfare, medicaid, health care, transportation and other issues.

California's Pete Wilson was able to make it as were Pataki's GOP colleagues from Wisconsin, Michigan and Ohio. Pataki got to Washington all right, but he went to a dinner party. Later in the evening he swung at some soft high pitches thrown by Larry King on CNN.

The state has an office down here that costs about \$ 1 million a year to run. Pataki has not shut it down. But he has closed it to the public and the media. For nearly two decades this office interpreted for the public and the congressional delegation the impact on the president's budget on New York State and its localities.

But no more. Now it operates like the Soviet KGB. It is still being staffed, but all the material it collects is apparently secret.

That's not smart politics for Republican governor who needs to have an impact here. Pataki is leaving it to Rep. Charles Schumer, D-Brooklyn, a potential 1998 rival to interpret the budget for New Yorkers. And Schumer's not doing a bad job at it, considering his limited financial resources.

Speaking of single-termers, House Speaker Newt Gingrich, R-Ga., may be dancing around that fire. Fresh from the controversy over his book deal, Gingrich co-hosted a \$ 50,000-a-plate fund raiser at the posh Hay Adams.

His office said they saw nothing wrong with it, but the speaker saw fit to sneak in a side door. Already under House Ethics Committee investigation for his "educational" side deals, Gingrich also said the other day he sees no need for his wife to step aside from her job as a lobbyist for Israeli interests.

All of a sudden, what promised to be a major political realignment is looking more and more like amateur hour as a result of loose talk, overconfidence and the appearance of greed.

Taking the cake this week for insensitivity -- translate that to arrogance -- was the decision of Rep. Claw Shaw, R-Fla., to announce the most draconian, and possibly necessary, cuts and reshaping of welfare in the last 60 years at a meeting of the U.S. Chamber of Commerce.

A lot of Republicans, including Gingrich and Shaw, put years of hard work into achieving majority status.

They seem to forget the voters can take it away just as quickly as they gave it.

LANGUAGE: ENGLISH

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Copyright 1995 The Buffalo News
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February 1, 1995, Wednesday, City Edition

SECTION: BUSINESS

LENGTH: 480 words

HEADLINE: BUSINESS REBOUNDED, AREA COMPANIES REPORT

BYLINE: By DAVID ROBINSON, News Business Reporter

BODY:

The Buffalo-area economy rebounded in January as local firms boosted their production and the flow of new orders picked up, the National Association of Purchasing Management of Buffalo said.

The January pickup was the fourth monthly increase for the local economy during the last five months, broken only by a sharp drop in December.

"After the usual end-of-the-year decline, our business situation is again showing growth," said Robert E. Schenk, the chairman of the group's business survey committee.

Meanwhile, the National Association of Purchasing Managers said today its index of manufacturing growth rose to 57.9 percent in January from 57.5 percent in December. An index reading above 50 percent indicates an expansion of activity at the nation's factories.

The local purchasers' group said the Buffalo-area economy showed considerable improvement in production and new orders -- the two indicators that the association uses to gauge the area's general economic conditions.

The number of purchasing managers reporting increased production shot up to 48 percent last month, compared with 39 percent in December. Just 8 percent of the managers said their companies had cut production last month, down sharply from 30 percent in December.

New orders also picked up, with 52 percent of the firms reporting an increase last month, up from 35 percent during December. Only 12 percent said they received fewer orders, down from 26 percent in December.

Despite the pickup in business, employment weakened slightly. The number of companies hiring additional workers fell to 16 percent from 22 percent in December. At the same time, 12 percent of the companies said they were cutting their work forces, up from 9 percent in December.

Commodity prices continued their steady rise, with 72 percent of the firms reporting increases last month, up from 70 percent in December. Another 8 percent of the managers said prices declined in January after four straight months where no companies reported a drop in prices.

Inventories also declined, with 28 percent of the firms saying their stockpiles shrank last month, up from 17 percent in December. The number of managers

reporting that their firms added to their inventories fell to 20 percent from 30 percent in December.

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LOAD-DATE-MDC: February 3, 1995

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January 22, 1995, Sunday, City Edition

SECTION: PROSPECTUS '95

LENGTH: 1507 words

HEADLINE: STABILIZATION AND GROWTH LOCALLY, BUT NO BOOM JUST YET

BYLINE: By DAVID ROBINSON, News Business Reporter

BODY:

The recovery finally has taken hold in Buffalo, but it hasn't been much talk about.

Nearly four years after the recession finally ended, Buffalo enjoyed a little taste of honest-to-goodness growth last year after treading water for most of the recovery's early days.

But the growth was hardly anything to cheer about. While there were plenty of signs last year that the local economy was improving, there also were more than enough indications that the region's troubled days were far from over.

That's why Andrew J. Rudnick, president of the Greater Buffalo Partnership, describes 1994 as "a year of plodding growth."

In essence, 1994 was the second straight year of stabilization and modest growth for the Western New York economy, local economists and economic development officials say.

"It's probably better than it was the year before and better than the year before that, but it's certainly not as good as it could be," Rudnick says.

Yet strong growth remains elusive. "We're kind of keeping pace with what we've got," says Judith Kossy, president of the Western New York Economic Development Corp. "We still don't have a strong growth generator," such as a big company that produces spinoff growth or a core of firms in the same industry that spawn dozens of other businesses to support and supply them.

As a result, there almost always seemed to be a dark cloud hanging over every positive sign that popped up for the local economy during the past year.

The unemployment rate is down sharply and the region created nearly 60 percent more jobs last year than it did during 1993. But most of those jobs came from the low-paying service and retail sectors, while the better-paying jobs at manufacturing firms continued to disappear. And the Buffalo area added jobs at a far slower pace than the entire country did.

Indeed, the unemployment rate in Erie and Niagara counties dipped to 5.1 percent in November, down from 5.7 percent a year ago, and hit the second-lowest rate in four years.

What's more, that was sharply better than the statewide jobless rate of 5.9 percent and a noticeable improvement over the nation's 5.4 percent unemployment rate.

But two straight years of a falling local unemployment rate hasn't translated into rapid job growth. Granted, the region created 2,700 jobs last year, pushing the total number of jobs to a four-year high of 541,800 in November. That was considerably better than the 1,700 new jobs that were created during 1993.

"It was a decent year," says George P. Smyntek, regional economist for the state Labor Department in Buffalo.

"It wasn't good, but it was the best we've seen in four years," he says. "We're in a position where we can start to benefit from the growing national economy, provided the Federal Reserve doesn't really put the brakes on growth" by raising interest rates much higher.

But the local pace of job creation was far slower than the national average. While the total number of local jobs grew at a sluggish 0.5 percent pace last year, the country as a whole added new jobs at a 3 percent rate.

What's more, many of those new positions pay much less and offer fewer fringe benefits than the jobs that have been eliminated over the years.

In fact, the wave of corporate cost-cutting continued last year as companies, wary of the economy, remained reluctant to hire new workers. Corporate profits rose sharply, but that still didn't protect workers against job cuts.

"The profitability of companies is up, but that doesn't necessarily translate into additional employment because that's one of the ways they've pushed their profits up," Rudnick says.

While plenty of local companies trimmed a few jobs as part of their penny-pinching efforts, the region suffered only a few major job losses.

The sale of venerable Buffalo retailer Adam, Meldrum & Anderson Co. to Bon-Ton Stores Inc. led to the elimination of more than 200 executive and staff positions at the chain last year and another 98 warehouse jobs this month. Moog Inc. eliminated 80 jobs at its East Aurora operations because of cutbacks in defense spending.

At the same time, several local companies announced plans for major expansions. Ingram Micro plans to double the size of its Amherst facility and add 600 jobs. International Imaging Materials Inc. intends to add 200 jobs and expand the size of its Amherst factory, which makes color thermal transfer printing ribbons, by one-third.

Last year also was a good time for the local auto industry, which hung out the hiring sign for the first time in years as new-car and truck sales increased and American Axle & Manufacturing Inc. took over as the new owners of the former General Motors Saginaw Division.

"All of our major plants seem to be doing much better than in the past," Ms. Kossy says. "All of our plants have taken the difficult steps toward modernization and strategic planning and worker training."

The local construction industry also enjoyed its second straight good year, with the total value of building contracts in Erie and Niagara counties rising by 17.2 percent through the first 11 months of last year after increasing by 2.1 percent in 1993, the F.W. Dodge division of McGraw-Hill reported.

But the plodding growth during the past two years has taken place despite a staggering recession in Canada that has cut deeply into the area's business ties with what many local economic development officials see as its greatest economic hope.

With the region's ties to its northern neighbor growing because of the U.S.-Canada Free Trade Agreement, local officials say the Buffalo and southern Ontario economies are becoming more closely linked.

Lately, though, those links have been strained because of difficult economic conditions in the province of Ontario.

The stream of Canadian shoppers and businesses crossing the border has slowed during the past three years because of the stinging Canadian recession and the declining value of the Canadian dollar, which makes it more expensive to do business in the United States.

Rudnick, however, thinks an improving Canadian economy could lead to more projects that would help establish Buffalo as a warehouse and distribution hub for Canadian firms.

"I believe it's all been based on the lack of investment capital due to the Canadian recession," he says. "If (the Canadian economy) improves, I continue to believe even more cross-border activity will take place."

Another factor that has been holding back the Buffalo region is the state's regulatory climate, which critics say stifles business initiative by imposing a maze of fees and paperwork on companies.

Rudnick says the poor business climate helps persuade many firms not to invest in expansion projects in New York that would create new jobs. Instead, they may be more apt to invest in new equipment or methods that would make their existing operations more efficient and profitable, without doing any additional hiring.

But Rudnick is hopeful that the Pataki administration will take steps to ease the regulatory burden and create a more hospitable environment for business.

GRAPHIC: Robert L. Smith/Buffalo News Several local companies plan major expansions in 1995, Both Ingram Micro, left, and International imaging Materials plan to expand their Amherst Facilities and add jobs.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 26, 1995

Copyright 1995 The Buffalo News
The Buffalo News

January 19, 1995, Thursday, City Edition

SECTION: BUSINESS

LENGTH: 360 words

HEADLINE: WNY, ONTARIO TEAM UP IN NEW MARKETING PUSH

BODY:

A high-powered marketing campaign aimed at developing the economies of Western New York and southern Ontario will be unveiled this evening in Buffalo.

The centerpiece of the effort is a new logo featuring a red and blue arch over the words, "Niagara: Attracting the World."

The logo and regional name is supposed to represent a geographic area that encompasses the eight counties of Western New York and the Niagara Region of Ontario, which stretches north from Fort Erie to St. Catharines, according to Patricia O. Rehak, executive vice president of the Greater Buffalo Partnership.

She explained that her organization spearheaded efforts over the last year to develop a strategy for attracting new companies and tourists to the region. More than 400 people in Western New York and Ontario were consulted in the development of the Niagara logo and slogan.

"While the logo is important, even more significant is what it represents in terms of this community working together and seeing itself as Niagara," said Andrew J. Rudnick, partnership president.

The economic fortunes of communities on both sides of the Niagara River will be enhanced if resources are combined in this marketing effort aimed at the world, he said.

The 1989 U.S.-Canada Free Trade Agreement was the impetus for the first collaborative efforts across the border, Rudnick added.

More than 300 politicians and business people were expected to attend tonight's reception at the Hyatt Regency downtown, where the Niagara logo will be officially launched, according to partnership spokeswoman Linda Soltis.

GRAPHIC: sketch- Niagara Attracting the World

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 21, 1995

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January 13, 1995, Friday, City Edition

SECTION: BUSINESS

LENGTH: 520 words

HEADLINE: AREA ECONOMY GOES INTO SKID IN DECEMBER;
PURCHASING MANAGERS EXPECT UPTURN IN '95, WITH MOST FIRMS REAPING HIGHER PROFITS

BYLINE: By DAVID ROBINSON, News Business Reporter

BODY:

The Buffalo-area economy slammed on the brakes during December, as local firms cut back on their production and the flow of new orders slowed dramatically, the National Association of Purchasing Management of Buffalo said.

The major slowdown in December broke a string of three straight monthly advances for the local economy, including a sharp pickup in November.

"Don't panic," said Robert E. Schenk, the chairman of the group's business survey committee. "It has been traditional for many years that our business drops drastically at the end of the year, and this year is no exception."

The biggest drops last month were in production and new orders -- the two indicators that the group uses to gauge the area's general economic conditions.

Just 39 percent of the companies surveyed said they increased production in December, which was a sharp drop from 56 percent in November. And 30 percent of the firms said they cut production last month, up from 11 percent in November.

The story was the same for new orders, with the number of firms receiving increased orders plunging to 35 percent last month from 60 percent in November. At the same time, 26 percent of the managers said their firms received fewer new orders last month, up from 16 percent in November.

Employment was stable, with 22 percent of the firms adding workers last month, down from 30 percent in November. But the number of companies cutting their work force also dropped to 9 percent from 15 percent two months ago.

Commodity prices continued to rise, with 70 percent of the firms reporting increases last month, down from 81 percent in November. For the third straight month, no firms said prices had fallen.

Inventories also were stable. While the number of firms adding to their stockpiles was unchanged at 30 percent last month, just 17 percent of the companies cut back on their inventories, down from 37 percent in November.

The pace of vendor deliveries improved, but the 74 percent of the managers who reported earlier or stable delivery times remained well below the 87 percent level that the group considers to be acceptable.

The managers also said they expect this year to be a good one, with most firms boosting production and reaping higher profits. But the improved business climate won't lead to many more jobs, the managers said in their annual predictions. And they expect inventories to be stable and prices to keep rising.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 15, 1995

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Copyright 1995 The Buffalo News
The Buffalo News

January 8, 1995, Sunday, Final Edition

SECTION: NEWS; Pg. 1

LENGTH: 2147 words

HEADLINE: AIR SERVICE NOSE-DIVES IN BUFFALO;
CITY LOSES FLIGHTS AS COMPETITORS GAIN

BYLINE: By JERRY ZREMSKI, News Staff Reporter

BODY:

Once upon a time, you could regularly hop a plane from Buffalo to Toronto. Or to Minneapolis. Or St. Louis. Or Orlando, Fla.

But that was 15 years ago, before the number of places you can fly to non-stop from Buffalo fell by a third.

Now, anyone who wants to fly from Buffalo to any of those cities first must fly to Chicago or Pittsburgh or some other hub airport.

While the Greater Buffalo International Airport was losing all that air service in the early 1980s, its nearest American competitors -- Rochester and Syracuse -- gained.

Syracuse and Rochester now have more daily non-stop flights, going to more cities, than Buffalo has, a six-month Buffalo News study of Buffalo's air service has found.

Despite an outcry from local business leaders concerned that poor air service might be hurting Buffalo's economy, the head of the agency that runs the airport was unaware that more flights are now leaving from Syracuse and Rochester.

"My gut reaction is, we didn't know a lot about it," said Richard T. Swist, executive director of the Niagara Frontier Transportation Authority, which is about to spend \$ 186.9 million on airport improvements aimed at giving the facility a "gateway image."

"We've just started marketing the airport," Swist said.

Several of the 80 sources interviewed for this five-part series blamed the NFTA's benign neglect, along with Buffalo's economic decline and changes in the airline industry, for wreaking havoc on air service in Buffalo.

To document what has happened to Buffalo's air service, The News asked Back Information Services Ltd., a Toronto-based aviation information consultant, to study flight schedules at Greater Buffalo International Airport and 14 other airports in midsize and large cities in the Northeast and Midwest.

Back Information, which has done research for the U.S. government as well as private concerns, examined 15 years of airline schedules and U.S. Department of Transportation data. This is what the study found:

Buffalo was the only city studied that lost non-stop daily flights over those 15 years, an era when air traffic grew more than 50 percent nationwide.

As of early 1994, Rochester residents could fly non-stop to Toronto, Orlando, Columbus, Ohio, and Westchester County. Buffalo travelers couldn't. Syracuse residents could fly direct to Toronto, Montreal, Ottawa and a host of smaller Northeastern cities that didn't have direct air service from Buffalo.

Several other cities that had fewer non-stop flights than Buffalo in 1979 -- Albany, Cincinnati and Columbus -- had more non-stop flights than Buffalo by 1994.

While the airports in Cleveland and Louisville, Ky., also lost non-stop destinations over those 15 years, other cities comparable to Buffalo -- Columbus, Hartford, Conn., Indianapolis and Milwaukee -- had direct flights to more cities in 1994 than they had in 1979.

Overall, Back's findings proved what many travelers and travel-industry leaders had long suspected: Buffalo has become the ultimate spoke on practically every airline's hub-and-spoke system. The system funnels passengers from smaller airports through bigger ones en route to their final destination.

"If you go back and look at what we had and see what transpired, you can see we lost a lot," said Ellen Gill, operations manager for the AAA Travel Agency in Buffalo. "At one point many years ago, United Airlines had 60 non-stops a day out of Buffalo."

In October 1994, in contrast, all airlines combined had only 99 non-stop flights each day out of Buffalo.

As head of one of the Buffalo area's two Fortune 500 companies, Sal H. Alfiero manages operations all around the country. And many of them are becoming increasingly difficult to reach.

"The service to New York and Chicago is still pretty good," said Alfiero, chairman of Mark IV Industries Inc. of Amherst. "Boston is difficult; there's only a couple of flights. St. Louis is almost impossible; you'll get swallowed up changing planes in O'Hare (Chicago's mega-hub). Kansas City is always a daylong affair."

Changing planes makes travel inconvenient. A random check of flights to various cities found that good connections and charter flights exist between Buffalo and popular vacation destinations such as Orlando. But for business travelers, things aren't so easy.

Say, for example, that you have to make a 10 a.m. business meeting in Dallas on Jan. 23. Your choice: leave Buffalo the night before, or arrive late for your meeting. And if you want to fly back the same day, you'll have to fly out of Dallas on a 5 p.m. flight, change planes in Chicago, and get back to Buffalo at 10:36 p.m.

Travel agents said a direct flight would save travelers at least an hour in each direction, and perhaps much more. After all, every connecting flight comes with the risk of missing a connection, which can delay travelers by upwards of a day.

That's why the number of direct flights -- in which travelers don't have to change planes -- and the number of non-stop flights are considered good gauges of the quality of air service.

While flying to Dallas from Buffalo is anything but direct, traveling to Los Angeles is even harder.

Let's say you leave Buffalo on the 22nd for a two-day business trip to Los Angeles. Getting there is no problem: There are no direct flights, just plenty of connections.

But if you have to return on the 24th, you have a difficult choice: Leave Los Angeles at 1:20 p.m. on a flight through Philadelphia that will get you back to Buffalo at 10:52 p.m., or wait for an 11:40 p.m. flight that connects through Pittsburgh and arrives in Buffalo at 9:34 the next morning.

"Every time you fly somewhere, you've got to take two planes," said David Hart, president of Hart Hotels, which operates several local Holiday Inns. "For business travel, it's terrible."

And some business people just won't put up with it, especially when more convenient direct flights are available only 90 minutes away. That's at Toronto's Lester B. Pearson International Airport.

"I take all of my North American routings out of Toronto now," said Anthony J. Colucci, a Buffalo attorney and longtime Buffalo airport critic.

Ultimately, business leaders said, Buffalo's lagging air service is more than a matter of inconvenience. Along with high taxes and a snowy reputation, lackluster air service is a factor that weighs against Buffalo as it competes with other cities for new business growth.

"It's one more nail in the coffin," Alfiero said.

Albany learned that the hard way. After a merger with a Cleveland-based bank, KeyCorp decided in late 1993 to move its headquarters from Albany to Cleveland in part because the Ohio city offered better air service. That decision by the nation's 12th-largest bank cost Albany 150 jobs.

"I would say that, in the Western New York economy of the last 10 years, air service has not been a significant factor," said Andrew J. Rudnick, president of the Greater Buffalo Partnership, the local chamber of commerce. "But it can be either a significant positive or negative factor."

U.S. Airports for Better International Air Service, a coalition of about 30 airports nationwide, recently reported that its members established new direct air

service on 23 routes in one year. The group estimated the economic impact of that additional passenger service at \$ 3.78 billion.

Much of that impact comes from increased tourism. Conversely, poor air service can lead travelers -- especially conventioners -- to go elsewhere.

"I can't point to a convention or tour group and say that we lost it because we didn't have proper air service," said Kurt Alverson, outgoing head of the Buffalo Convention and Visitors Bureau. "But it's certainly a factor that's weighed when these groups make their decisions. There could have been cases where we get tossed out of consideration because we don't meet certain criteria."

The NFTA hopes that will never happen once John A. Nammack finishes his work. The agency recently hired Nammack, a Virginia-based airport marketing consultant, to study Buffalo's air service and try to persuade airlines to add flights where they're needed.

Although Nammack has not yet finished his study of Buffalo's air service, he has already decided that Buffalo could use improved service to Denver and several Florida cities.

Nammack is also doing a marketing study for Hancock International Airport in Syracuse -- which, although still ahead of Buffalo, has been losing service itself in recent years as USAir has downgraded its mini-hub there.

Although both Syracuse and Rochester are now ahead of Buffalo in terms of daily flights, officials at both airports are worried about the level of service at their facilities.

