

**THE TRIP OF  
THE PRESIDENT  
TO  
LONG BEACH, SANTA MONICA,  
AND MALIBU, CALIFORNIA, AND  
SEATTLE, WASHINGTON**

**February 23 & 24, 1996**

**Staff Copy**

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Separately



## THE WHITE HOUSE

WASHINGTON

February 22, 1996

REMARKS AND TOUR ATMCDONNELL DOUGLAS C-17 PLANT

DATE: February 23, 1996

LOCATION: Long Beach, California

TIME: 10:00 a.m.

FROM: ANTHONY LAKE I. PURPOSE

You will make remarks at the McDonnell Douglas plant. There are 20,000 workers at the plant, 8,400 of whom work on the C-17 (other aircraft built there include the MD-11 and the MD-90). 13,900 workers are directly involved in C-17-related work throughout the state, with an estimated 18,600 involved by the end of the century. Along with your remarks, the following C-17-related events/announcements are scheduled at the plant:

- You will accept a commemorative memento marking delivery of the 24th C-17 aircraft from McDonnell-Douglas -- the twelfth aircraft in a row delivered early.
- You will announce the award that day of a contract to McDonnell Douglas