They noted that Buffalo still serves more passengers than the other upstate airports. For example, in 1993, 1.46 million passengers departed from Buffalo, compared to 1 million from Rochester and 902,503 from Syracuse.

Rochester and Syracuse have more flights, but fewer passengers, for one reason: Many of those flights are on smaller propeller airplanes.

In Syracuse, for example, 40 percent of passengers now travel on commuter planes, compared to 10 percent in Buffalo. And the city has lost service since 1989, when USAir purchased Piedmont and scaled back the hub that Piedmont had located there.

"A lot of people perceive the commuter aircraft as being not as safe," said Charles R. Everett, commissioner of aviation in Syracuse. "One of the things we want to do is increase direct service, and bring back more jet service."

Nammack said both Buffalo and Syracuse would benefit greatly if they could lure a low-fare outfit such as Southwest Airlines.

Syracuse is nearly finished with a \$ 42.5 million airport renovation, just as Buffalo is beginning a project that will cost more than four times as much.

Nammack said it's important for both airports to work to lure additional service before their renovation plans are completed.

"If you're not getting good air service, why waste money building these huge white sepulchers?" Nammack asked.

News staff interns Joseph Domelowicz and David Forton contributed to this report. Dale Foster Travel of Washington, D.C. contributed to the research. MONDAY: How the decline in Buffalo's air service happened. GRAPHIC: Graphs, showing dwindling destinations, actual and potential air traffic Sal Alfiero, chairman of Mark IV Industries

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 13, 1995

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Copyright 1995 The Buffalo News
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March 5, 1995, Sunday, Final Edition

SECTION: NEWS; Pg. 1

LENGTH: 1107 words

HEADLINE: HOUGHTON LEADING FIGHT IN CONGRESS FOR THE ARTS; OPPOSES PLAN TO CUT
FEDERAL ENDOWMENTS

BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Most House Republicans don't want to hear from anyone who thinks federal funding for the arts and public broadcasting is worth saving.

Just ask Rep. Amory Houghton Jr., a Republican who's leading a fight to preserve the National Endowment for the Arts along with other cultural funding.

"I feel like I'm living in a handicapped world where people can talk and taste but can't hear," said Houghton, whose Southern Tier district includes Cattaraugus and Chautauqua counties.

In the new Republican Congress, there are only a couple of dozen Republicans like Houghton -- moderates who believe in cutting the federal budget, but judiciously.

In the House, where Republicans have a 15-vote majority, the opinions of members such as Houghton and Rep. Jack Quinn, R-Hamburg, could turn out to be crucial.

"Our majority is not very large," Quinn said. "We could end up in the position where we could be the difference."

But for now, Houghton -- who is trying to save the federal arts and humanities endowments, public broadcasting and the office that does technology research for Congress -- sounds a little frustrated.

"I cannot talk to the scorched-earth people," Houghton said. "You've got to believe there's something of value here. They don't."

Houghton has been especially active in trying to save the NEA. He is co-chairman of America for the NEA, which will bring people from across the country to Washington this week to press for arts funding.

"Amo has become our most important Republican champion," said Lee Kessler, deputy director of the American Arts Alliance.

Houghton stressed that he knows cost-cutting and has done it for years, first as chairman of Corning Inc. and then in Congress.

In doing so, he came up with a three-pronged philosophy: Don't cut anything that makes money, don't cut obligations and don't cut research. By taking an ax to the arts endowments and the Office of Technology Assessment, Congress would be

violating two of those three principles.

Houghton noted that every dollar the federal government gives to the arts endowments generates \$ 11 in contributions from the private sector. He looks at the federal funding as seed money "for something that really builds people up."

He acknowledged that the NEA has made some errors and that it has funded some objectionable projects. But he said the many worthwhile beneficiaries of NEA funding should not be made to suffer because of those mistakes.

Rural areas in particular benefit from the endowments, Houghton said. For example, the Acting Company of New York performed in Olean, and the London Ballet Theatre came to the Corning area thanks to NEA grants.

Nevertheless, several House Republicans are proposing killing the NEA and its twin agency, the National Endowment for the Humanities, in legislation later this year. The endowments' chances are so bad that one of their longtime patrons, Rep. Steve Gunderson, R- Wis., is trying to devise a way to wean them off federal funding over several years rather than killing them outright.

The Corporation for Public Broadcasting's federal funding is endangered as well -- even though members of Congress such as Houghton are getting hundreds of letters a week in favor of public broadcasting.

The proposal to kill the Office of Technology Assessment has not prompted that sort of an outcry. But Houghton, who has been on the office's board for years, stressed that it is important in its own way. Without the agency's research, he said, Congress will know far less about the impact its legislation will have on the economy.

In defending agencies such as the Office of Technology Assessment, Houghton is one of a handful of Republicans to stray from the party line early in the new Congress.

Rep. Sherwood L. Boehlert, a Republican from Utica, testified on behalf of public broadcasting and fought his party's attempt to weaken environmental regulations. And Quinn, while not taking the lead on any issues, voted against several GOP crime initiatives.

Boehlert said he has experienced no repercussions.

"I've heard (House Speaker) Newt Gingrich say he'd rather hear two Republicans debate an idea than two Democrats," he said. "The diversity of ideas is good for us."

Houghton, in contrast, said the House leadership has leaned on him on occasion to change his vote, which he has sometimes done. For example, Houghton voted for the proposed revival of a "Star Wars" missile defense system.

"I sort of held my nose on that one and some others," Houghton said.

By placating the leadership now, Republican moderates hope they will have greater clout when it will matter most: when Congress writes the new federal budget.

Joseph White, a budget expert at the Brookings Institution think tank in Washington, predicted that Republican moderates could well force their colleagues to accept less draconian budget cuts.

"By doing what he's doing on the arts funding, Houghton makes it easier for the Democrats and for the president to try to save it," White said. "Meanwhile, he can create some doubts within his own party."

GRAPHIC: Amory Houghton Jr.; R-Corning

LANGUAGE: ENGLISH

LOAD-DATE-MDC: March 6, 1995

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March 1, 1995, Wednesday, City Edition

SECTION: NEWS; Pg. 1

LENGTH: 840 words

HEADLINE: MASIELLO OUTRAGED AT CUTS;
CITY FACES LOSS OF \$ 5.5 MILLION

BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Federal budget cuts could cost Buffalo \$ 1.8 million in Community Development Block Grants and \$ 3.75 million in aid to remove lead-based paint from city homes, Mayor Masiello said Tuesday.

In a telephone interview, Masiello said he was outraged at those and other cuts made last week by various House subcommittees. He said cities should begin an organized fight to keep those funds, and he added that he would be willing to lead the effort.

"This assault on cities has got to stop," Masiello said. "There's got to be an orchestrated, in-depth plan to confront Washington about this before it's too late."

Masiello complained that no such effort had been started. "I would love to lead it, but we're battling on all fronts now," said the mayor, who called from Albany, where he is fighting to save state aid for Buffalo.

Victor Ashe, mayor of Knoxville, Tenn., and president of the U.S. Conference of Mayors, has sent a memo to other mayors detailing the spending cuts, but he largely concentrated his effort on saving summer youth jobs rather than on the full range of cuts proposed in the House.

Masiello said he received word of the further cuts from the U.S. Department of Housing and Urban Development, which operates the block-grant and lead-paint programs.

Jack Flynn, a HUD spokesman, said the House Appropriations subcommittee that oversees the agency is seeking a 7 percent reduction in funds for the block grant program. That would cut Buffalo's funding for the program by \$ 1.8 million, to \$ 21 million.

Masiello said that move would force him to work with the Common Council to decide whether to trim the city's home ownership program or other community-development efforts.

Meanwhile, the lead-based paint program -- which the city plans to utilize to remove the dangerous paint from 200 East Side residences -- would be cut by 90 percent nationwide, meaning it's unlikely that Buffalo will be able to get the grant it was awarded last fall.

Those cuts were included in a bill that, if approved, would trim \$ 7 billion from HUD's current year spending. That bill is part of a \$ 17.5 billion package of current-year budget cuts being pushed by the House Republican majority.

Masiello said it appears that the Republicans are specifically targeting cities for budget cuts.

"All the things they're cutting were put in place to help the urban areas," he said. "You don't see corresponding cuts in programs for rural or suburban areas."

Quin Hillyer, spokesman for House Appropriations Committee Chairman Robert Livingston, R-La., disagreed.

"It's just not true that we're just cutting aid to cities," he said, noting the package also includes reductions in aid for rural hospitals and economic development projects.

In addition, the budget cuts would eliminate heating assistance for the poor and 2,800 summer youth jobs in Buffalo. The Buffalo Municipal Housing Authority is targeted for \$ 5.7 million in cuts that could force the closing of some Buffalo housing projects.

Michael K. Clarke, executive director of the Housing Authority, said last week the authority "could never survive" such cuts.

At the same time, the House panels did not cut \$ 1.5 million in federal funding to renovate Central Terminal -- even though city officials are no longer interested in that project and even though it was recently listed as useless pork in the Citizens for Government Waste's "pig book."

That project was included in the spending plan by Sen. Daniel Patrick Moynihan, D-N.Y., who has since disavowed it. Hillyer said the House Appropriations subcommittees steered clear of cutting such pet congressional projects for fear that those cuts would make it difficult to round up the votes needed to pass the overall spending reductions.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: March 3, 1995

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February 11, 1995, Saturday, Final Edition

SECTION: NEWS; Pg. 1

LENGTH: 1107 words

HEADLINE: PRISON AID RAISED BY \$ 2.5 BILLION;
NEW YORKERS FEAR STATE MAY LOSE OUT

BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

BODY:

The House on Friday approved a bill expanding funding for state prisons by about \$ 2.5 billion, but New York representatives complained the legislation might actually cost the Empire State \$ 300 million in federal funds.

That's the amount of prison construction money due the state under the crime

bill passed by Congress last year, which the new Republican majority in the House is trying to undo.

New York could lose that money because its overcrowded prison system can't meet the new bill's requirement that violent felons serve 85 percent of their sentences, said Rep. Charles E. Schumer of Brooklyn, top Democrat on the House Crime subcommittee.

Republicans countered by saying that the new prison bill would goad states such as New York into doing what they should do: guaranteeing that their violent felons stay behind bars.

"We would be very foolish to just say go and build more prisons if 5 to 7 percent of the hardened criminals go in and out, in and out, in and out," said Rep. Henry J. Hyde, the Illinois Republican who heads the House Judiciary Committee.

The new bill received the strong backing of Gov. Pataki, who said during a Buffalo visit Friday that it addresses "precisely what we have been proposing for New York State."

He said he believes the state will meet the federal measure's sentencing requirements and will qualify for federal funds for prison renovation, operation and construction.

"More importantly, in addition to the hundreds of millions in federal funds it would make available, we will make the streets of this state safer by keeping violent felons in jail," he said. "That's what the proposal is all about."

The governor said he continues to support measures that would make more prison space available by seeking alternative punishment for some drug offenders.

"We're proposing to take another look at the deterrent drug sentencing laws that would provide discretion to the judges in certain cases where an alternative form of punishment -- and I want to stress punishment -- is appropriate," he said.

He said about one in four drug offenders might qualify for alternative forms of punishment.

The prison funding bill, which passed the House 265 to 156, still faces high hurdles in the Senate and at the White House.

Several times this week, President Clinton hinted at a possible veto while defending the crime bill passed last year.

On Friday, he said: "We don't believe it should be changed in ways that can weaken our commitment to putting 100,000 police officers on the street."

That's exactly what the Republican crime package would do. Under a series of crime bills that the House is now considering, prison spending would get a \$ 2.5 billion boost -- to a total of \$ 10.5 billion -- at the expense of police hiring and prevention programs funded in last year's crime bill.

Next week, the House will take up the other half of that equation: a bill cutting that police and prevention funding and replacing it with a \$ 10 billion block grant program that local officials could use to fight crime in practically any way they imagine.

While lauding the flexibility of the block-grant concept, opponents of the Republican crime package said it would wreck a bill that's already working.

Under the GOP-prisons bill, half the federal prison funding would be subject

to the "truth in sentencing" provision that would require violent felons to serve 85 percent of their terms. The other half would be subject to a requirement that states hike the number of violent felons sent to prison and the average amount of time held there.

Schumer and Attorney General Janet Reno both said the Republican bill attaches so many strings to federal prison funding that no states could qualify.

"Shouldn't this money go to officers on the beat rather than just sitting there?" Schumer asked.

Erie County District Attorney Kevin Dillon said the bill would give some impetus to Pataki's proposal to reduce sentences for low-level drug crimes to free more prison space for violent criminals. Currently, some violent felons get set free early because the state's prisons are running at 115 percent of capacity.

Buffalo's two congressmen both voted against the prison funding bill, but for different reasons.

"Last year when we did the crime bill, it struck a good balance" in funding for prisons, police and prevention, said Rep. Jack F. Quinn, R-Hamburg, one of only 20 House Republicans to oppose this year's prison measure. "This bill would upset that balance."

Rep. John J. LaFalce, D-Town of Tonawanda, said states already have the borrowing power to fund prison construction, meaning there's no reason for the fiscally strapped federal government to get involved.

But Rep. Bill Paxon, R-Amherst, and Rep. Amory Houghton Jr., R-Corning, voted for the GOP initiative.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 12, 1995

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February 11, 1995, Saturday, Final Edition

SECTION: NEWS; Pg. 1

LENGTH: 1107 words

HEADLINE: PRISON AID RAISED BY \$ 2.5 BILLION;
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BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

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LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 12, 1995

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February 8, 1995, Wednesday, Central Edition

SECTION: LOCAL; Pg. 5

LENGTH: 574 words

HEADLINE: U.S. TO FUND 27 NEW POLICE OFFICERS;
MONEY WILL PAY 75% OF HIRING COSTS FOR 23 WNY MUNICIPALITIES

BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Small cities, towns and villages in Western New York will be able to hire 27 additional police officers as a result of grants announced today at the White House.

In Chautauqua County, the City of Jamestown will receive money to hire two officers, and funds for one officer will go to Dunkirk, Lakewood and Silver Creek.

In Cattaraugus County, money to hire one officer will go to the Sheriff's Department, the Cattaraugus village police and the cities of Olean and Salamanca. Grants to hire one officer will go to Albion in Orleans County, Batavia in Genesee County and Friendship and Wellsville in Allegany County.

Fourteen officers will be added in Erie and Niagara counties under the community policing grant program included in last year's crime bill. The City of North Tonawanda and the towns of West Seneca and Hamburg each will be able to add two police officers. The City of Tonawanda, the Town of Lancaster and the villages

of Lancaster, Hamburg, East Aurora, Brant, Angola and Lewiston will each get one new officer.

Several local police chiefs attended the grant announcement ceremony in the Old Executive Office Building today. East Aurora Police Chief William Nye appeared on stage with President Clinton.

Nye said his department will use the grant to hire another detective who can deal with a backlog of burglary and narcotics investigations.

"It will be a big help for us," Nye said. "For small police departments, this is the first crime bill that has ever helped us."

Not all small-town police chiefs are so thrilled with the grant. The Village of Lancaster applied for the award, but village trustees will have to decide whether to accept it, said Police Chief Gary F. Stoldt.

"The thing is, it sounds great but it's not free," Stoldt said, noting that the federal grants expire after three years, leaving individual departments to pay for or discharge the new officers. "I don't think it's fair to hire an officer for three years and then have to let him go. You just get him broken in, and he's gone."

The U.S. Department of Justice said it will award up to \$ 165 million in police funds in this latest round of community-policing grants.

The latest grants are targeted at communities with fewer than 50,000 residents. Each community can receive up to \$ 75,000, which will cover up to 75 percent of the cost of hiring the new officers.

Reps. Jack F. Quinn, R-Hamburg, John J. LaFalce, D-Town of Tonawanda, and Amory Houghton Jr., R-Corning, announced the police grants.

"This demonstrates the success of last year's crime bill in getting new officers walking the beat in small towns all across America," LaFalce said.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 10, 1995

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January 26, 1995, Thursday, City Edition

SECTION: NEWS; Pg. 1

LENGTH: 960 words

HEADLINE: MASIELLO CONFRONTS GOP'S 'CONTRACT';
VISITS D.C. WITH WISH LIST IN HAND

BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Mayor Masiello came to the capital Wednesday with an updated wish list of aid for Buffalo, but local representatives said that, because of the Republican takeover of Congress, a lot of those wishes probably will never come true.

In two days of meetings that began Wednesday, Masiello laid out a list of top federal priorities for the city in 1995. They include:

Passage of a provision that would allow Buffalo to shift \$ 20 million in funds for use on infrastructure at the Crossroads Arena and Inner Harbor development. The money had been set aside for use on a bridge or tunnel at the Buffalo River.

Funding for a series of other urban projects, including the Main-LaSalle commercial and residential development and the re-engineering of Thruway access on the East Side and at Porter Avenue.

Preservation of crime-bill money for the city, including a new grant that would allow the city to hire 20 civilians to free a similar number of police officers from desk jobs.

In total, the 25-page agenda for Buffalo lists 45 federal grants that the city will apply for between this month and March 1996. It does not, however, indicate how much money those grants could bring to Buffalo.

Asked about the possibility of getting more money in light of the Republican promises to drastically cut federal spending, Masiello said: "I'm always more of an optimist than a pessimist."

Buffalo's two congressmen, who met with Masiello on Wednesday, praised the mayor's efforts but said he should be realistic.

"We're looking at a long list of needs, and we have to prioritize them," said Rep. Jack F. Quinn, R-Hamburg. "Soon we're going to have to make some tough decisions. . . . There's not enough money to go around."

Rep. John J. LaFalce, D-Town of Tonawanda, said the city has a good chance of getting grants from federal funds that have already been set aside but will have a tougher time with programs that face congressional scrutiny this year. "Anybody who comes to Washington with a wish list that includes a lot of ornaments on the tree is going to be disappointed," LaFalce said.

Masiello is right, though, to seek all sorts of federal funding, LaFalce said. "They're very, very aggressive, and that's exactly the way they should be," he said.

Masiello said he had reasons to be optimistic:

Quinn is on the House Transportation and Infrastructure Committee, which helps set the nation's transportation spending priorities.

LaFalce and the state's two senators have a great deal of seniority that could benefit Buffalo when spending decisions are made.

Quinn said he will do whatever he can to ensure that Masiello gets what he wants from Washington. Topping that list, he said, was the provision to use existing federal funds on the Crossroads and Inner Harbor projects.

Masiello billed that transfer as a way to get federal dollars working on projects that are actually happening, rather than allowing the cash to sit until planners decide whether to build a bridge or a tunnel at the Buffalo River.

The mayor said the city has a strong case in asking for federal funding for the new neighborhood it hopes to create at Main and LaSalle streets, along with several other local projects, including renovations of Shea's Buffalo Center for the Performing Arts and the Darwin Martin House.

"We feel as if we have in place an economic-development strategy that will put people to work," he said. "We just want some help in funding it."

Masiello said he was concerned, though, that Buffalo might not get the money it needs from the federal crime bill passed last year.

In addition to applying for a grant to hire civilian employees to free police officers to patrol the streets, the city is seeking money for two "community schools" that would provide after-school activities to children through the eighth grade, and aid for stemming gang violence.

Such social programs -- which Republicans target in their "Contract With America" -- are essential, Masiello said. "You can't solve the problem with just prisons and cops," he said.

Quinn, who signed the "Contract With America," agreed, saying he would fight any attempt to write a new crime bill. "The burden is on those of us who supported the crime bill to go out and prove that things are working," Quinn said.

While the "Contract With America" is dominating debate in the House, it rates only brief mention in Masiello's agenda. There, he notes that cuts in job training, economic development and programs for the poor proposed in the "Contract" would be counterproductive for cities.

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LOAD-DATE-MDC: January 29, 1995

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January 5, 1995, Thursday, City Edition

SECTION: NEWS; Pg. 8

LENGTH: 654 words

HEADLINE: WNY HOUSE DELEGATION IS UNANIMOUS IN SUPPORT OF GOP-SPONSORED REFORMS

BYLINE: By JERRY ZREMSKI, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Western New York's representatives -- including the lone Democrat -- overwhelmingly supported most of the congressional reforms put forth by the new Republican House majority Wednesday.

Three of Western New York's four representatives are Republicans, so it's no surprise that they would support the reforms. The Republican proposals cut congressional staffing by a third, eliminate several committees and require that civil rights laws apply to Congress along with the rest of the country.

"A lot of this is no-brainer stuff that the people want," said Rep. Amory Houghton Jr., R-Corning.

Even Rep. John J. LaFalce, D-Town of Tonawanda, supported most of the GOP proposals, saying: "Most of their procedural changes are sound."

At the same time, though, LaFalce attacked Republicans for some of their actions.

For one thing, LaFalce said he was co-sponsoring a bill that would prohibit members of Congress from receiving book royalties, such as those that Speaker Newt Gingrich, R-Ga., will receive for his book on politics.

LaFalce also complained that the Republican majority was adopting its changes under a "gag rule" that prevented Democrats from proposing amendments to them.

And he said the Republicans were violating the Constitution by moving to require a three-fifths majority to increase income taxes. He said the move would increase the tax burden on the poor and middle class because less progressive taxes could be raised more easily than the income tax.

"They're striking a dagger at the heart of the Constitution and the principle of democracy," which calls for simple majority rule, LaFalce said. "It's early, but I would say that a number of us will be banding together to take this to court."

Houghton said he wasn't concerned about the three-fifths rule. "It's meaningless," he said. "We can always change it back with a 51 percent vote."

Rep. Jack F. Quinn, R-Hamburg, defended the three-fifths rule.

"The courts will decide whether it's constitutional," Quinn said. "All I know is that whenever I go back home, what I hear is: taxes, taxes, taxes."

Quinn noted that many of the rules changes that were included in the Republican package also were included in his own 1992 campaign platform.

He said two rules changes stood out as the most important: the one making the laws of the land apply to the House, too, and the "Truth in Budgeting Act," which requires federal agencies to justify all their spending each year, rather than basing their budgets on the previous year's spending plan.

Houghton said he hoped the Republican majority could forge a leaner and smarter government, but said there's no guarantee that the GOP will be able to do that.

Mentioning a media firestorm over Gingrich's alleged use of the word "bitch" to describe Hillary Rodham Clinton, Houghton said: "Isn't that awful? Isn't that the worst? I just hope that things like that don't distract us."

Houghton said he worried about Gingrich's penchant for controversy.

"It bothers a lot of people, and I think it bothers him," he said, noting that Gingrich has vowed to cool his rhetoric now that he's become speaker.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 13, 1995

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March 13, 1995, Monday, City Edition

SECTION: VIEWPOINTS; Pg. 3

LENGTH: 1067 words

HEADLINE: MASIELLO'S ADVICE TO CLINTON: VETO GOP JOB-CUTS PLAN

BYLINE: Douglas Turner, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Like Shakespeare's Marc Antony, Buffalo's Mayor Anthony Masiello is a

plainblunt man. Masiello was called upon by the Clinton administration to play power pussy the other day.

He wouldn't play.

Labor Secretary Robert Reich had asked Masiello and about 20 other mayors to join in a conference call to lament the Republican legislation to kill 1 million summer youth jobs.

The money was provided by last year's Democratic Congress. Since then, cities have been laying plans for \$ 1.7 billion worth of inner city jobs. Undaunted, the full GOP House will vote to kill the program in the next couple of weeks.

Reporters were invited to listen in and report on this staged moaning and groaning. A practical man, Masiello went along, naturally; but just for a pace or two. Masiello had to do more with the encounter. Unlike Reich and other administration glitterati, Masiello is feeling a lot of local heat, anger and anxiety about the budget cuts that are in the works here and in Albany.

So he asked the Cabinet secretary why won't the president threaten to veto this bill. "What is in the mind of the president?" Masiello asked.

A very good question. One which a lot of Democrats are asking these days.

Reich simply choked.

The mayor knows the veto threat is important in the House. As a veteran of the New York State Senate wars, he can count votes. He knows that the cities are outgunned in the U.S. House of Representatives as a result of the 1992 reapportionment and last November's Republican congressional victories.

The big city majorities of the '60s and '70s in the House are gone and are not coming back. But the city votes can block an override of a veto by Clinton.

People are frightened in the cities.

They worry about not having enough money to crank up the furnace; not having food stamps with which to buy groceries. They worry about being thrown out of their publicly-assisted housing.

They stress out because of reckless political rhetoric from the left as well as the right.

Slipshod reporting by some in the mainstream media is also taking its toll. Some reporters write that Republicans are trying reduce current appropriations for food stamps. The GOP is actually trying to reduce the future growth in this type of spending.

People back home also have legitimate fears for the continuation of state and federal support programs on which they depended for decades. One of these is Low Income Home Energy Assistance, which the GOP wants to kill outright.

Saying this neither condemns Republicans for wanting to slash and burn the waste of the welfare state, nor questions the sincerity of those who want to preserve it.

No one wanted it to happen, but Great Society giveaways wrought widespread moral, economic and strategic destruction. They also produced a lot of unproductive Democratic Party patronage.

The issue now should not be whether to reduce the growth of welfare-related spending, but how to do it and when to do it.

There are some angry junkyard dog conservatives who want to chew it up all at once. If they get their way, a lot of people who innocently built their lives around these giveaways are going to be seriously and permanently hurt. Some may get sick, others might die.

If the president really feels their pain, he's got to do something more than pray that the Senate will stop the GOP House legislation. To live out his constitutional role, Clinton has to do more than have photo-op lunches with school children.

His power to veto requires Congress to work harder to pass controversial legislation. The power is there to protect people, to require that Congress bargain with the White House, to ensure that the rough edges are taken out of ground-breaking bills.

The goal ought to be a responsible and orderly transition from the stagnant welfare state to an opportunity-based urban community. The president ought to be part of that equation. And he's not. Clinton seems to be waiting for the Senate, biased journalists and school children to do his job for him.

Wanting it both ways is nothing new in politics. The president wants his rhetoric to discourage a Democratic presidential primary challenge from the left. But he also wants to position himself for the general election as a new Democrat who can work with House Speaker Newt Gingrich, R-Ga.

A lot of Democrats are wondering if the president isn't carrying this too far.

One of these is Sen. Daniel Patrick Moynihan, D-N.Y., a moderate Democrat who is deeply distressed the president won't put his foot down on Republican plans to repeal the 60-year-old program guaranteeing federal assistance to poor children.

Moynihan has demonstrated his uniqueness by being the only Democratic leader to call the White House on it.

Masiello said the other day he wants the mayors to march on Washington. The destination of that march ought to be the White House.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: March 15, 1995

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Copyright 1995 The Buffalo News
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February 23, 1995, Thursday, City Edition

SECTION: NEWS; Pg. 5

LENGTH: 747 words

HEADLINE: REVISED PLAN SPURS LAFALCE TO SEEK END TO NOTION OF BORDER FEES

BYLINE: By DOUGLAS TURNER, News Washington Bureau Chief

DATELINE: WASHINGTON

BODY:

Rep. John J. LaFalce is looking for a wooden stake to drive through the heart of a proposal to charge fees for walking or driving across the border into this country.

"We've taken care of your problem, John," President Clinton reportedly told the Tonawanda Democrat on Wednesday morning when he met in the Capital with the

congressional minority.

The plan looked dead after the president quietly walked away from it over the weekend. LaFalce and other members of both parties strongly objected to the tax, as did the governments of Canada and Mexico.

But almost as soon as LaFalce returned to his office Wednesday afternoon he received a letter from Alice Rivlin, director of the Office of Management and Budget, reviving and revising the plan. Rivlin reports directly to Clinton.

"The president," she wrote, "has decided, with your concerns in mind, that a 'local option' would enhance the effectiveness of a border fee, targeting resources where they are most needed and more desired."

LaFalce wrote the president nearly two weeks ago, objecting to the fee as an unfair tax, a source of delays for border traffic and a concept that repudiated the spirit of the North American Free Trade Agreement.

Rivlin told LaFalce states and localities could choose between two options: A fee, along with fewer border crossing delays and more hours of operation at land ports of entry.

No fee and, therefore, no major land-port improvements to speed the flow of traffic or extend hours of operations.

"This fee would mirror the fees that individuals pay to enter the U.S. at airports and seaports," she said. Those travelers pay \$ 6.50 each. Truckers now pay \$ 5.

Apparently, the Office of Management and Budget is unaware that border-crossing points along the Niagara River operate around-the-clock and that the federal government has virtually no role in paying for traffic improvements on the bridges, which are all owned by state government commissions.

Rivlin's proposed 1996 budget foresees raising \$ 400 million from the fee. If the president formally withdraws it, the law requires him to find another source of revenue or cut the budget by an equivalent amount. This could mean wiping out a plan to send dozens more agents to patrol the Mexican border.

The Canadian Embassy, which launched an unusual open campaign against the fee in Congress earlier this month, began another poll of House and Senate members Wednesday afternoon to gauge support for the revised plan.

An embassy official who spoke on condition of anonymity said Canadian Prime Minister Jean Chretien may now raise the subject when he meets in Ottawa with Clinton today and Friday. Chretien had planned to take the subject off the table, the official said.

LaFalce fired off a new letter to the president.

"I hope you will kill the border-fee idea once and for all," he said.

Ms. Rivlin's plan, LaFalce said, would effectively punish those localities electing not to impose the fees by denying them federal resources.

"It is therefore a punitive and coercive attempt to force a difficult decision onto states and localities when that decision more properly belongs at the federal level," he said. ". . . That stands federalism on its head."

Her letter, he said, "is silent about how decisions would be made."

Rep. Jack Quinn, R-Hamburg, likes the new Rivlin plan. He issued a press release saying it would "target resources where they are most needed and most

desired."

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 25, 1995

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February 20, 1995, Monday, City Edition

SECTION: VIEWPOINTS; Pg. 3

LENGTH: 1040 words

HEADLINE: PUBLIC BROADCASTING PULLS OUT ALL STOPS IN FIGHT TO KEEP U.S. AID

BYLINE: Douglas Turner, News Washington Bureau

DATELINE: WASHINGTON

BODY:

Among the saddest spectacles here these days is seeing journalists, authors and demi-journalists shilling for more taxpayer money for the Corporation for Public Broadcasting and the National Endowment for the Arts.

Briton David Frost, who gained fame interviewing Richard Nixon two decades ago, used a speech at the National Press Club to whine about the calamitous cultural loss the nation will suffer if Congress dares to touch funding for CPB, and its cash-rich constituent stations.

After he finished this polemic, the club's president, Bud Karmin, asked Frost whether CPB should be made subject to the Freedom of Information Act just like other government-funded agencies.

"I really don't know," Frost said quickly, reverting to his polite foreigner pose. "What do you think?"

Karmin, a journalist, said CPB should show its books to the public.

David McCullough, who penned the brilliant biography of President Truman and narrates lots of government-funded programs on public broadcasting outlets, was on Capitol Hill pleading for NEA money. Appearing with him was Ken Burns, producer of the "Civil War" and baseball documentaries.

They muttered something about their not being directly funded by the government, but both men -- together with Frost, and all feature performers on PBS stations -- have become prominent and wealthy many times over as a result of the fees, royalties and exposure they've received, and side deals they've arranged.

These self-interested pleadings or the campaign local public broadcasting stations have taken to bend the ears of members of Congress are not working.

One such example, sent to me by a reader, is a four-page letter mailed out to viewer members of WNED by its boss, J. Michael Collins. Collins praised the support of CPB funding by Rep. John J. LaFalce, D-Tonawanda, and thanked Rep. Amory Houghton Jr., R-Corning, for his promise of funding support.

On the back of the slinger are the local and Washington telephone numbers and office addresses of not only the "good guys," LaFalce and Houghton, but the putative "bad guys," Republicans Bill Paxon of Amherst and Jack Quinn of Hamburg.

Collins also lists the office address of House Speaker Newt Gingrich, R-

Georgia.

Cutting federal funds, which amount of 11 percent of WNED's budget, would mean they would "have to consider" ending "Sesame Street," "Barney," "Mister Rogers Neighborhood," daily instructional TV service (which I thought was paid for by local school districts), "all broadcasting on WNED-AM and Ch 23" . . . and "cutting out all local TV production," Collins asserted.

Referring to unnamed villains in Congress, Collins said "they're . . . threatening what you and your family enjoys most."

"Please write to your member of Congress to express your views," Collins said, adding that they can call the representative's local office, and send a copy to Gingrich.

The reader who sent us this letter also mailed along a copy of the 1994 appropriations law that made \$ 900,000-plus available to WNED.

Section 504 (a) says "no part of any appropriation shall be used . . . for publicity or propaganda purposes . . . to support or defeat legislation pending before Congress. . . ."

Collins responded, "We haven't used any federal funds. Half the cost was paid through the mailing itself, people making contributions to defray costs. The other half was paid by normal member funds."

The White House budget office has ruled that when PBS stations spend funds in this way, the money can be presumed to be non-federal and not covered by the restrictions in the law, Collins said.

"And there is no legislation pending before Congress. There's been a lot of talk but no legislation."

"I also think the American people have a right to be heard," Collins said. "At this point that's happening. It's interesting that none of this was part of the Contract with America."

"No elected member ran on the basis of defunding public television," Collins said.

Public stations in the district represented by Rep. Bill Livingston, R-La., chairman of the House Appropriations Committee, subjected him to a withering barrage last month for talking about CPB budget cuts. Livingston complained bitterly.

One public television executive who spoke on condition of anonymity was anything but contrite about the campaign stations waged on Livingston.

"I think it's extremely arrogant for a congressman to tell constituents they can't write to him about a government issue," said the TV executive.

On Wednesday, Rep. Livingston gets his turn. Sources say an appropriations subcommittee will cut upwards of 30 percent from CPB's 1996 appropriation.

And Gingrich told an audience at a Republican Club on Thursday that CPB funding for 1997 and later will be zeroed out.

"I will not recognize any proposal that will appropriate money for the CPB," Gingrich was quoted as saying.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 22, 1995

February 17, 1995, Friday, City Edition

SECTION: NEWS; Pg. 1

LENGTH: 814 words

HEADLINE: GOP'S WELFARE PLAN IS COSTLIEST TO NEW YORK;
STATE WOULD BEAR 25 PERCENT OF \$ 17.9 BILLION PRICE TAG, DEMOCRATIC STUDY SAYS

BYLINE: By DOUGLAS TURNER, News Washington Bureau Chief

DATELINE: WASHINGTON

BODY:

The Republican welfare bill moving through the House would cost the states \$17.9 billion over five years -- with New York State absorbing 25 percent of the total hit, according to a Democratic Governors Association study released Thursday.

The funding level in the GOP bill is "unacceptable" to New York, said Gov. Pataki's Washington representative.

The governor endorses the principle of turning many programs into block grants, said Wayne Cimon, the Republican governor's spokesman. But the Pataki administration is withholding specific endorsement of the entire package because of funding levels, he said.

Cimon voiced optimism about the bill's being altered eventually to satisfy New York.

"There's a long way to go," he said.

But the governor's concerns about federal money -- reflecting the struggle he is having in Albany with his own welfare plan -- represents the first possible crack in an almost solid Republican wall of support for the sweeping federal welfare revision plan.

If the GOP welfare bill is approved, the states would have to absorb the \$ 17.9 billion in losses or cut off aid to the poor, said House Minority Leader Dick Gephardt, D-Mo.

The bill would deny aid to any child born out of wedlock to a mother under the age of 18. It would cut off all federal funds after five years. States would be given the power to end welfare after two years.

It also would combine about 50 programs into grants to the states, saving \$ 23 billion over five years.

The House Human Resources Subcommittee adopted the measure on Wednesday, and the finishing touches were being put on it Thursday before being submitted to the full Ways and Means Committee.

"New York, Florida and Texas" are going to have problems with the formula, said Brian Webb, a spokesman for California Gov. Pete Wilson, also a Republican. Webb said California is still doing a financial analysis of the legislation adopted by a Ways and Means subcommittee.

"Mr. Cimon may not sufficiently understand the bill," commented a spokesman for the Republican-led Ways and Means Committee, L. Ari Fleischer.

But a Republican staff official for the Ways and Means Committee, speaking on condition of anonymity, said the Democratic chart "is roughly correct."

"This chart represents an excuse by the Democrats," he said, "as they try to spend more dollars on programs the taxpayers believe no longer work."

"You cannot measure compassion by the amount of money spent," he said. "The only people affected by these cuts are program bureaucrats." After New York, the state with the next largest losses is California, with \$ 3.2 billion over five years. No other state would lose more than \$ 1 billion. Florida's losses would be \$ 714 million, and Texas would lose \$ 569 million.

The formula is: A state gets the same share of the national total it got in 1991, 1992 and 1993. That share is applied to the 1994 dollar amount, and perpetually frozen. The Democratic study assumes that welfare spending will escalate as it has in the past.

So far, the Pataki administration has not advised New York's two Ways and Means Committee members on how to vote. The members are Rep. Amory Houghton Jr., R-Corning, and Rep. Charles B. Rangel, D-Manhattan.

"This is a badly flawed bill. It would have us swap one set of mandates, liberal soft-headed mandates, for another set of Republican hard-hearted mandates," Delaware Gov. Tom Carper, a Democrat, said at a press conference.

Rep. Mac Collins, R-Ga., implied that Democrats had perpetuated the welfare system to guarantee political support from low-income Americans.

"We have a current welfare system that has made a portion of our population dependent on the federal government and that dependency has been very rewarding to the Democratic party for some quite time," Collins said.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 19, 1995

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February 7, 1995, Tuesday, City Edition

SECTION: NEWS; Pg. 5

LENGTH: 814 words

HEADLINE: PROMISE OF INCREASES FOR STATE TEMPERED BY LIKELIHOOD OF CUTS

BYLINE: By DOUGLAS TURNER, News Washington Bureau Chief

DATELINE: WASHINGTON

BODY:

New York State's urban communities escaped the worst of the reaper's blade in President Clinton's proposed 1996 budget, leaving it to the Republican Congress to severely cut or eliminate a wide range of Great Society programs.

"This budget plan represents the high water mark in federal aid to New York State," said attorney Brad C. Johnson, the director of the state's office here for a dozen years.

The Democratic spending plan asked Congress to make a massive \$ 174 million-a-year increase in federal aid for foster care, and lesser but significant increases

March 7, 1995

**SIGNING OF THE EXECUTIVE ORDER PROHIBITING PERMANENT
REPLACEMENT OF STRIKING WORKERS**

Date: March 8, 1995
Time: 9:45 - 10:00 AM
Location: Oval Office
From: Gene Sperling
Stephen B. Silverman

I. PURPOSE

You will sign the Executive Order titled "Ensuring the Economical and Efficient Administration and Completion of Federal Government Contracts", the Striker Replacement Executive Order.

II. BACKGROUND

After intensive interagency negotiations, coordinated by the NEC, with close cooperation from the Vice President's office and OMB, the Vice President announced this Executive Order in Bal Harbor at the AFL-CIO Executive Committee meeting in February. Today, you sign the order. Negotiations included senior members of the White House staff, the Vice President's office, the White House Counsel's Office, the National Economic Council, the Office of Management and Budget, the Office of Federal Procurement Policy, the Labor Department, the Defense Department, the Council of Economic Advisors, and the National Performance Review.

No issue cuts more deeply with rank and file union members than the issue of striker replacement. The Executive Order implements your longstanding and consistently stated opposition to employers permanently replacing their striking workers. The order would penalize those federal contractors who engage in this practice. You outlined strong opposition to the use of permanent replacements during the 1992 campaign and have repeated that view on numerous occasions over the past two years. Last year, the Senate's effort to follow the House in passing the Workplace Fairness Act was ended by a filibuster led by Senate Republicans.

The Order invokes your authority over government procurement to establish policy with respect to striker replacement by government contractors. The order declares that, to ensure the economical and efficient administration, and completion of federal a contract, it is the

for highway construction and Community Development Block Grants.

Nevertheless, there were still some significant cuts.

What Buffalo and Erie County will gain in more funds for block grants, for example, will be just about matched in losses in operating assistance for the Niagara Frontier Transportation Authority's transit system.

Without explaining why, the president predicted an 8 percent decrease in federal expenses for Medicaid.

New York has the most elaborate Medicaid program in the nation, receiving about 14 percent of all federal funds for the program, with only 7 percent of the country's population.

With the public in a budget-cutting mood, congressional Democrats were sparing in their praise for the budget, while Republicans grumbled Clinton didn't cut deep enough.

The Northeast-Midwest Institute, a non-partisan research group, estimated that the Clinton budget would increase funds for nine categorical grants by about 5 percent. While he cut money for public housing construction, funding for most other housing subsidies were left at their current level.

"The president also hung a little flesh out on the line for negotiating purposes," said another Democrat who spoke on condition of anonymity. He mentioned Clinton proposed funding the Economic Development Administration, and Small Business Administration.

Many Republicans want EDA and SBA eliminated.

Gov. Pataki had no immediate comment on it, signaling the difficulties a Republican governor has in facing up to the reality that he might have to use state funds to compensate for a loss of federal aid.

However, Sen. Alfonse M. D'Amato, R-N.Y., said Clinton made a "start toward spending reductions, but clearly we need to do better." Rep. Bill Paxon, R-Amherst, called the budget "a real disappointment."

Rep. Amory Houghton, R-Corning, called on Clinton to make deeper cuts. However, the executive budget reduces the money for Appalachian Regional Commission highways, which affects Houghton's Southern Tier district, by two-thirds.

Funds for Social Services block grants, and money to help the poor pay their heating bills is nominally the same, but will buy less because of inflation.

Rep. Charles Schumer, D-Brooklyn, said this year's budget battle "will be bloody and New York will be lucky to be standing at the end."

Schumer said allocations for funding the crime bill would double for New York City and trigger big increases for large cities.

Schumer criticized the president's cuts for transit fare subsidies. Clinton however increased the allocation for transit capital construction. Overall, he proposed only a 5 percent cut in mass transit funding for large cities.

Allocations for elementary and secondary education are about the same, when adjusted for inflation, but the president proposed a one-third cut in loans and grants for college students.

The president proposed \$ 929.3 million for highway construction, a 1.7 percent increase; but cut the state's funding for Head Start by 2.2 percent, to \$ 254.6 million, for 1996. Money for vocational and adult literacy would be increased 50

percent to \$ 60.9 million.

GRAPHIC: Buffalo News, Chart-New York's Share Of The Pie

LANGUAGE: ENGLISH

LOAD-DATE-MDC: February 9, 1995

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The Buffalo News

January 22, 1995, Sunday, City Edition

SECTION: PROSPECTUS '95

LENGTH: 1067 words

HEADLINE: REGION'S SUCCESS UNDER GATT;
DEPENDS ON TAXES, REGULATION

BYLINE: By DOUGLAS TURNER, News Washington Bureau Chief

DATELINE: WASHINGTON

BODY:

GATT signals America's embrace of the global economy and the informationage.

Or the General Agreement on Tariffs and Trade means phasing out more high-paying manufacturing jobs and continuing insecurity among low-level white-collar employees.

It could result in both.

But whatever it means, the Republican victories in November's elections ensure that the United States is locked into this 123-nation trade agreement for many years.

How GATT affects the Niagara Frontier depends in part on how quickly the new Republican governor of New York can bring the state's tax rates into line with those of more competitive states and how much he can relax the state's regulatory structure.

New York's per-capita local and state tax burden is the highest in the contiguous 48 states -- and a drag on private investment.

Canada's experience following approval of its free trade agreement with the United States shows what can happen to an economy that maintains high social spending when trade barriers are dropped.

Canada has lost tens of thousands of industrial jobs to low-cost American states since the agreement was approved. Almost all of the Canadian job shifts have leapfrogged New York to the Southeast and border states such as Kentucky and Tennessee.

Only the election of a populist president like Ross Perot, along with a liberal Democratic Congress -- which is a very long shot before the end of this century -- could overturn the approval of GATT by Congress last month.

After Congress approved the plan, which originated in the Republican Bush administration, consumer advocate Ralph Nader, one of GATT's bitterest opponents, wearily predicted the action would lead to creation of a third political party dedicated to combating multinational corporate power.

So far, the only tangible political effect of the congressional action is to alienate segments of the labor union movement from the Clinton administration, which pushed hard for GATT.

The U.S. trade representative, a White House official with the rank of ambassador, said 80 of the 123 proposed members have ratified their membership in the new World Trade Organization, which opened for business in Geneva, Switzerland, on New Year's Day.

The World Trade Organization is a kind of world court on trade. Any member nation can accuse another member of using local taxes, environmental laws, worker health and safety codes, or a host of other regulations as non-tariff trade barriers.

If this court, which operates in secret, agrees with the accuser, then the loser must either abandon the offending procedure or law, or pay a symbolic fine.

Nader, Ross Perot and some unions warn that the court's actions will result in the undermining of federal and state anti-pollution and worker-protection laws. However, Trade Ambassador Mickey Kantor argues that just the opposite will occur.

Kantor notes that the United States has won 80 percent of the complaints it has brought against trade barriers in other nations under the old GATT machinery, but the former organization had no power to enforce its decisions.

Under the World Trade Organization, he says, the cases the United States wins against unfair trade barriers overseas will result in new American manufacturing jobs. Former Treasury Secretary Lloyd Bentsen said GATT will lower tariffs against U.S. exports by more than one-third.

One feature of the new GATT agreement could devastate a mainstay of the New York City industrial economy -- the garment industry. The agreement protecting most yard goods and apparel industries against low-wage foreign competition will be phased out under GATT. This will cost 67,000 New Yorkers their middle-class jobs, according to estimates of the garment workers' union.

The effects could be felt as far west as Buffalo, where roughly 2,400 work in those industries.

Lobbyists for agriculture and the food processing industry said GATT will be a boon to the more than 1 million employed by exporting firms in that sector. This is because the new agreement makes overseas agricultural subsidies vulnerable to unfair-trade suits before the World Trade Organization.

The effect of GATT on upstate New York's dairy industry is uncertain.

Labor and liberal Democrats say the North American Free Trade Agreement with Canada and Mexico is a showcase of the way liberalized trade robs the United States of industrial jobs. While the auto industry claims NAFTA has resulted in massive increases in U.S. auto exports to Mexico, labor charges that exports from Mexico to this country have increased five times as much.

The Institute for Policy Studies, a populist think tank in Washington, said more than 30,000 U.S. workers have filed claims for federal aid claiming that NAFTA cost them their jobs.

The Clinton administration responds that these jobs have been going offshore for years and that NAFTA and GATT give the United States a way to regularize the process and combat unfair foreign barriers to our exports.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 26, 1995

January 13, 1995, Friday, City Edition

SECTION: NEWS; Pg. 3

LENGTH: 934 words

HEADLINE: GROUP SAYS GOP PLAN TO COST STATE;
PATAKI STILL STUDYING IMPACT OF 'CONTRACT'

BYLINE: By DOUGLAS TURNER, News Washington Bureau Chief

DATELINE: WASHINGTON

BODY:

The Democratic Governors Association struck back Thursday at the Republican "Contract With America," saying it would cost New York State \$ 11.2 billion a year in lost aid and trigger a state tax increase of 23.8 percent to make up the difference.

The Democrats' figures were released at a hearing on Capitol Hill at which Republican Gov. Pataki endorsed one part of the contract, the balanced-budget amendment.

In a news conference later, however, Pataki declined to endorse the entire contract, saying he had not yet analyzed its potential effects.

The Democrats said the GOP contract, including the balanced-budget amendment, would cost New York \$ 7.5 billion in federal Medicaid funding.

A spokesman for the House Republican Conference, John Czwartacki, said the Democrats' "numbers are literally made up." Czwartacki said the figures were "ginned up" by the Treasury Department under the control of a Democratic president. He called the Democratic governors "embittered defenders of the status quo."

Pataki's meeting with members of the New York State congressional delegation was open.

Pataki told the delegation his Medicaid reforms would save at least \$ 2 billion a year in state and federal funds.

Pataki said he wants the State Legislature to require all those receiving Medicaid to join a health maintenance organization.

A 1991 state law envisions half of the state's Medicaid caseload going into government-paid managed care by the year 2000.

The governor said that Senate Majority Leader Bob Dole, R-Kan., and House Speaker Newt Gingrich, R-Ga., are sympathetic to his proposal that the federal government return to the state a portion of the funds it saves.

"If we can get the federal government to say, 'Look, we'll share 20 percent, 25 percent of that savings as an incentive,' . . . It will give us more support for our changes," he said.

He repeated it in a news conference with Dole standing at his side. Dole nodded in agreement. "We like for people to come to town and tell us how to save money," Dole said.

Rep. Charles Schumer, D-Brooklyn, said that while he understands Pataki can't oppose the contract publicly, he hopes the Republican governor will work quietly with Democrats to shield the state from its harshest effects.

Pataki said he supports the concept of a balanced-budget amendment and giving the states control of welfare funded by federal aid. But he stipulated the condition for his support is that neither proposal cost New York State any money.

Pataki asked the delegation to help him win approval from the U.S. Department of Health and Human Services for his plan to move Medicaid clients into HMOs.

However, he said he wants to study the proposal of Sen. Nancy Kassebaum, R-Kan., that would swap welfare for Medicaid -- that is turn control of welfare back to the states while absorbing 100 percent of the cost of Medicaid.

Pataki said he can't say that he fully supports the contract. "I can't endorse it without making sure we've done a thorough review of what it says," he said.

Vermont Gov. Howard Dean, the Democratic head of the National Governors Association, said Pataki should be worried about the plan's ramifications. Given the budget cuts that will be necessary to fund the contract's tax reductions, New York will lose billions in federal aid, Dean said at the hearing of the House Ways and Means Committee.

"Unless he can save \$ 10 billion, Gov. Pataki has to raise taxes," Dean said. "I don't know if he wants to do that."

After Pataki noted how important it is for welfare recipients to work, Rep. Charles Rangel, D-N.Y., said: "Everybody talks about work, work, work. But when I go home, people talk about jobs, jobs, jobs. In this contract, there are no provisions as to what will happen if there are no jobs . . . Just saying you have to work ain't going to work."

Pataki said the New York economy should bounce back and create more jobs after his administration cuts government spending, taxes and regulation.

He also noted that in a prototype welfare program in Westchester County, which he hopes to copy statewide, people who can't find work in the private sector get community service jobs.

News staff reporter Jerry Zremski contributed to this report.

GRAPHIC: Associated Press, Gov. Pataki, standing, greets Massachusetts Gov. William Weld Thursday on Capitol Hill prior to testimony on the GOP "Contract With America." Vermont Gov. Howard Dean is seated at right.

LANGUAGE: ENGLISH

LOAD-DATE-MDC: January 15, 1995

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

17-Mar-1995 12:14pm

TO: OCONNOR_J

FROM: Lisa.Wager

SUBJECT: cx and addtns

Jen -- 1) There are a lot of typos that spellck missed (my once over also.) "Tens" instead of "Teens" in Summer Jobs, etc. Sorry about that. Do you have a sharp proofreader there?

2) I got HUD's press release on the effects of the rescissions (I also spelled this wrong throughout). I can whack out a para if you want. In fact, let me just do it now. Take what you like...

HUD

If the House's proposed cuts go through, New York City alone estimates a loss of more than \$670 million of housing and development funds and 7,000 units of housing.

AIDS Impact:

\$25.7 million for 584 vouchers for people with AIDS in NYC

\$41.9 million to prov. housing for PWAs in NYC

By county:

NEW YORK CITY

\$231-281 million Rent. Asstnce (Sec.8 & vouchers for homeless fams.)

\$270.7 million in Public Housing

\$ 15.5 million in Community Development

\$750,000 Phys Therapist training prog at Bklyn VA

\$300,000 Fordham U in Bronx, new bld for Reg Ed Tech center

NASSAU

\$2.2 million from Rental Assistance (Section 8 + vouchers)

\$1.1 million from Community Development

\$108,000 Town of Babylon: impr. handicp access at N.Lindenhurst Sr
Center

SUFFOLK

\$617,000 from Rental Assistance

\$294,000 Community Development

WESTCHESTER

\$821,000 from Rental Assistance

\$446,000 from Community Development

\$308,000 from Mount Vernon Rental Assistance

YONKERS

\$609,000 for Rental Assistance
\$311,000 for Community Development

Sorry I don't have anything for upstate in here.

Let me know if if you spot any other holes.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

17-Mar-1995 03:40pm

TO: OCONNOR_J
FROM: Lisa.Wager

SUBJECT: The Paste

L.Wager
New York State Briefing

Snapshot

Economy. While nationally unemployment is down to 5.4%, our state unemployment rate is still near 10%. We've never come out of recession. In addition to this depressed income base, NYC has a school system of 1 million kids in K - 12. Our healthcare costs are exceptionally high and NYC has highest incidences of AIDS and TB in the country.

The New Republicans. Pataki's polls look low, especially for this early in the term. Beating up on blacks and the poor doesn't seem to be playing as well as we feared. His budget cuts are recognizably harsh. Everyone worried seems about grandma and their kids' college tuition.

Ethnicity. While in many other metro areas, issues surrounding the Medicaid, welfare reform, national healthcare, and crime initiatives are viewed from a class perspective, in New York there is a heavy overlay of race consciousness. Many people in the Democratic base, i.e. blacks and Latinos, see these new initiatives as essentially race driven. Since whites slipped below 50% in the last census, everyone in NY is a minority.

Medicaid:

Statewide Poverty Funding formulas. Due to Statewide poverty formulas, NYS pays 50% of Medicaid cost, whereas other states like Arkansas get over 80% reimbursed. NYS kicks 25% down to cities and counties. Costs NYC \$2 billion/yr, this year that's almost the entire City budget gap. After last year's Clinton/Giuliani mtg. there was discussion that the President would consider revising this formula. (Moynihan long pressuring for this.)

Budget Cuts. Pataki proposes cutting \$850 million in Medicaid, will save City \$850 million on City budget, (25% each). Four times that = \$3.4 billion loss for residents. Unions identify big job losses if these budgets go through. Also, several privately-owned hospitals that service a large poor population could close or take a very serious hit: Montefiore in the Bronx, Columbia Presbyterian (where Columbia University runs its medical school) in Washington Heights.

Managed Care. NYC and NYS are moving towards managed care for

Medicaid cases. Uncertainty of national healthcare system means we have less ability to plan for City hospital system. City is experimenting with Communicare clinics, a Mayor Dinkins initiative, to get folks to stop using emergency rooms as primary care physicians. Communicare funding is shared by the City and a not-for-profit corporation.

Preventative Care. Pataki and Giuliani have proposed cutting optional services not Federally mandated. Many people consider these the front line of preventative care.

Love the Governor You're With. In endorsing Cuomo, Giuliani specifically cited Cuomo's commitment to a state takeover of Medicaid costs. Now that he's got Pataki, he's cutting like the 104th Congress. Giuliani has proposed cutting 1.1 billion in City's Welfare and Medicaid funding. (Keep in mind the State and Federal match: This would translate into approximately 3 to 4 times that much.)

Welfare

Home Relief. The NYS proposal is 90 days and out. That's 90 days within any 2 year period. Currently NYS has no time limit for Home Relief. In light of the State's 10% unemployment statistic, this is a grim prospect. The City has recently inaugurated a Workfare program, there are many complaints about it (no jobs, difficult access, etc.) but the consensus is that it's still too new to assess. This program gives independent adults city jobs in parks, street cleaning, etc. Tension: Workfarers doing the work of displaced city workers.

Education

NYS Cuts. \$290 million or 31.5%. SUNY is facing a \$1,600 increase in tuition, closing of 6-8 colleges, teacher layoffs, increase in class size, and a reduction in the # of electives available. (In addition to the core course load, students need electives to graduate. Now they may not be able to get one when they need it and be forced to attend another semester at least part-time.)

NYC Board of Ed (K - 12). NYC has over 1 million students in its school system, and it grows by 20 - 25,000/yr, the equivalent of an entire school district. Giuliani has proposed cutting \$690 million. On 3/15, Pataki advanced \$20 million to avoid teacher layoffs. Perspective: Dinkins cut \$1 billion in 4 years. With this \$690M, Giuliani will have cut \$1 billion in 18 months.

City University of NY. Giuliani's proposed cuts are \$40.6 million. This will eliminate all part-time workers immediately and will start the 1 year notification process for firing tenured faculty.

Death Penalty

After years of being blocked by Gov. Cuomo's veto, the death penalty passed both houses this month and was signed into law by Pataki. It is not retroactive for previous crimes and since, unlike Texas, NYS did not limit appeals, no executions are expected to take place sooner than 7 8 years. Bronx District Attorney Robert Johnson has announced he will not seek the death penalty in any case.

Crime

Good News. Crime is down in city by a higher percentage than the rest of the country. A lot of the credit for this is being given to Police Commissioner Bratton for his Farebeater and Warrant strategy. The new

focus on Quality of Life offenses and beefing up the Warrant Squad has taken a lot of people off the streets. (Complimentary Interface: You catch a lot of warrant violators jumping turnstiles.) Credit is also given to former Mayor Dinkins' Community Anticrime Program, "Safe Streets, Safe Cities". Giuliani has expanded on this program. Tension: The jails are crowded again, and City has no \$\$ to hire more Corrections guards. Corrections unions are warning of volatile situation in jails.

Summer Jobs for Youths

Tough Cuts. The City's unemployment rate for 16-19 year olds is at 29%. NYC is very concerned about the proposed Congressional cutback in summer jobs money for the Summer Youth Employment Program. NYC is counting on that for 32,000 summer jobs, worth @\$35 million. Meanwhile, Giuliani has cut the entire NYC budget allocation of \$2.9 million for Job Opportunities for Youth. (This funds kids who are just above eligibility cut-off for SYEP. JOY provided 3,000 jobs last year. The private sector, through the NYC Partnership, is trying to pick up the slack, hoping to find 20,000 jobs this summer. In a further reflection of the City's fallen fortunes, in 1992 42,000 teens were placed in jobs by the Partnership, that dropped to 36,000 in 1993 and 19,500 in 1994.

Watershed

The NYC water system, which flows from upstate reservoirs, is a gravity system, one of the wonders of the world. This water system not only supplies water to NYC, but to more than a million Westchester and Rockland residents. If NYC can't purchase land surrounding the reservoirs and protect its watershed, it will be required by (unfunded) Fed mandate to build a \$6 billion water filtration system which will triple NYC water taxes by 2007 from \$350/yr to \$1,150. Politics. Major gubernatorial campaign issue: Pataki is from Putnam county where reservoirs are,. He was reported to support developers' aims to buy and develop land surrounding the reservoirs, thereby sticking NYC with a mandated \$6 billion filtration system.

City Budget (due 7/1/95)

Less Money = Less Money. Last year's Wall Street slump was a hard hit on the City budget. Low Christmas bonuses, which the City counts on for income tax, were way down. Sales tax income also slumped for a double whammy.

Hospital Privatization. Giuliani is proposing to sell 3 out of the City's 11 hospitals as part of long-term privatization. Unions estimate the initiative could cost as much as 20,000 jobs in NYC.

City Payroll Cuts. Giuliani has cut 16,000 people from City payroll, and deserves a lot of credit for doing it without a single layoff. He negotiated buyouts with unions; 12m took buyout, other 4 left through attrition.

Tension: Some labor folks think the unions rolled over. Most googoes impressed.

Mass transit:

Good-bye Bus Pass. Giuliani recently cut the entire City allocation of \$113 million used to subsidize reduced or free fares for school kids. (If they can't get to school, they won't miss the lunches...?)

Yankee Stadium

Take Our \$700 Million, Please. Yankee Stadium is in a tough

neighborhood, the South Bronx. Steinbrenner considers the current stadium insufficient and is threatening to move the team to New Jersey. In a negotiation starkly contrasted with the City budget cuts, City Hall has offered \$700 million to rebuild the Stadium and surrounding area (ie ramps) in the South Bronx. Bronx Borough President Fernando Ferrer (Freddie) supports. Controversy. Money: It's a big chunk of the NYC's capitol. Social: It cuts two ways -- lose stadium and economic anchor in depressed area or let Steinbrenner build something walled off from minority neighborhood for predominantly white suburban fans. Third option: City Hall proposes that if it doesn't stay in the Bronx, at least keep it in the city. A number of other locations are mentioned, especially the train yards in Manhattan's west 30s, behind Penn Station. Here enclosed stadium could serve dual purpose as the huge convention center that NYC really doesn't have.

NYS Democratic Party

It's My Party, I Can Cry If I Want To. Nassau, Suffolk, Westchester and NY City are now all run by Republican executives. Also, upstate in former Democratic bastions, all but one or two of the State's largest counties which have county executives, are now run by Republicans.

Affirmative Action

Giuliani has already dismantled Dinkins' goal defining initiatives. It's expected that Pataki will do the same at the State level once he focuses on them.

Empowerment Zone:

Held under the auspices of the David N. Dinkins Leadership Forum at Columbia University and Barnard College, this month's Empowering America's Cities Conference was a smashing success. VP Gore did brilliantly. There was much favorable response to the two days of workshops.

Politics. Significant concern that both the Mayor and the Governor will not honor the written commitment of their predecessors for \$100 million each of matching money. Giuliani is trying to use reinstated money, but is forbidden by the Empowerment bill.

Immigration

30% of New York City is now foreign born, and there are estimates of around 400,000 undocumented aliens, plus 50,000 schoolchildren of undocumented aliens. This is more than we've had at any time in our city since the major European immigration at the turn of the century. NYC policy: City has standing policy to not turn over to INS names of undocumented aliens who come to hospitals, report crimes, or have their kids in school. Giuliani wants INS to do a better job of deporting criminals.

Tension: Moves in Congress to restrict rights of legal aliens will have big resonance here.

Special Elections

East Harlem (El Barrio), State Assembly. Dem. William Del Toro (ex-con, gov't contract swaddled brother of 20 year veteran Angelo Del Toro) lost to Francisco Diaz, Jr. Del Toro had the Democratic line and was backed by 6 out of 8 district leaders and County Leader Denny Farrell. Diaz had the Liberal line and was backed by Rep. Charlie Rangel, Manhattan Boro President Ruth Messinger, and Dennis Rivera's union, 1199. Spin: A triumph for grassroots politics.

Nassau County (Long Island) State Senate. Seat vacated by Ralph Marino when forced out by D'Amato/Pataki. Won by another Republican. No change.

Upstate

Buffalo, Erie County: County Executive primary. 2 term Erie County Exec Dennis Gorsky will face a Democratic primary challenge from David Swarts. The issues seem to mostly revolve around "failed promises." Gorsky has lost shed a lot of labor support to Swartz, who is also boosted by many elected officials from Buffalo and the surrounding smaller cities. Tension: Primary will make a difficult position for Jim Sorrentino, County Chair (Erie).

Buffalo Mayor Massiello has been doing a lot of good leadership around recissions on the weekly conference calls of mayors which are held with press attendance.

Rochester, Monroe County: Special Election for State Senate seat vacated when Pataki appointed John Daly as Comm. of NYDOT, won by another Republican, no change. Dem. candidate John Cole was brother of Paul Cole the Secy/Treas the NY AFLCIO (NYDay 3/22). Lost to Republican.

Rochester Mayor Johnson (African American) has also done good leadership on the conference calls around recission

Schenectady: You Can't Win for Losing.

On the same day that General Motors announced a \$70 million contract with the Metropolitan Transit Authority to build Long Island Rail Road locomotives, expected to create 300 new jobs, General Electric announced it would cut 980 more jobs at its Schenectady steam turbine plant, about 16% of the workforce there, in the next two months. The cuts are part of a worldwide turbine division reduction of 1,950. These latest cuts, on top of the 1,200 the Schenectady division lost in August, bring employment at the steam turbine facility to the lowest level in the 20th century

NYS Tax Cut

Middle Class issue. Fulfilling a campaign promise, Pataki has 4-yr tax cut proposed as part of state budget. The Cut will drop personal income tax rates from a current top of 7.8% to 5.9% over 4 years, a 25% reduction in taxes over 4yrs. This tax cut will cost \$1 billion next year and \$6 billion over 4 years. The \$5 billion deficit the state needs to close next year includes this \$1 billion. Expectation: This shortfall will have to be made up by an increase in property taxes which will hit the middle class.

Democratic State Assembly Speaker Shelly Silver proposed alternative cut which would limit huge increases in property taxes. It has no chance of passing both houses.

State Budget

Labor Issue. State budget is due 4/1. Pataki has threatened to shut down the govt on 4/1 if nothing's passed. 100,000 state employees got layoff notices last week which Pataki can enact or not on 4/1..

Politics: Considered primarily independents, CSEA was neutral in last gubernatorial race. Pataki had considerable support for "winds of change", but this threat is making a lot of bad blood. CUNY cuts are also unpopular.

Dem. posture: Speaker Silver has no reason to rush it. Gov. will get blamed and terrible press if he makes good on his threat..

Facts and Faces

Every major Rep in NYS has endorsed Dole except Giuliani. When asked by star reporter Bob Liff if that meant he wouldn't rule out endorsing the president, he responded: "Are you starting that already?!?"

Latino Vote in '93: Dinkins dropped from 78% in '89 to 60%. Typically 80% of Latinos vote democrat. Giuliani's 40% is a very large number for a Republican. In addition, the abysmal turnout meant numbers were even worse than the percentages indicate

Barbra Streisand is moving to New York.

Miss Gina Petrocelli of Edward R. Murrow High School in Brooklyn and Mr. Aleksandr Leonidovich Khazanov of Stuyvesant High School in Manhattan finished among the top 10 in the Westinghouse Science Talent Search on 3/13.

Irreverent columnist Gail Collins is leaving Newsday for the NYTimes editorial page.

In a Latino "first" last November, Roberto Ramirez won as Bronx Dem. Leader, succeeding George Friedman, who left to become a judge. Ramirez was backed by Bronx Boro Pres. Freddie Ferrer and Friedman. Congressman Jose Serrano jumped in towards the end, representing the black constituency and Larry Seabrook's crowd. Both Jose and Freddie supported Clinton in '92. There is some bad blood between Freddie and Jose, but mostly Jose is considered a Washington guy, while everyone believes Freddie has his eye on the mayoralty in '97. (Ferrer and Ramirez are at 3/22 NYDay.)

Rep. Floyd Flake's (Dem., Queens) name is being floated for Mayor. Sen. D'Amato is floating it. Flake and D'Amato have a good working relationship and D'Amato will revel in bringing down Rudy.



THE WHITE HOUSE

To: Goldberg, Jason

Date: 3-17-95

From: Jason Goldberg

Page 1 of 3

Weekly Review - Look Ahead
Friday, March 17, 1995

This week and next, President Clinton continues to lay out his vision for a better America: creating a **New Economy** that expands opportunity and rewards responsibility; creating a **New Government** that works better and costs less; forging a **New Covenant** that promotes the mainstream values of **opportunity, responsibility and community**. Meanwhile, the new leadership in Congress has failed to produce a budget, but they move ahead in their effort to cut programs that help women and children to pay for tax cuts for the wealthy.

THIS WEEK
March 11 - 17, 1995

New Government. Yesterday, the President announced a set of **Common Sense Regulatory Reforms**, part of his effort to make government work better and cost less:

- o Cuts in paperwork and new flexibility to help business meet environmental and health standards at lower costs.
- o Major reforms in the way we protect the environment and assure safe and effective drugs and medical devices.

"The philosophy that guided these changes is pretty simple: Protect people, not bureaucracy; promote results, not rules; get action, not rhetoric. **Wherever possible, try to embrace common sense.**" President Clinton, 3/16/95.

New Covenant. Educating Our Children for the Future. In a meeting with the PTA, the President reiterated his commitment to give Americans the education they need to compete in today's economy. He also restated his opposition to GOP cuts in education to pay for tax cuts. The GOP has proposed:

- o Cuts in Safe and Drug-Free Schools.
- o Cuts in GOALS 2000, to create world class standards in 4,000 schools.
- o Making student loans more expensive.
- o Dismantling national service.

New Economy. Rebuilding The Economies of Our Cities. Monday, the President spoke to the National League of Cities, where he restated his opposition to GOP efforts to make cuts that hurt the economies of our cities and undermine our efforts to fight crime.

NEXT WEEK
March 17 - 24, 1995

New Covenant. Ending Welfare as We Know It. In his weekly radio address on Saturday, President Clinton will continue his effort to bring personal responsibility to our nation's welfare system; to force any parent who owes child support to pay it. If every deadbeat parent paid the child support they should, 800,000 mothers and children could move off welfare immediately.

New Covenant. Fighting Violent Crime in America's Communities. On Tuesday, the President will take another step to implement the landmark crime bill he fought for successfully last year. The event will underline that the President's crime bill is the strongest ever in its protection for victim's rights; organizations representing police, women, and victims will join the President on Tuesday.

New Government. Building a New State -Federal Partnership. On Wednesday, President Clinton will sign the "Unfunded Mandates Act of 1995" a bipartisan effort to restrict Congress from imposing new mandates without paying for them. This law will build on the President's executive actions to stop mandates and **restore balance to the intergovernmental partnership.**

New Covenant. Defending National Investment in Education. On Thursday, the President will participate in a forum with college newspaper editors from around the country. He will underline the importance to our nation's future of investing in our children's education.

"Cutting education in the time of global economic competition would be like cutting the Pentagon during the Cold War." President Clinton, 3/14/95.

DEMOCRATIC ★ NATIONAL ★ COMMITTEE

Donald L. Fowler
National Chair

Christopher J. Dodd
General Chair

CAMPAIGN DIVISION

PHONE: 202-863-8000 FAX: 202-488-5025

DATE: _____

PLEASE DELIVER TO: Jennifer O'Connor

FAX#: _____

NUMBER OF PAGES FAXED 8 (INCLUDING COVER)

FROM: Jane Thompson

COMMENTS: The political briefing I am still
working on the event briefing. It probably
will not be done until morning.

Please fill out the following information and return this form at the end of the luncheon, or return it to the Democratic National Committee by mail or fax (202-488-5021).

NAME:

MAILING ADDRESS:

DAYTIME PHONE:

EVENING PHONE:

FAX NUMBER:

E-MAIL ADDRESS

Can you commit to getting involved in your community on the issues we have discussed today in any of the following ways? Please check the appropriate items.

☐ Write letters to the Editor (see sample letter to Editor in your packet)

☐ Phone in to radio talk-shows (see radio talk show piece in your packet)

☐ Be a part of the DNC's Speakers Bureau (the DNC will contact you to be a surrogate speaker for events in New York)

☐ Chairman Fowler will in be Buffalo, Albany, and New York City on April 25. We have compiled an extensive invitation list. Do you know of a friend who would be interested in getting involved with the Democratic Party, beginning with a dialogue with the Chairman? Please supply their name, mailing address and phone number.

--- The DNC is embarking upon an intensive training program for campaign staff at all levels. Can you identify activists and/or people interested in working on a campaign who should attend these trainings? Please supply their name, mailing address and phone number.

Do you receive the DNC Morning Briefing? If yes, have you found them helpful?

What other action steps would you suggest? Do you have any additional comments?

BRIEFING

9:00 a.m., Room 450, OEOB

(guests arrive at 8:30 a.m.)

Program:

Herman

Panetta

Rubin

Shalala

(Break: 10:40-11:00)

Cisneros

Dalton, White and Armstrong

confirmation and briefing of presenters:

prior to event

confirmation day of

briefing day of

check room set up - audio, panel tables and chairs

check-in table, nametags, packet distribution

WAVES desk/troubleshooting:

packet assembly

packet distribution

coffee order and set up for break

set up of table and chairs for panel

Linda Moore/Joe Trahern

Joe Trahern

Linda Moore

Donald Dunn

Debbie Fine/OPL

Joe Trahern/Holly Nichols/Donald Dunn

Debbie Fine/OPL

Debbie Fine/OPL

Donald Dunn

Donald Dunn

TOUR

10:30 a.m., White House Residence

gate admittance/troubleshooting

Holly Nichols/OPL rep.

PRESS STAKEOUT

Noon, West Wing drive

confirmation and briefing of participants:

prior to event

day of event

contacting media/press release

assembling and escorting participants to stakeout

Linda Moore/Joe Trahern

Linda Moore/Joe Trahern

Jess Sarmiento

Joe Trahern

LUNCH

12:30 p.m., Ballroom, Mayflower Hotel

Program participants:

Vice President

Herman

Fowler

Dodd

Ickes

confirmation and briefing of presenters:

briefing prior to event

briefing day of

confirmation day of

contact and seat assignment of appointees

room set up - audio, check-in tables, nametags, nameplates

table assignments, head table, table #s, banner

briefing paper to VP's office

Fred Humphries

Fred Humphries

Holly Nichols or Cindy Rotuynno

Lucia Wyman

Cindy Rotunno

Linda Moore

LAWYERS MEETING with Bruce Lindsey

3:30 p.m., Roosevelt Room

invite and confirm attendees

room set up

WAVES admittance desk/troubleshooting

Donald Dunn

Donald Dunn

Donald Dunn

RECEPTION

5:30 p.m., White House Residence

admittance gate/troubleshooting
contact and assignment of appointees and greeters
briefing paper for President and First Lady

Joe Trahern/Holly Nichols/Donald Dunn
Marsha Scott
Linda Moore

PRIVATE DINNER

8:00 p.m., home of Truman and Anita Arnold

briefing paper for President and First Lady

Marsha Scott

February 8, 1995

MEMORANDUM TO MARSHA SCOTT AND KEVIN O'KEEFE

FROM: Linda Moore, Political Affairs

RE: Administration Appointees and Texas Day

Attached is the list of Administration appointees who will receive invitations to Texas Day. I suggest that we call each of them to inform them that they will be receiving an invitation to the event and to suggest that they hold the evening of February 13th free. This group also needs to be informed that we are asking them to help the President "host" the event (social office parlance for working the crowd) and that we therefore have to ask that they not stand in the photo line, do not bring a guest and arrive by 5:30 p.m. to greet our guests as they arrive. You will note that some important agency, DNC and White House staffers have been omitted from this list. They are being called by our office.

Unless noted, all numbers are area code (202).

NOTE: Bob Armstrong and Bill White will be permitted to bring a guest.

Monica Aboud, Energy	586-2302
Sylvia Arce-Garcia, HUD	708-0417
Bob Armstrong, Interior	208-5676
Bert Benavides, HUD	708-1422
Christina Cabral, HHS	619-0257
Norma Cantu, Education	708-5366
Jack Carter, Energy	586-7554
Commissioner Shirley Chater, IRS	410-956-3120
Veronica De La Garza, USDA	720-5035
Pedro Garza, Commerce	482-2000
Grace Garcia	456-7560
Claire Giesen, ONDCP	395-6797
Laura Hartigan, DNC Finance	863-8000
Richard Hernandez, SBA	205-6600
Ed Knight, Treasury	622-2000
Michael Levy, Treasury	622-2000
Ray Martinez, HHS	619-0257
Alan McReynolds	208-6318
Choco Meza, HUD	708-1422
Michael Moore, Energy	586-0822
Commissioner Margaret Richardson, IRS	622-4115
Marcy Sandoval, National Service	606-5000 x 143
Kyle Simpson, Energy	586-5500
Craig Smith, WH	456-2497
Rob Task, Energy	586-6154
William Taylor, Energy	586-5000
Susanna Valdez, WH	456-2930
Terri Walters, Energy	586-1712
Bill White, Energy	586-5000
Frank Wing, HUD	708-1422
Lucia Wyman, Interior	208-7229

February 12, 1995

"TEXAS DAY AT THE WHITE HOUSE" RECEPTION

Date: Monday, February 13, 1995
Location: Photo Line: Diplomatic Reception Room
Remarks: East Room
Time: Photo Line: 6:00 - 7:15 p.m.
Remarks: 7:15 - 7:30 p.m.
From: Linda Moore, Political Affairs

I. PURPOSE

To meet and greet attendees of "Texas Day at the White House." This event will conclude their visit.

II. BACKGROUND

The group's day will begin at 9:00 a.m. with a series of briefings with senior Administration officials moderated by Alexis Herman. Chief of Staff Leon Panetta will brief the group on the Administration's accomplishments and its strategy for the next two years, Secretary Bob Rubin will brief the group on economic issues and Secretary Donna Shalala will brief the group on welfare reform. Following a short break, Secretary Henry Cisneros will brief the group on HUD issues and then moderate a panel discussion with other prominent Texans in the Administration: Secretary of the Navy John Dalton, Deputy Secretary of Energy Bill White and Deputy Secretary of Interior Bob Armstrong.

Following the briefings, the group will attend a luncheon at the Mayflower Hotel hosted by the DNC. There they will hear from Harold Ickes, Democratic Party General Chairman Senator Christopher Dodd (D-CT), DNC Chairman Don Fowler and Vice President Gore.

Texas Political Background. Your and the First Lady's poll numbers in Texas have run consistently and significantly behind your numbers nationwide. This can be attributed to (among other things) the early fight over gays in the military, the proposed BTU tax, health care reform, the ban on assault weapons and the Brady Bill. The group you will be seeing tonight is a supportive one but is also acutely aware that the Administration is not well-liked in Texas. They need to know that we understand that we face a difficult - but not unsurmountable - political challenge there.

Texas Democrats are still reeling from George W. Bush's (R) defeat of then-Governor Ann Richards (D-TX) last November despite her high approval ratings. The Democratic congressional delegation in Texas did not take the beating last year that many states did. The delegation did lose two incumbent Democrats -- Jack Brooks and Bill Sarpalius -- but held onto the two open seats vacated by Jake Pickle and Mike Andrews. (They were succeeded by Lloyd Doggett and Ken Bentsen.)

III. PARTICIPANTS

Approximately 250 community, grassroots, business, political and opinion leaders from the State of Texas and their guests. Several members of the congressional delegation and many prominent Washingtonians with Texas roots will also attend. The social office will provide you with a list. We have also invited a number of prominent Administration appointees from Texas to come and mingle with the crowd, though we have asked that they not participate in the photo line.

IV. PRESS PLAN

Closed press.

V. SEQUENCE OF EVENTS

NOTE: Call time is 5:30 p.m.

- * At 6:00 p.m., You and the First Lady will arrive in the Diplomatic Reception Room to begin the photo line.
- * Upon conclusion of the photo line, you and the First Lady will proceed to the Green Room via the elevator.
- * You and the First Lady will be announced into the East Room.
- * The First Lady will welcome the guests and introduce you.
- * You will make brief remarks.
- * You and the First Lady will depart.

VI. REMARKS

Talking points are attached.

File
Tx Day '95

THE WHITE HOUSE
WASHINGTON

February 10, 1995

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Linda Moore, Political Affairs

SUBJECT: Texas Day at the White House

DATE: February 13, 1995

TIME: 9:10 - 9:40 a.m.

LOCATION: Room 450, Old Executive Office Building (OEOB Auditorium)

I. PURPOSE

This group consists of approximately 200 community, grassroots, business, political and opinion leaders from the State of Texas. Given the size of the state, this is an elite group. The briefing you will participate in will help us inform them of our efforts, listen to their concerns and suggestions and mobilize them for action on behalf of the Administration's agenda.

II. MESSAGE

The idea behind "Texas Day," like our other state days, is that this Administration is committed to reaching out to people across the country, listening to their ideas and staying in touch. It is important to convey to the crowd that we asked them to travel to Washington so we can keep them informed and benefit from their input and that we consider this an ongoing process of communication.

As you know, you will be briefing the group on the Administration's accomplishments -- both nationally and in Texas -- and on the overall message, direction and strategy of the Administration for 1995-96. Since you will be addressing the "big picture," we ask that you emphasize the following points in your remarks and responses to Q & A:

- * The New Covenant and the Middle Class Bill of Rights, with an emphasis on the idea that with rights come responsibilities;
- * That this Administration is committed to making a difference in the lives of America's working people. That this President shows up for work every day to try to make a difference in the lives of the people who show up for work every day -- the people who

work hard and play by the rules in an effort to make the American Dream a reality for their families;

- * That this Administration is committed to building a better future for our children;
- * That the President has kept the promises he has made;
- * That the President has taken on unpopular fights for what he believes in and remains committed to fighting for the principles on which he was elected;
- * That we understand that we face a skeptical public (especially in Texas) and that we face a significant -- but not unsurmountable -- political challenge;
- * And that the central concern of this Administration is jobs and the economy.

The other briefers will be asked to weave these themes into their remarks and responses as well.

III. BACKGROUND

Briefing Agenda and Schedule for Texas Day

This group will participate in a series of events throughout the day. The briefing session begins at 9:00. The schedule is:

- | | |
|----------------|--|
| 9:00 - 9:10: | Welcome from Alexis Herman, Director of White House Public Liaison. (She will serve as the program's moderator.) |
| 9:10 - 9:40: | You will conduct the briefing on Administration accomplishments, message and strategy. |
| 9:40 - 10:10: | Secretary Rubin will conduct a briefing on economic issues. |
| 10:10 - 10:40: | Secretary Shalala will brief the group on welfare reform. |
| 10:40 - 11:00: | BREAK |
| 11:00 - 11:30: | HUD Secretary Henry Cisneros will brief the group on HUD issues. |
| 11:30 - 12:00 | Following his solo briefing, Cisneros will moderate a discussion with other prominent Texans in the Administration: Secretary of the Navy John Dalton, Deputy Secretary of Energy Bill White and Deputy Secretary of Interior Bob Armstrong. |

Following the briefings, the group has been invited to a luncheon at the Mayflower Hotel hosted by the DNC. There they will hear from Harold Ickes, Democratic Party General Chairman

Senator Christopher Dodd (D-CT), DNC Chairman Don Fowler and Vice President Gore. There will be a reception in the evening in the White House Residence hosted by the President and the First Lady.

Texas Political Background

The President's and the First Lady's poll numbers in Texas have run consistently and significantly behind their numbers nationwide. This can be attributed to (among other things) the early fight over gays in the military, the proposed BTU tax, health care reform, the ban on assault weapons and the Brady Bill.

Texas Democrats are still reeling from George W. Bush's (R) defeat of then-Governor Ann Richards (D-TX) last November despite her high approval ratings. The Democratic congressional delegation in Texas did not take the beating last year that many states did. The delegation did lose two incumbent Democrats -- Jack Brooks and Bill Sarpalius -- but held onto the two open seats vacated by Jake Pickle and Mike Andrews. (They were succeeded by Lloyd Doggett and Ken Bentsen.)

The Texas congressional delegation is listed below:

Sen. Phil Gramm (R)	Sen. Kay Bailey Hutchison (R)
Rep. Jim Chapman (D)	Rep. Charles Wilson (D)
Rep. Sam Johnson (R)	Rep. Ralph Hall (D)
Rep. John Bryant (D)	Rep. Joe Barton (R)
Rep. Bill Archer (R)	Rep. Jack Fields (R)
Rep. Steve Stockman (R)	Rep. Lloyd Doggett (D)
Rep. Chet Edwards (D)	Rep. Pete Geren (D)
Rep. Mac Thornberry (R)	Rep. Greg Laughlin (D)
Rep. Kika de la Garza (D)	Rep. Ron Coleman (D)
Rep. Charles Stenholm (D)	Rep. Sheila Jackson Lee (D)
Rep. Larry Combest (R)	Rep. Henry Gonzalez (D)
Rep. Lamar Smith (R)	Rep. Tom DeLay (R)
Rep. Henry Bonilla (R)	Rep. Martin Frost (D)
Rep. Ken Bentsen (D)	Rep. Dick Armey (R)
Rep. Solomon Ortiz (D)	Rep. Frank Tejeda (D)
Rep. Gene Green (D)	Rep. Eddie Bernice Johnson (D)

IV. SEQUENCE OF EVENTS

- * You will hold in the briefing room adjacent to Room 450. I will brief you before you enter the room.
- * Ms. Herman will introduce you.
- * You will make remarks for up to 10 minutes, leaving 20 minutes for Q & A.

- * You will open up the floor for Q & A.
- * When the thirty minute briefing period has almost concluded, Ms. Herman will ask for one final question from the group.
- * After you have answered the final question and made whatever conclusory remarks you feel appropriate, you will depart.

V. ATTACHMENT

Attached is a copy of the National Economic Council's "Economic Progress in Texas" sheet. It was updated on 2/9/95.

Thank you once again for participating. We received very positive feedback from your remarks during the "Michigan Day" session and are very pleased that this group of Texans will have the same opportunity.

ECONOMIC PROGRESS IN TEXAS UNDER PRESIDENT CLINTON

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for the nation and Texas after the first two years of the Clinton Administration:

Improved Economic and Fiscal Conditions in the United States:

- Under Clinton Economic Plan, the deficit will be lowered by more than \$600 billion — the deficit will be cut for three years in a row for the first time since Harry Truman was President.
- Almost 6 million new jobs created — private sector job growth rate 8 times faster than during previous Administration.
- Federal government workforce will drop by 272,900 — creating lowest workforce since the Kennedy Administration.

Improved Economic Conditions in Texas:

- 59% more new jobs per year — 242,087 vs. 152,575 average during the previous 4 years.
- 74% more new private sector jobs per year — 197,426 vs. 113,225 average during the previous 4 years.
- Over 8 times more manufacturing jobs per year — 15,443 vs. 1,900 average during the previous 4 years.
- The unemployment rate has dropped from 7.5% to 5.8%.
- Bank lending has increased over \$13 billion after having declined \$20 billion during the previous 4 years.
- Bankruptcy filings have dropped 41%.

What President Clinton's Accomplishments Have Achieved for the People of Texas:

\$10,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN TEXAS: By 1998, the national debt will be more than \$600 billion lower than was projected before the passage of the President's economic plan. That's about \$10,000 of reduced federal debt for each family of four in Texas.

16 TIMES MORE TEXAS FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 1,441,104 working families in Texas will receive a tax cut. This compares to an increase in the income tax rate for only the 90,111 wealthiest taxpayers in Texas.

TAX CUT FOR 98,643 SMALL BUSINESSES IN TEXAS: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 98,643 small businesses in Texas are likely to benefit from the expansion of the expensing allowance this year alone and many more will benefit over the coming years.

2,812,000 TEXAS WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 2,812,390 workers in Texas, and protects the jobs of 168,953 workers in Texas who are likely to use unpaid leave this year alone.

1.09 MILLION STUDENTS AND FORMER STUDENTS IN TEXAS WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 1.09 million Texas borrowers — 760,000 current borrowers and 330,000 new borrowers in the next few years — can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

THE WHITE HOUSE

WASHINGTON

AGENDA

February 13, 1995

Old Executive Office Building

Room 450

WELCOME & INTRODUCTION

The Honorable Alexis Herman

Assistant to the President

Director for Public Liaison

STRATEGIC OVERVIEW

The Honorable Leon Panetta

Chief of Staff to the President

ECONOMIC GROWTH

The Honorable Robert Rubin

Secretary of the Treasury

WELFARE REFORM

The Honorable Donna Shalala

Secretary of Health and Human Services

BREAK

REMARKS

The Honorable Henry Cisneros

Secretary of Housing and Urban Development

PANEL DISCUSSION

The Honorable John Dalton

Secretary of the Navy

The Honorable Bill White

Deputy Secretary of Energy

The Honorable Bob Armstrong

Assistant Secretary for Land and Minerals Management

Department of the Interior

February 17, 1995

MEMORANDUM

TO: Tom Epstein, Reta Lewis, Karen Anderson, Ben Austin and Jennifer O'Connor

FROM: Linda Moore and Joe Trahern

RE: State Day Material

So that you all don't have to reinvent the wheel for your next state day, we have attached copies of a lot of the material we generated for Texas Day and put the material on disk.

1. **Briefing Memo for the Chief of Staff.** The CoS briefed the group in the morning and we supplied him and the other briefers with a background memo. The briefing papers were nearly identical in content. If you would like to see any of the other memos, let us know. This memo is saved on the disk as "TXBRFING.COS."
2. **Briefing Memo for the Vice President.** The VP was scheduled to speak at the DNC lunch, though he was forced to cancel at the last minute. We did prepare a briefing document, however, saved on this disk as "TEXDAY.VP."
3. **Briefing Memo for the President.** The briefing paper for the evening reception with the President is saved as "TXDAY.EVE."
4. **Talking Points for the President.** He probably won't use 'em (he certainly didn't use ours) but if the President is scheduled to make remarks at the reception, you'll have to do talking points. Ours are saved on this disk as "TXDAY.TPT."
5. **Media Surrogates.** The state day guests who will be speaking with the media will probably be hungry for some background material before they arrive. What we sent to them is saved as "TXMEDIA.F10."
6. **Tour Letter.** We arranged for a special White House tour for the designated guests of Texas Day participants. (The tour was scheduled during the time the briefings were taking place.) The letter we used is saved as "TXTOUR." Note: Since Texas Day was scheduled for a Monday -- a day when the Residence is closed to tours -- we had to arrange a special tour that allowed the group to be the only one viewing the Residence on that day. That option may not be available on your scheduled day.
7. **Task Grid.** As the Day approached, Linda put together an assignment grid of all the tasks that had to be accomplished for the Day to go off correctly. It is saved as "DAYTASKS."

THE WHITE HOUSE

WASHINGTON

February 10, 1995

MEMORANDUM TO TEXAS DAY MEDIA SURROGATES -

FROM: Linda Moore, Political Affairs

RE: Briefing Material for Interviews

Thank you for agreeing to serve as a spokesperson for "Texas Day at the White House."

The President has invited this group of Texans to the White House because he is committed to reaching out to people across the country, keeping them informed, listening to their ideas and staying in touch.

We appreciate your willingness to discuss your visit with your state and local media. We are hoping to send a clear picture of what this Administration stands for and what it hopes to accomplish over the next two years. To that end, we hope you will emphasize the following themes in your interviews with media outlets in your communities:

- * That this Administration is committed to making a difference in the lives of America's working people. That this President shows up for work every day to try to make a difference in the lives of the people who show up for work every day -- the people who work hard and play by the rules in an effort to make the American Dream a reality for their families;
- * That this Administration is committed to building a better future for our children;
- * That the President has kept the promises he has made;
- * That the President has taken on unpopular fights for what he believes in and remains committed to fighting for the principles on which he was elected;
- * And that the central concern of this Administration is jobs and the economy.

You will receive more information when you arrive on Monday morning. Thank you again for your help.

THE WHITE HOUSE

WASHINGTON

February 3, 1995

Dear Texas Day Participant:

On behalf of the President and the First Lady, we would like to invite your designated guest to a guided tour of the White House Residence during the "Texas Day at the White House" events on Monday, February 13th. The tour will begin at 10:30 a.m. and will take place while you and other Texas Day participants are at the morning briefing. The White House is normally closed to tours on Mondays, however, we are opening the house for our Texas friends to tour privately on that day.

Please have your guest bring this letter and present it at the East Visitors' Gate of the White House at 10:30 a.m. on February 13th. The gate is located on East Executive Avenue, a walkway between the East Wing of the White House and the Treasury Department. If you have any questions, please feel free to call Joe Trahern at 202-456-6257.

I look forward to seeing you on February 13th.

Sincerely,

A handwritten signature in cursive script, reading "Linda Moore".

Linda Moore
Special Assistant to the President
for Political Affairs

DEMOCRATIC ★ NATIONAL ★ COMMITTEE

Donald L. Fowler
National Chair

Christopher J. Dodd
General Chair

CAMPAIGN DIVISION

PHONE: 202-863-8000 FAX: 202-488-5025

DATE: 3/17

PLEASE DELIVER TO: Rich Johnson

FAX#: _____

NUMBER OF PAGES FAXED ____ (INCLUDING COVER)

FROM: Jane

COMMENTS: Louisiana stuff

Jen -
This is the La briefing
that DNC gave to Senator
Dodd, as well as the marked
up ADMIN LIST.

(R)

March 5, 1995

TO: General Chair, Senator Dodd
National Chair, Don Fowler
FR: Fred Humphries
DA: March 5, 1995
RE: Louisiana Political Briefing

1992 PRESIDENTIAL ELECTION RESULTS

	Louisiana
Clinton	46.4%
Bush	41.6%
Perot	12.0%

POLITICAL LANDSCAPE

Louisiana has a population of 4,219,973 and the demographics are as follows:

White	66%
Black	31%
Hispanic	2%
Asian	1%
Other	0.04%

The voting age population is 2,992,704 of which 2,253,888 are registered voters, according to The World Almanac of U.S. Politics 1993-1995 and Almanac of American Politics 1994. One-third of the population lives in a rural area.

In 1995, elections will be held for all of the statewide elected officials, the state house and senate and many of the local elected offices. The qualifying deadline for all of the 1995 elections is September 5-7, 1995. The primary date is October 21, 1995. The general election is November 18, 1995.

Louisiana's election laws differ from most states, because it is an open primary. In an open primary, if no candidate receives more than 50+1 on October 21, then the top two vote-getters, regardless of party affiliation, participate in the general election on November 18th. As a result, theoretically, two Democrats can end up running against each other in the general. In addition, a candidate can avoid a general election if the candidate receives 50+1 in the primary.

to
Jane
T.
- Rachel

CONT.

In the upcoming gubernatorial election, the conventional wisdom is that the general election will be between a Democrat and a Republican.

Presently, the governor's race is receiving all of the attention by the press. In addition, last month U.S. Senator Bennett Johnston announced that he will not seek re-election to the Senate. This has resulted in some candidates reconsidering whether they should run for governor or take a pass on the race and wait to run for the U.S. Senate. As for the other down ballot and constitutional statewide races, they have received very little attention.

There was a special election for a state house seat in New Orleans on March 4th. The race was between Alex Heaton (D), who is white and whose family is very involved in New Orleans politics, and Vanessa Washington (R), who is African American and worked for a major corporation as an affirmative action officer. This district is 70% African American and 30% white. Heaton easily defeated Washington 62% to 38%. Although Heaton won easily, this race had very serious political ramifications.

There have been a fair number of Democratic elected officials who have switched to the GOP in Louisiana in 1995. Specifically, in January of this year, the Mayor of Baton Rouge, Tom McHugh, and five other local elected officials from the East Baton Rouge parish switched from the Democratic party to the GOP. After the 1994 elections, the GOP also attempted to court both U.S. Representatives Billy Tauzin (D) and Jimmy Hayes (D). Both representatives publicly said that they will continue to serve as Democrats. However, Tauzin and Hayes did leave room for re-considering switching to the GOP. Their public comments were not strong endorsements of the Party.

LOUISIANA CONGRESSIONAL DELEGATION

There are two Democratic senators and 4 out of the 7 members in the House of Representatives are Democrats. They are as follows:

SENATE

U.S. Senator J. Bennett Johnston (D)
U.S. Senator John B. Breaux (D)

HOUSE

Congressman Bob Livingston (R-1st)
Congressman William "Bill" Jefferson (D-2nd)
Congressman W.J. "Billy" Tauzin (D-3rd)
Congressman Cleo Fields (D-4th)

CONT.

HOUSE

Congressman Jim McCrery (R-5th)
Congressman Richard Baker (R-6th)
Congressman James A. Hayes (D-7th)

1996 PRESIDENTIAL

The Louisiana State Republican Party held a convention and conducted the first Presidential straw poll in January of this year in Baton Rouge. Many of the unannounced and announced GOP candidates spoke and attended the convention. The following were on the ballot: Senator Bob Dole, Senator Phil Gramm, Former Governor Lamar Alexander, Alan Keyes, Pat Buchanan, Dick Cheney, Bob Dornan, Senator Arlen Specter, former Vice-President Dan Quayle, Governor William Weld, Governor Pete Wilson, and former Secretary of Housing Jack Kemp. The convention's primary purpose was to endorse a Republican nominee for Governor. Eligible to vote were the 1200 delegates elected at party caucuses in December of 1994 as well as 400 to 450 automatic delegates who were either elected officials or leaders of the party's interest group. The winner of the straw poll was Phil Gramm. The other candidates finished in the following order: They were Pat Buchanan, Lamar Alexander, and Bob Dole.

The presidential primary date is March 12, 1996, which will be Super Tuesday.

1996 SENATE RACE

Democratic Senator Bennett Johnston announced in January that he will not seek re-election. His decision has changed the 1995 political gubernatorial landscape tremendously. As a result of Johnston not running for re-election, many potential gubernatorial candidates are re-thinking their decision to run for the governor. Another issue that also has many congressional members thinking about whether to run for governor or the open Senate seat is re-districting.

The state legislature must redraw the U.S. congressional district lines in the next few months, according to a federal court order that said the mapmakers went too far in creating a second majority-black district. In addition, the U.S. Supreme Court will hear arguments on the Georgia case this summer and that ruling might bring closure to some of the outstanding constitutional issues regarding re-districting. Jimmy Hayes (D) has publicly said that the outcome of re-districting will be an influencing factor in his decision to run for the senate.

Another potential complication is that the state legislature is contemplating changing Louisiana's election law back to partisan primaries for U.S. House and Senate races. It is difficult at this time to tell whether the legislature plans to make this change. If the state legislature does make the change back to a partisan primary, the conventional wisdom is that an African American would be the Democratic nominee.

On the Republican side, numerous names have surfaced. Two GOP members of Congress, Jim McCrery and Richard Baker, may run. Neither have signaled whether they plan to run, but Rep. Livingston has said that he enjoys serving as Chairman of the Appropriations Committee and most likely will not run for the Senate. The latest development is that the GOP members of the House of Representatives have a gentlemen's agreement that only one member will run. The speculation appears to be that Jim McCrery may be the candidate who both Livingston and Baker want to run. McCrery has already sent out 3 fundraiser letters stating that he will either run for reelection in the House or run for Senate. In addition, he has conducted a poll.

Other potential candidates are: New Orleans City Councilwoman Peggy Wilson; State Senator Lomax Jordan; State Representative Woody Jenkins; former Governor David Treen; wealthy oil executive Pat Taylor, former Democratic State House Speaker who switched to the GOP; Clyde Holloway, a former U.S. Rep.; David Duke, the former Ku Klux Klan leader; and Fox McKeithen, Secretary of State.

On the Democratic side, the list of potential candidates is as long as the GOP's. Two House members have already expressed an interest in running. They are Representatives Jimmy Hayes and Billy Tauzin. Although Representatives Cleo Fields and Bill Jefferson have said they are focused on running for governor, neither Fields nor Jefferson should be ruled out, especially Fields. If the outcome of the redistricting case results in Fields losing his congressional seat, many believe Fields will run for the Senate, assuming he does not win the governor's race. Both Fields and Jefferson have publicly said that they are running for governor and have not said much about the Senate race.

Other potential candidates are Andy Valance, Grand Isle Mayor; Melinda Schwegmann, Lt. Governor and an announced candidate for governor; Richard Ieyoub, Attorney General; Jim Brown, State Insurance Commissioner; Dennis Bagneris, State Senator; Diana Bajoie, State Senator; Sammy Nunez, State Senate President; Ed Kennon, former Public Service Commissioner; and Kathleen Blanco, Public Service Commissioner.

Because there are many different scenarios that could determine the strongest candidate, it is unrealistic to categorize who are the strong candidates at this time. However, the political jockeying has begun with many of the potential candidates that have been mentioned. The Cook Report has rated this race as a toss-up.

CONT.

1995 ELECTIONS

In 1995, elections will take place for all of the statewide offices and state house and senate seats. The most contested race will be the governor's race because the incumbent, Governor Edwin Edwards (D), decided not to seek re-election.

Qualifying:
Primary Date:
Runoff Date:

September 5-7, 1995
October 21, 1995
NA

Louisiana has an open primary system;
the two top vote-getters, regardless of party
affiliation, compete in the general election
November 18, 1995

General Election:

1995 GOVERNOR'S RACE

On the Republican side, the following candidates have publicly expressed an interest in running for governor: Fox McKeithen, who is Secretary of State, second term; former member of the state house, Dave Treen, a former Governor from 1980-1984 and a former member of Congress; David Duke, a former state representative and member of the Ku Klux Klan; Quentin Dastugue, a state house member since 1980 and conservative who switched from the Democratic Party to the GOP in 1984; Cary Kimbrell, who is a Baton Rouge anti-abortion activist; and Buddy Roemer, who was governor from 1988-1992 and switched from the Democratic Party to the GOP in 1991.

The GOP held a state convention on January 7th of this year where Quentin Dastugue was endorsed. None of the other potential Republican candidates participated in the convention. More specifically, Treen and Roemer intentionally opted out of the convention. As a result of none of the other potential Republicans participating in the convention, the state GOP is behind Dastugue. Roemer responded to the GOP by stating that he plans to run as a Republican regardless of their official support.

The conventional wisdom is that Roemer will be in the run-off against one of the Democratic candidates. Additionally, Roemer appears to be running to the right of Ollie North and Pat Buchanan. As for Treen, Dastugue, McKeithen and Duke, the political pundits assert that Dastugue is in for the entire race, Treen will run a Rockefeller-style race, McKeithen will probably opt out to run for re-election as Secretary of State, and Duke is probably in for the entire race.

CONT.

In a poll conducted by Southern Media in November, the poll asked registered Republicans which of the GOP candidates they favor. The leader was Roemer with 30.4%, followed by Treen with 21.5%. McKeithen polled 8.9%, Dastutgue 4.7%, while 34.6% were undecided or wouldn't say. More recent polling, reflects the same results as this poll by Southern Media.

On The Democratic side, there is a long list of potential candidates too. They are Mary Landrieu, who is the State Treasurer, Clinton/Gore State Co-Chair in 1992, and a former member of the state house; Melinda Schwegmann, who is the Lt. Governor; Mike Foster, state senator; Phil Preis, a wealthy attorney who has never run for public office;

Robert Adley, a state senator and former floor leader for Buddy Roemer; Congressman Cleo Fields, Congressman William Jefferson; and Senator Bennett Johnston. Congressman Billy Tauzin's and Insurance Commissioner Jim Brown's names have been mentioned. There is no real indication that they are serious about running for governor. Presently, Congressman Cleo Fields, Bill Jefferson, Melinda Schwegmann, Mike Foster and Mary Landrieu have unofficially announced that they are running and have begun to campaign throughout the state.

Although Senator Johnston's name has been mentioned a lot as a candidate for governor, many believe that he will not run. Johnston told supporters during Washington Mardi Gras that he will not run for governor.

A poll was conducted last week by Mason Dixon, which surveyed two different scenarios. One with Senator Bennett Johnston in the race and one with him out of the race. With Johnston in the race, the results were: Roemer, 21; Johnston, 16; Mary Landrieu, 11; Melinda Schwegmann, 9; ten others, 36; undecided, 15. Without Johnston, the results were: Roemer, 24; Landrieu, 12; ten others, 36; undecided, 15. The credibility of this poll has been attacked by almost all of the candidates because the African American candidates registered only 11 percent combined support (Cleo Fields, 7; Bill Jefferson 4) when African Americans comprise 28% of the electorate.

As for media, state senator Mike Foster has placed a \$250,000 media buy. In his media ad, Foster has tried to raise his name recognition as well as distinguish himself from the other candidates as not being a professional politician. In the Mason Dixon poll, Foster received 6%. No other candidate has placed a media buy as of March 5th.

The issues at this time have been about gaming, affirmative action, and economic development. Mary Landrieu has received a lot of criticism for her relationship with the President from the other candidates.

CONT.

The following is a recent state election financial disclosure with the Secretary of State for Governor:

	Raised in 1994	Cash on Hand
Mary Landrieu (D)	\$979,987	\$815,150
Jim Brown (D)	\$563,590	\$513,385
Buddy Roemer (R)	\$424,207	\$287,907
Bill Jefferson (D)	\$400,275	\$388,243
Mike Foster (D)	\$275,000	\$18,939
Phil Preis (D)	\$202,057	\$4,823
Quentin Dastugue (R)	\$175,215	\$22,529
David Treen (D)	\$3,725	\$1,224
Cary Kimbell (R)	\$978	\$881

Congressman Fields did not file because no monies were raised for the gubernatorial race; therefore, he did not have to file a report.

It is too early to tell what will happen in this race.

1995 OTHER STATEWIDE RACES

Lt. Governor's Race. Lt. Governor Schwegmann's announcement that she will run in the 1995 gubernatorial race has left her seat open for a hotly contested battle. Public Service Commissioner Kathleen Blanco (D) and a state representative Suzanne Krieger (R) have already entered the race. Other possible candidates include Jennings Mayor Greg Mercantel (R), state Representative Chris John (D) and Tallulah District Attorney Buddy Caldwell.

Dick Ieyoub, the Attorney General, Commissioner Bob Odom, and Jerry Fowler, Commissioner of Elections will probably not have any serious opposition. As for the Treasurer's race, it is too early to tell who will run for the seat. The Insurance Commissioner Jim Brown may have serious candidates challenging him. In the last few weeks, he has received negative press about the operation of his department.

There are no major mayoral race taking place in 1995.

STATE LEGISLATURE

The state legislature convenes every year in March and the legislative session usually lasts until May. The senate has 39 members, 33 (D) and 6 (R), and the house has 105 members, 86 (D) and 19 (R).

SENATE

Senate President Samuel Nunez
Senate President Pro Tem Dennis Bagneris

HOUSE

Speaker of the House John Alario
Speaker Pro Tem Sherman Copelin

1994 CONGRESSIONAL ELECTIONS

The 1994 elections did not result in any turnover in the Louisiana delegation. The Democrats maintained their slim four seat majority in the seven member delegation. Congressman Jimmy Hayes was challenged by Clyde Holloway, who was a Democrat that switched from the Democratic Party to the GOP. Many thought this race was going to be close but Hayes won with out a run-off.

CONGRESSIONAL DELEGATION

LA-01	Cong. Bob Livingston (R)
LA-02	Cong. William Jefferson (D)
LA-03	Cong. Billy Tauzin (D)
LA-04	Cong. Cleo Fields(D)
LA-05	Cong. Jim McCrery (R)
LA-06	Cong. Richard Baker (R)
LA-07	Cong. Jimmy Hayes (D)

STATE PARTY

The DNC held a fundraiser in New Orleans with the President last September. The financial agreement was that the state party would receive 15% of the gross from the fundraiser. This resulted in the state party receiving \$30,000.

The state party is disappointed with the DNC because we did not make any contributions for the state house special election. The state party contributed \$6,000 to the special election,

STATE PARTY STAFF

Jim Nickel, Executive Director
Hal Kilshaw, Political Director
Karen Clark, Communications Director
Melissa Broussard, Administrative Assistant

CONT.

CLINTON/GORE 92

Carole Speer, State Director
Alicon Morfan, Political Director
Jinx Broussard, Press

ECONOMIC PROGRESS IN LOUISIANA UNDER PRESIDENT CLINTON

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for the nation and Louisiana after the first two years of the Clinton Administration:

Improved Economic and Fiscal Conditions in the United States:

- Under Clinton Economic Plan, the deficit will be lowered by more than \$600 billion -- the deficit will be cut for three years in a row for the first time since Harry Truman was President.
- Almost 6 million new jobs created -- private sector job growth rate 8 times faster than during previous Administration.
- Federal government workforce will drop by 272,900 -- creating lowest workforce since the Kennedy Administration.

Improved Economic Conditions in Louisiana:

- 36% more new jobs per year -- 42,470 vs. 31,275 average during the previous 4 years.
- 59% more new private sector jobs per year -- 37,096 vs. 23,400 average during the previous 4 years.
- Business failures have dropped 23%.
- Consumer confidence has increased 39%.
- Home building has increased 14%.

What President Clinton's Accomplishments Have Achieved for the People of Louisiana:

\$10,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN LOUISIANA: By 1998, the national debt will be more than \$600 billion lower than was projected before the passage of the President's economic plan. That's about \$10,000 of reduced federal debt for each family of four in Louisiana.

25 TIMES MORE LOUISIANA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 390,496 working families in Louisiana will receive a tax cut. This compares to an increase in the income tax rate for only the 15,672 wealthiest taxpayers in Louisiana.

TAX CUT FOR 18,281 SMALL BUSINESSES IN LOUISIANA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 18,281 small businesses in Louisiana are likely to benefit from the expansion of the expensing allowance this year alone and many more will benefit over the coming years.

583,000 LOUISIANA WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 582,680 workers in Louisiana, and protects the jobs of 35,004 workers in Louisiana who are likely to use unpaid leave this year alone.

201,400 STUDENTS AND FORMER STUDENTS IN LOUISIANA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 201,400 Louisiana borrowers -- 141,000 current borrowers and 60,400 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

1. The block grant amount is set at FY1994 CBO baseline level.
2. Funds are allocated according to 1993 figures on FY1994 expenditures and allowances.
3. FY1994 figures are FY1994 classroom and expenditures adjusted by the national growth rate figures.
4. Children served are determined by doubling total federal classroom and expenditures by an average federal expenditure figure of \$14,711. This is not a full-time equivalent.
5. Rounddown may not exactly equal national figures due to rounding.

03/07/95 16:14

***** → DNC CHAIRMEN DOD

Percent and Number of Workers Affected by the President's Proposal to Increase the Minimum Wage, By State

	Percent from \$4.25 to \$5.14	Number from \$4.25 to \$5.14 (in thousands)
Alabama	18.2%	296.3
Alaska	3.9%	7.6
Arizona	11.6%	164.1
Arkansas	18.2%	167.9
California	11.0%	1310.0
Colorado	11.5%	169.0
Connecticut	5.4%	79.1
Delaware	7.0%	22.9
District of Columbia	5.1%	11.5
Florida	12.8%	697.3
Georgia	13.3%	366.8
Hawaii	3.7%	18.0
Idaho	14.7%	61.6
Illinois	10.9%	548.3
Indiana	13.1%	323.4
Iowa	12.8%	165.0
Kansas	12.2%	132.4
Kentucky	17.8%	252.4
Louisiana	18.4%	275.8
Maine	10.6%	53.5
Maryland	6.7%	150.9
Massachusetts	4.7%	122.3
Michigan	11.7%	458.2
Minnesota	10.7%	217.1
Mississippi	21.6%	212.7
Missouri	14.5%	313.5
Montana	18.4%	55.7
Nebraska	14.2%	102.7
Nevada	10.7%	61.8
New Hampshire	7.6%	40.9
New Jersey	5.5%	180.7
New Mexico	15.8%	91.0
New York	8.0%	558.7
North Carolina	12.6%	374.4
North Dakota	19.3%	47.0
Ohio	11.8%	546.7
Oklahoma	16.2%	198.6
Oregon	8.9%	110.3
Pennsylvania	10.4%	521.6
Rhode Island	8.5%	35.7
South Carolina	16.0%	239.3
South Dakota	17.3%	49.3
Tennessee	17.4%	358.5
Texas	16.0%	1164.4
Utah	14.5%	104.1
Vermont	6.8%	17.9
Virginia	9.3%	265.3
Washington	7.5%	155.9
West Virginia	17.5%	109.9
Wisconsin	10.6%	240.1
Wyoming	15.0%	28.5

SOURCE: Economic Policy Institute analysis of 1993 Current Population Survey data.

PRE-SCHOOL AND SCHOOL-AGE NUTRITION PROGRAMS

State	Current Participants	FY 1996-2000 Total Dollar Reductions
Alabama	578,786	-\$141,456,000
Alaska	52,650	-\$35,234,000
Arizona	412,344	-\$172,732,000
Arkansas	329,695	-\$87,940,000
California	2,527,321	-\$1,049,978,000
Colorado	339,140	-\$125,995,000
Connecticut	245,606	-\$35,260,000
Delaware	74,396	-\$44,857,000
District of Columbia	52,052	-\$27,157,000
Florida	1,237,106	-\$366,252,000
Georgia	1,004,089	-\$108,566,000
Guam	20,469	+\$4,069,000
Hawaii	165,060	-\$10,365,000
Idaho	148,473	-\$2,724,000
Illinois	1,007,121	-\$253,810,000
Indiana	636,646	-\$22,436,000
Iowa	407,800	-\$19,322,000
Kansas	365,462	-\$167,353,000
Kentucky	538,767	-\$66,971,000
Louisiana	726,302	-\$297,079,000
Maine	118,480	-\$48,418,000
Maryland	388,597	-\$146,422,000
Massachusetts	496,595	-\$166,654,000
Michigan	804,319	-\$170,055,000
Minnesota	610,567	-\$298,141,000
Mississippi	439,269	-\$159,047,000
Missouri	594,780	-\$103,219,000
Montana	99,202	-\$35,359,000
Nebraska	241,165	-\$115,984,000
Nevada	97,498	-\$7,608,000
New Hampshire	93,746	-\$9,800,000
New Jersey	542,498	-\$104,457,000
New Mexico	226,354	-\$206,486,000
New York	1,766,536	-\$597,089,000
North Carolina	807,139	-\$162,510,000

(Pre-school and School-age Nutrition Programs - Page 2)

State	Current Participants	FY 1996-2000 Total Dollar Reductions
North Dakota	108,212	-\$53,838,000
Ohio	1,051,002	-\$136,396,000
Oklahoma	405,969	-\$126,714,000
Oregon	277,620	-\$107,851,000
Pennsylvania	1,045,029	-\$121,132,000
Puerto Rico	458,812	-\$33,359,000
Rhode Island	64,045	-\$16,106,000
South Carolina	469,148	-\$101,434,000
South Dakota	117,969	-\$28,052,000
Tennessee	625,579	-\$85,548,000
Texas	2,276,428	-\$671,249,000
Utah	283,761	-\$121,597,000
Vermont	56,898	-\$15,201,000
Virginia	625,500	-\$84,360,000
Virgin Islands	19,037	+\$29,796,000
Washington	464,196	-\$175,286,000
West Virginia	204,610	-\$38,829,000
Wisconsin	532,962	-\$29,224,000
Wyoming	64,961	-\$16,271,000
U.S. TOTALS	27,382,559	-\$7,295,316,000

Source: U.S. Department of Agriculture

**REBUILDING AMERICA FOR A NEW ERA
CLINTON ADMINISTRATION ACCOMPLISHMENTS
TALKING POINTS**

KEY POINTS

- **New Economy:** A new economy brings new challenges and new opportunities to the American people.
- **New Government:** President Clinton is working to create a leaner, more responsive government that expands opportunity, not bureaucracy.
- **New Covenant:** President Clinton's vision for guiding this country in an unstable world with a new economy. We must dedicate ourselves to giving hardworking middle class Americans the tools to succeed and prosper. At the same time, all Americans must accept the responsibility to make the most of these opportunities.

GENERAL POINTS

- Two years ago, President Clinton entered office with a vision for restoring the American dream and preparing our nation for the challenges of a new century.
- America is in the midst of a period of tremendous change: The Cold War has ended and a new global economy has emerged.
- President Clinton has offered a vision and a strategy for America to prepare our nation for the challenges of a new century.
- **The President's Economic Program.** President Clinton's economic strategy of deficit reduction, middle class tax relief and investing in people has triggered the best combination of robust job creation and low inflation in 25 years.
- **Making Government Work Better.** President Clinton has led a massive effort to create a leaner, more responsive government that expands opportunity, not bureaucracy.

- **The Middle Class Bill of Rights.** Despite the advances the Clinton Administration has made, too many families are still unable to seize the opportunities of this new economy. President Clinton has proposed the Middle Class Bill of Rights, which includes:
 - a tax deduction for all education and training after high school;
 - a \$500 tax cut for each child under age 13;
 - tax breaks for families that save for education, the purchase of a first home, or retirement; and
 - Skill Grants given directly to workers, paid for by consolidating federal programs.
- **Education and Job Training:** Lifelong education and retraining is critical to succeeding in the new economy and is central to the New Covenant. President Clinton is fighting to expand educational opportunities from pre-school to training for a new job in mid-career.
- **Welfare reform.** The President is fighting to make welfare a system of work and responsibility, not a way of life.
- **Crime.** President Clinton fought the special interests to enact a tough Crime Bill last year. to make our streets safer and help ensure America does not lose anymore of our young people to drugs, violence and crime.
- *President Clinton has dedicated his presidency to a very simple idea: to stand up for ordinary hardworking American families. He is fighting for what's good for ordinary working Americans every day. He is fighting to expand opportunity for all, and to infuse a new sense of responsibility in the country. He is fighting to put the American community on a path of restored hope and opportunity.*

March 17, 1995

MEMORANDUM TO REGAN BURKE

FROM: Jennifer O'Connor

RE: New York Day at the White House -- March 21 & 22, 1995

On March 21 and 22, 1995, we will be hosting a group of about 800 highly prominent New Yorkers who are traveling to Washington for "New York Day at the White House." Each day will begin at 9:00 a.m. with briefings with top Administration officials, followed by a luncheon sponsored by the DNC and an evening reception in the Residence hosted by the President.

We would like to invite Secretary Riley to chair a panel of senior administration officials -- all the rest of whom are from New York. He should speak briefly about what the Administration has done for New York in general in domestic policy areas -- children, schools, civil rights, labor issues, welfare and other issues he and the Department of Education are addressing that concern New Yorkers. He should know, by the way, that Governor Pataki has proposed huge cuts in public university funding. Also, he should know the school-prayer issue is a hot topic in NY.

The Secretary will then moderate the panel of assistant secretaries from other departments. Note -- the panel includes Assistant Secretary Augusta Kappner, so he should speak more generally and let her carry the NY-Dept of Education specifics. The theme of the panel is "what the administration is doing for New Yorkers." The time required is [time] March 22nd.

This is an important event and we are very happy the Secretary will be able to participate. The panel, which will include both a remarks portion and time for Q & A, will last about 1 hour and will take place in Room 450 of the Old Executive Office Building. The Secretary should arrive at the holding room to Room 450 at [time]. I will be in touch soon to follow up on this but in the meantime, if you have any questions, please give me or Donald Dunn, who is working on this with me, a call. I can be reached at 456-2572 and Donald at 456-6257.

I look forward to hearing from you. Thank you very much.



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE SECRETARY

FAX TRANSMITTAL

TO: Jennifer O'Connor

ORGANIZATION: _____

PHONE NUMBER: _____

FAX NUMBER: 456-6704

FROM: Frank S. Holleman III, Chief of Staff

TELEPHONE: 202-401-6143

FAX NUMBER: 202-401-2098

MESSAGE: _____

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1 **PAGE(S) TO FOLLOW**

Pres & CEO

Jonathan Tisch

212 545 2801

Loews Hotels

for
(212) 751-7708

know out
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what it is
any people
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a meeting
plan
program
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Alexis
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Will you be the chair?

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for you willing to be the chair~~

Certain costs assoc.

About \$100,000

Whoever is the chair is
responsible for:

1. finding people to raise the money
- 2.

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pay once
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to get
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OFFICE OF CABINET AFFAIRS

THE WHITE HOUSE

WASHINGTON

FAX

TO: Jonathon Tisch

DATE: 2-16-95

PHONE: 212 545 2801

NO. OF PAGES 3
(Including cover)

FAX: 212 751 7708

PRIORITY: ☒ Y ☐ N

FROM: Jennifer O'Connor

PHONE: (202) 456-2572

FAX: (202) 456-6704

MESSAGE: _____

THE WHITE HOUSE
WASHINGTON

February 16, 1995

Dear Mr. Tisch:

Deputy Chief of Staff Harold Ickes asked that I provide you with some background on the New York Appreciation Day planned for March 21 and 22.

"New York Appreciation Day(s)" is one in a series of briefings the White House is arranging as part of our outreach to business, civic and political leaders who are making a difference in their communities. The schedule is still in formation. But it is likely that each of the two New York Days will begin with briefings with senior Administration officials, such as Chief of Staff Panetta and Members of the Cabinet. The briefings will give our guests an update on the Administration's key initiatives and agenda, as well as an inside view of how the White House works.

Following the briefings, New York Appreciation Day guests will participate in a luncheon at a local hotel featuring Chairmen Dodd and Fowler and senior Administration political strategists. The luncheon will provide ample time for questions and comments and an opportunity for discussion. Then, in the early afternoon, our guests will be invited to a reception hosted by the President and First Lady.

Because of the size of New York, we are breaking tradition to host two full days of activities, so that we can invite up to 700 guests.

The Chair of the Host Committee will be involved with White House staff in helping plan the briefings so that issues of most interest to New Yorkers are properly focused on. In addition, the Chair takes responsibility for creating the Host Committee, which will raise the funds to cover the two days of events. We expect the costs to run around \$100,000. Although the Democratic National Committee manages the funds, they are spent only for New York Appreciation Day events.

I would be happy to discuss in more detail any part of the planning or implementation of New York Appreciation Day(s). Please do not hesitate to call me at (202) 456-2572.

Sincerely,



Jennifer O'Connor

Special Assistant to the President for Cabinet Affairs

Mr. Jonathan Tisch
President and Chief Executive Officer
Loew's Hotels
667 Madison Avenue
New York, NY 10021

cc: Harold Ickes

For appointees:

Please fax them an invitation note (same as was sent for Texas and Louisiana) along with the attached talking points, for their information.

Phone calls:

We are inviting all of them to attend the President's reception as a host. They are only to be invited for one of the two nights. I have simply divided the list in two -- invite the first group for March 21 and the second group for March 22. (If it is not too much trouble for you to allow them to pick a date, that is fine; but if it is too much work to track it, then tell them that unfortunately, we can't allow them to switch dates. This is up to you.)

If they want to come, invite them to be hosts. (This means essentially, greeting, schmoozing and not standing in the President's receiving line.) (I assume you also have the "rap" on this as it is the same as was done for Louisiana and Texas, I think.) They should arrive at the reception at 5:00pm. Please get their birthdates and social security numbers so we can clear them in.

FOR ANYONE WITH AN "L" NEXT TO THEIR NAME:

If someone has an "L", please ask them if they would also be willing to host a table at one of the NY Day luncheons. To host a table, they need to be available to come to one of the luncheons on March 21 or 21. They need to be able to arrive at the Mayflower at 12:45 pm, and stay until at least 2 pm. (It ends at 3:00pm and they can stay for the whole thing if they are able.) Being a table host entails introducing themselves to everyone at their table and, if there is feedback, or comment from the table guests, feeding it back to us.

If they are willing to be table hosts, ask them to arrive at the Mayflower Hotel Grand Ballroom at 12:40pm. There will be a check-in table for appointees. They should go to that table to pick up table assignments. Then head for their table. The event officially begins at 1:00pm.

FYI -- the luncheon program on March 21 consists of DNC Political Director Minyon Moore, DNC Chair Fowler, White House Deputy Chief of Staff Harold Ickes and the First Lady. On March 22, the program is the same except that Senator Dodd speaks instead of the First Lady.

The list you have works like this: the first section is a combination of appointees and DNC officials. I have marked off a half way point. Invite the first half to Mar 21 reception, the second half to March 22 reception. At the back are two supplemental pieces of paper. One is a fax list for all the DNC folks.

① speakers
② luncheon - Mayflower
③ financing

CLOSE HOLD

January 9, 1995

MEMORANDUM FOR HAROLD ICKES

FROM: Alexis Herman

SUBJECT: Strategic Overview of State Days

Based on a meeting with distribution below, the following is an overview of the objectives and process for State Days.

1. State Day Objectives

The overall day is designed to have an overview of accomplishments, to review the political landscape; and to conclude with key action steps with a renewed sense of energy and commitment. The format of the day would be as follows:

- a. Administration Accomplishments: A presentation of highlights of what the administration has achieved over the past two years from high-level administration speakers.
- b. Strategic Planning: A strategic planning session that includes:
 - an overview of the legislative and political strategy/landscape moving towards '96;
 - an overview of what we will be doing in their state;
 - a listening and feedback session; and
 - formulation of concrete action steps.
- c. Call to Action: A closing summary and call to action by the First Lady, the Vice President or Mrs. Gore.

2. State Day Task Force

A small task force, no more than 6, will act as the core team driving the logistics and the support needed for successful execution of State Days. The Task Force needs to be identified.

Among the responsibilities of the Task Force are:

- identification of the State Day Lead (SDL) for each of the State Days (a person who is not necessarily on the Task Force);
- legal vetting of the process;
- management of the schedule; and
- critique of the process. *debrief*.

3. Responsibilities of the State Day Lead

- a. Identification of 5-10 Administration appointees and the top 5 in-state people from the relevant state to include as key resources in the process to:
 - review the strategy;
 - review the list for any gaps or problems;
 - identify candidates for regional press stake-out following briefing;
 - general troubleshooting.

(The SDL would convene the appointees at a meeting, and in-state contacts would participate by conference call.)

- b. Management of the list
- c. Identification of candidates for regional press
- d. Responsible for the budget for State Days

4. List Development

- a. Stakeholders to be included on the list should include:

- DLC
- Financial Contributors
- DNC
- 1992 Clinton/Gore Supporters *500 people max.*
- State Party Chairs
- Elected Officials
- State Party Finance Chairs
- FOBs
- Key Constituency Leaders
- Persuadables/Undecideds *make or break list*

- b. To the extent possible, appointees should be invited to the reception to staff supporters. (They will be notified in advance that they should not stand in the receiving line.)

- c. All additions and deletions of the list must be approved by the team leader.
- d. The SDL or his/her designee is the liaison to the Social Secretary's office.

5. Regional Press

Communications should develop a press strategy for each State Day and identify a liaison to work with each SDL.

6. Key Financial Contributors

DNC Finance will organize a separate dinner or reception for the key financial contributors the evening preceding the State Day. There will not be POTUS participation in these events.

7. Follow-Up

A team different from the Task Force will do the the follow-up with State Day participants. (This would be a WH person working with the DNC until the Re-Elect is formed.) Follow-up would include:

- a. Integration of participants into the existing systems (i.e. Personnel, OPL, Cabinet Affairs, etc.)
- b. Maintenance/care and feeding of participants, including: responding to tour requests, faxing talking points regularly, notifying about grants, notifying about POTUS/FLOTUS visits to the state, etc.
- c. General troubleshooting and integration into the Re-Elect for setting up state-wide opportunities.

The SDL will be the point of contact for the follow-up team.

8. Budget

There are three possible ways to fund State Days, estimated cost \$20,000 each:

- DNC
- The State Party
- Host Committee/Donor

Setting up a host committee in the state, or finding a donor is the preferred option. The SDL will be responsible for identifying funding resources.

9. Legal Vetting of the Concept

The Task Force will work with Legal Counsel to vet this entire process, including funding, which departments are allowed to work on which pieces, how we work with the follow-up team, etc.

10. Critique Process

The Task Force will meet to formally de-brief/critique the process after each State Day.

11. Unresolved Issues

- order of states
- logistical resources and process
- defining a separate track for media, party chairs, donors, business CEOs

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THE WHITE HOUSE

WASHINGTON

September 29, 1994

Calvin Anderson
1656 Vance Avenue
Memphis, TN 38104

Dear Mr. Anderson:

We are writing to invite you to be our guest at the White House "Tennessee Appreciation Day" on Tuesday, October 18, 1994.

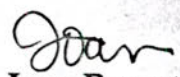
"Tennessee Day" is one in a series of briefings we are arranging as part of our outreach to business, civic, and political leaders, like you, who are making a difference in their communities. Your day will begin with a breakfast hosted by Vice President and Mrs. Gore at the Naval Observatory. A series of White House briefings with senior Administration officials is scheduled to follow at 1:00 p.m. The briefings will give you an inside view of how the White House works, and will provide an up-to-date report on the Administration's key initiatives. Following the briefings, you are invited to an evening reception hosted by the President and the First Lady.

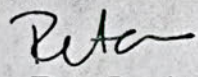
At 12:30 p.m. on the day of the event, please come to the Pennsylvania Avenue entrance of the Old Executive Office Building, located at the corner of 17th and Pennsylvania Avenue, NW. You will need a photo I.D. for admittance.

Please respond as early as possible to the Office of Political Affairs by returning the enclosed response sheet to fax number (202) 456-7163. The information on the form is necessary for admittance to the White House complex. You will be receiving separate invitations for the Vice President's breakfast and the President's reception. Please respond directly to the White House Social Office and the Office of the Vice President, respectively, for these events.

If you have any questions, do not hesitate to contact Tim Kelly at (202) 456-6257. We look forward to seeing you on October 18th.

Sincerely


Joan Baggett
Assistant to the President and
Director of Political Affairs


Reta Lewis
Special Assistant to the President
for Political Affairs

THE WHITE HOUSE

WASHINGTON

December 14, 1994

Mr. W.S. "Babe" Howard
8165 Wilkinsville Road
Millington, Tennessee 38053

Dear W.S.:

I hope you enjoyed yourself at the White House Tennessee Appreciation Day as much as I did. It was great to see so many of Tennessee's leaders who are working hard to continue moving our country forward.

Tennessee needs leaders like you, and so do I. We will make every effort to work with the new Congress in bipartisan cooperation, but we will not compromise our core convictions or allow Congress to reverse the gains we have made in reducing the deficit, fighting crime, and reinventing government. We will continue to build upon our accomplishments.

I hope your day at the White House provided you with the inspiration we all need at this time to continue to make positive changes in the country. In appreciation of your efforts, I have enclosed our picture taken during the reception.

Thank you again for your support.

Sincerely,

THE WHITE HOUSE
WASHINGTON

Briefing

March 7, 1995

MEMORANDUM FOR SECRETARY O'LEARY

FROM: Karen Anderson, Political Affairs

SUBJECT: Louisiana Day at the White House

DATE: March 8, 1995
TIME: 11:30 a.m. - 12:00 p.m.
LOCATION: Room 450, Old Executive Office Building (OEOB Auditorium)

I. PURPOSE

This group consists of approximately 200 community, grassroots, business, political and opinion leaders from the State of Louisiana. Given the size of the state, this is an elite group. The briefing you will participate in will help us inform them of our efforts, listen to their concerns and suggestions and mobilize them for action on behalf of the Administration's agenda.

II. MESSAGE

The idea behind "Louisiana Day," like our other state days, is that this Administration is committed to reaching out to people across the country, listening to their ideas and staying in touch. It is important to convey to the crowd that we asked them to travel to Washington so we can keep them informed and benefit from their input and that we consider this an ongoing process of communication.

As you know, you will be briefing the group on the Administration's energy policy. In addition, we ask that you emphasize the following points in your remarks and responses to Q & A:

- * **The New Covenant and the Middle Class Bill of Rights, with an emphasis on the idea that with rights come responsibilities;**
- * **That the Republican Rescissions reflect a strategy to cut investments for the middle class and poor children to fund tax cuts for the wealthy, and the leadership role President Clinton has played in opposing the rescissions;**

- * That this Administration is committed to making a difference in the lives of America's working people. That this President shows up for work every day to try to make a difference in the lives of the people who show up for work every day -- the people who work hard and play by the rules in an effort to make the American Dream a reality for their families;
- * That this Administration is committed to building a better future for our children;
- * That the President has kept the promises he has made;
- * That the President has taken on unpopular fights for what he believes in and remains committed to fighting for the principles on which he was elected;
- * And that the central concern of this Administration is jobs and the economy.

The other briefers will be asked to weave these themes into their remarks and responses as well.

III. BACKGROUND

Briefing Agenda and Schedule for Louisiana Day

This group will participate in a series of events throughout the day. The briefing session begins at 9:00. The schedule is:

9:00 a.m. - 9:15 a.m:	Welcome from Alexis Herman, Director of White House Public Liaison. (She will serve as the program's moderator.)
9:15 a.m. - 9:45 a.m.	Secretary Rubin will conduct a briefing on economic issues.
9:45 a.m. - 10:15 a.m.	Ambassador Kantor will give an overview of U.S. trade policy.
10:15 a.m. - 11:00 a.m.	Coffee Break (drop-by for administration officials)
11:00 a.m. - 11:30 a.m.	Leon Panetta will conduct the briefing on Administration accomplishments, message and strategy.
11:30 a.m. - 12:00 p.m.	You will conduct a briefing on the Administration's energy policy.

Following the briefings, the group has been invited to a luncheon at the Mayflower Hotel hosted by the Louisiana Democratic Party. There they will hear from Democratic Party General Chairman Senator Christopher Dodd (D-CT), DNC Chairman Don Fowler, White House Political Director Doug Sosnik and Vice President Gore. There will be a reception in the evening in the White House Residence hosted by the President and the First Lady.

Political Background

*Although some early problems have continued to plague the President in Louisiana, his standing remains about the same since his election of 1992 -- solid support in the African American community and about 25 percent to 35 percent support in the white community.

*Gays in the military and the BTU tax have undercut Louisiana's enthusiasm for the Administration. In addition, there was tremendous support in the state for the Balanced Budget Amendment, which was defeated last week.

*Louisiana is the site of a hotly contested 1995 gubernatorial race. The open primary, in which all candidates run on a single ticket, is already shaping into a 14-way match up.

*Announced Democrats in the race include U.S. Representatives **Cleo Fields** and **Bill Jefferson**, state Treasurer **Mary Landrieu**, Lt. Governor **Melinda Schwegmann**; state Senator **Mike Foster**; and attorney **Phil Pries**. Announced Republican candidates include former Governor **Buddy Roemer**; former Governor **David Treen**; and state Representative **Quentin Dastugue**. U.S. Senator **Bennett Johnston** (D) and U.S. Representative **Richard Baker** (R) have also been mentioned as possible candidates in '95.

*Convention wisdom in the state holds that the October 21st primary will result in a general election match-up between Roemer and "someone else." Recent polls indicate that Johnston, Landrieu and Schwegmann have the greatest opportunity of making it into the November 18th general election.

*The 1996 U.S. Senate race will also be a hotly contested battle among Louisiana's political leaders. Senator Bennett Johnston's January announcement that he will not seek re-election had led to massive speculation regarding the field of candidates. U.S. Representative **Billy Tauzin** (D) has announced his candidacy in the race, and Representatives **Richard Baker** (R), **Jim McCrery** (R), and **Jimmy Hayes** (D) have all said they will consider a bid for the seat in '96. Members of the congressional delegation will likely wait to see the outcome of this year's reapportionment in the state before making decisions regarding the race.

*In the Senate race, the general theory remains that whoever places second in the gubernatorial race will jump into the Senate contest and immediately become a major contender.

IV. SEQUENCE OF EVENTS

- * You will hold in the briefing room adjacent to Room 450. Linda Moore of Political Affairs will brief you before you enter the room.
- * Ms. Herman will introduce you.
- * You will make remarks for up to 10 minutes, leaving 20 minutes for Q & A.
- * You will open up the floor for Q & A.
- * When the thirty minute briefing period has almost concluded, Ms. Herman will ask for one final question from the group.
- * After you have answered the final question and made whatever conclusory remarks you feel appropriate, you will depart.

Thank you once again for participating in Louisiana Day.

Lunch

MEMORANDUM

TO: Jim Brady
FR: Fred Humphries
DA: March 6, 1995

TIME 12:30-2:30 p.m.
LOCATION Grand Ballroom on the Promenade Level (main floor)
The Stouffer Mayflower Hotel (Key Contact: Carole Statton)
1127 Connecticut Avenue, N.W., Washington DC 20036
202/347-300, x-2149, 466-9083 (fax)

In conjunction with the White House Louisiana Day activities, the Louisiana Democratic Party will host a luncheon for approximately 250 guests. Before the luncheon, the luncheon guests will participate in a series of issue briefings at the White House. Since the lunch is for the attendees of the White House briefings only, the attendees are expected to arrive at or around 12:15 p.m.

THE GROUP - The group consists of approximately 250 community, grassroots, business leaders, presidential and political appointees and Members of Congress from Louisiana. This is a very elite group. Appointees from Louisiana and DNC staff will have designated seating throughout the room for the purpose of "working the tables" and getting feedback from Louisiana.

TABLE SEATING - There will be a reserved table in the front row center for Senator Dodd and Chairman Fowler. There will not be a head table but, there will be a panelist table directly in front of their table for the panel and speakers. At the panelist table, there will be a lectern and two table microphones, one on each side of the lectern, for the panelist. After Senator Dodd's remarks, the panelists should proceed to the panelist table and begin the Q&A. This is scheduled to take place at 1:15 p.m.

MODERATOR AND SPEAKERS: As of March 3rd, Jim Brady, who is the State Party Chairman as well as the President of the Association of State Democratic Chairs, will moderate the panel discussion. This is subject to change. The following are speakers: National Chair Don Fowler, General Chair Chris Dodd, and Vice President Gore (featured speaker). In addition, the following are panelists who will make remarks: Chairman Don Fowler, Minyon Moore, and Doug Sosnik who is the White House Political Director.

LISTS - VIP LISTS ARE ATTACHED.

DNC LUNCH PROGRAM - CLOSED PRESS

12:15 * Registration begins

CONT

12:30 * Arrival of guests (pre-set entree and dessert)

12:35 * Welcome and Introduction Chairman Jim Brady
of National Chair, Don Fowler Louisiana Democratic Party
**THANK SPONSORS: RICHARD HORNER, AMERICAN HEAVY LIST
AND MR AL BOSSIER, AVONDALE INDUSTRIES**

12:40 * Remarks and Acknowledgement National Chairman Don Fowler
of Congressional Delegation Democratic National Committee

Fowler acknowledges the following groups:

- #1 List - Members of Congress
- #2 List - Louisiana Statewide Elected Officials
- #3 List - Louisiana DNC members
- #4 List - Louisiana BLF members
- #5 List - VIPS

12:50 * Introduction of Senator Dodd National Chairman Don Fowler
Democratic National Committee

12:52 * Remarks by Senator Dodd

1:15 * Q & A

Panelists:
Don Fowler
National Chairman DNC

Minyon Moore
Political Director, DNC

Doug Sosnik
Assistant to the President and
Director of Political Affairs

Jim Brady
Chairman, LA Democratic Party

1:45 * Panel Ends

1:45 * Introduction of VP

Jim Brady
Chairman, LA Democratic Party

1:46 * VP gives remarks

CONT.

2:15 * VP Departs

2:15 * Announcements by Jim Brady
Thank you by Jim Brady
Jim Brady ENDS PROGRAM

LIST 1**LOUISIANA MEMBERS OF CONGRESS****U.S. SENATOR BENNETT JOHNSTON****U.S. SENATOR JOHN BREAUX****CONGRESSMAN CLEO FIELDS (CD04)****CONGRESSMAN JAMES (JIMMY) HAYES (CD07)****CONGRESSMAN WILLIAM (BILL) JEFFERSON (CD02)****CONGRESSMAN W.J. (BILLY) TAUZIN (CD03)**

LIST 2**LOUISIANA STATEWIDE ELECTED OFFICIALS:**

- * LT. GOVERNOR MELINDA SCHWEGMANN**
- * ATTORNEY GENERAL RICHARD IEYOUB**
- * COMMISSIONER OF AGRICULTURE BOB ODOM**
- * COMMISSIONER OF ELECTIONS JERRY FOWLER**
- * SPEAKER OF THE HOUSE JOHN ALARIO**
- * SENATE PRESIDENT SAMUEL B. NUNEZ**

LIST 3**DNC MEMBERS****JAMES BRADY, STATE PARTY CHAIR****MARY LOU WINTERS****HONORABLE SHERMAN COPELIN****THEODORE JONES****DORIS REGGIE****FRAN BUSSIE**

LIST 4**BLF MEMBERS****ROBERT AZAR****HENRY BERNSTEIN****SHERMAN COPELIN, JR****KENNETH DUPONT****RANDY HAYNIE****G. EARL HUMPHRIES, III****ALLEN KANNER****PETER MONTAYNE****ANN PRIDE****ROBERT SAVOIE****KEN SHOLIMIER**

LIST 5**VIPS****DNC National Secretary Kathy Vick**

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To: Fred Humphries	From: Bonita
Co: DNC	Co: S.C.D.P.
Dept:	Phone #
Fax #	Fax #

GOP presidential candidate Phil Gramm addresses media before Friday's 1995 Silver Elephant Banquet and Presidential Straw Poll. TIM CONRICK/THE STATE

Gramm weaves S.C. straw-poll victory

By LEE BANDY
Staff Writer

Texas Sen. Phil Gramm won the South Carolina Republican presidential straw poll Friday night as hundreds of party activists kicked off what is expected to be a spirited yearlong contest for the White House.

Nearly 1,200 people cast ballots at the party's annual \$120-a-head fund-raiser in Columbia. About 2,500 people attended the event.

Gramm received 416 votes, or 35 percent, followed by former Tennessee Gov. Lamar Alexander with 314, or 26 percent, and Senate Majority Leader Bob Dole of Kansas with 254, or 21 percent. Other contenders and write-in candidates split the remainder of the 1,190 votes, including two for President Clinton.

The surprise of the evening was Alexander's strong second-place finish. Most people expected Gramm to win by a much greater margin.

"That's really amazing," said Atlanta pollster Whit Ayres, who has been retained by the Alexander campaign. "Phil Gramm has been working this state for two years."

Secretary of State Jim Miles, state chairman for Gramm, tried to put his best face on it. "I'm ecstatic," he said, but then added, "I'll admit I was sweating it."

Gramm has won similar nonbinding polls in Louisiana and Arizona by comfortable margins.

"What this means is that Republicans are saying they support me overwhelmingly for president, and that's the foundation for building a strong second-place finish."

STRAW POLL

Here's the tally from the GOP presidential straw poll taken Friday night in Columbia; 1,190 people cast ballots:

Name	No.
Phil Gramm	416
Lamar Alexander	314
Bob Dole	254
Alan Keyes	82
Pat Buchanan	57
Bob Dornan	23
Others	44

PLEASE SEE POLL PAGE A5

White House lying about GOP plan to restructure school lunch program, Graham says

He says funding
would rise.

By James T. Hammond
Capital Bureau

COLUMBIA — Stung by the notion of Republicans taking food from needy children's mouths, 3rd District U.S. Rep. Lindsey Graham on Monday accused the Clinton administration of lying about the GOP's plan in Congress to restructure the national school lunch program.

"We're going to feed more children with less money," the Seneca Republican said.

Under the current Republican plan, Graham said funding for school lunch programs will actually rise 4.5 percent a year for the next five years and money available for the Women, Infants and Children program would increase by \$1 billion per year.

Graham also said he supports eliminating the federal subsidy for full-price school meals.

State officials say that children paying the full price, which ranges from 75 cents to \$1.50 per meal, are subsidized about 17 cents per meal.

Graham said those who can afford to pay the full cost of meals should do so.

"If you look at the national debt, you have to ask whether people who can afford full price should get a subsidy," Graham said.

But he defended Congress from the notion that needy children would not be fed.

"You've been reading about Republicans taking food from the mouths of needy children. Well, that's a lie," Graham said.

Last week, the state Department of Education estimated that the changes under consideration in Congress would cost South

Carolina \$44 million of a \$50 million annual cost of providing free and reduced-price lunches.

The estimate brought on a firestorm of criticism from Republicans in the Statehouse.

The state Department of Education then forwarded U.S. Department of Agriculture figures that indicated South Carolina stood to lose \$11 million a year, not \$44 million.

USDA spokesman Phil Shanholtzer said that agency's analysis suggests savings may be illusory.

"If you want to get into a debate about who is lying and who is not, I can't do that. I can fax you a copy of the alleged distortions," he said.

Shanholtzer said USDA analysis shows most states losing money under the Republican plan.

"Our analysis indicates that if you replace the federal bureaucracy with 50 state bureaucracies, you probably aren't going to save any money," he said.

Under any scenario, Shanholtzer said some federal bureaucracy would be necessary to account for the money, "although it's not real clear how accountable the states would be."

"I think there's a certain amount of hyperbole going on. But I think a case can be made that there's value in keeping this program at the federal level," Shanholtzer said.

On Monday, state Superintendent of Education Barbara Nielsen joined Graham in a Statehouse news conference, noting, "Our predicament is to have accurate figures. We have to make sure the information is correct and that we are not being used by the Washington bureaucracy in the process."

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Greenville News
3/7/95

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CONTINUED

POLL

FROM PAGE A1

ing a strong grass-roots organization across the country," he told reporters.

The senator predicted that he would win the state's first-in-the-South primary next year because "I'm conservative, and think like South Carolinians think."

The Republican Party's dog-and-pony show at the State Fairgrounds provided an early glimpse of how GOP presidential candidates are developing their messages. Five addressed the Silver Elephant dinner.

Alexander took a gentle poke at Dole, the early front-runner, saying voters are looking for a new generation of leadership. He suggested that if the country wants the most experienced leader who has been in Washington a long time, then Dole, at 71, is that person.

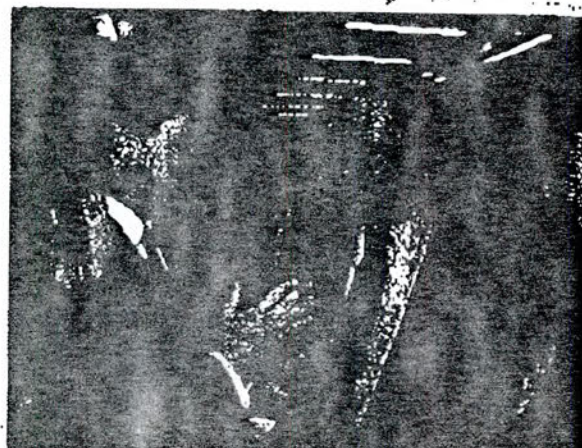
"But I think it is time to move on, and my assessment is that most Republican voters, by the time we get down to the caucuses and primaries, will feel the same way," Alexander told a news conference before the dinner.

Dole declined an invitation to appear because of a previous engagement in New Hampshire, site of the nation's first primary next year.

Other speakers included former State Department official Alan Keyes of Maryland, California Rep. Bob Dornan and commentator Pat Buchanan, a pugnacious proponent of conservative economic populism.

South Carolina will hold its primary March 2, a week before the all-important Southern contests on Super Tuesday.

In 1988, George Bush took a major step toward winning the Republican nomination with an easy pri-



TIM DOWNING/THE STATE

Gov. David Beasley talks with GOP presidential candidate Lamar Alexander at a reception before Friday night's banquet.

mary win in South Carolina.

The victory gave him momentum heading into the Super Tuesday primaries, which he swept. He was unstoppable after that.

The gala straw poll attracted a record crowd and record receipts. The event grossed nearly \$200,000 for the state GOP's coffers.

Gramm's victory was expected. He organized early and personally phoned hundreds of party activists. He worked off a mail database that included the names of nearly 25,000 South Carolinians.

The Texan also had the support of more than half of the 46 GOP county chairmen.

A Mason-Dixon Political/Media Research poll released last week showed Dole the choice of 44 percent of the Republicans surveyed. Gramm was second with 20 percent.

Gov. David Beasley and former Gov. Carroll Campbell, perhaps the two biggest political figures in the state, have yet to endorse anyone. But it hasn't kept their staffs and families from getting involved.

Third Vice Chairman Robert Cahaly, in charge of the party youth activity and a member of Beasley's

staff, helped engineer an early straw poll of more than 1,700 college and teen-age Republicans. Dole won with 60 percent of the vote.

Meanwhile, two members of Campbell's family endorsed Dole. They were Campbell's father, Carroll Sr., and his son, Carroll III.

Dole's mention of Campbell as potential running mate helped boost the Kansan's numbers among the dinner guests, many of whom sported Dole-Campbell stickers.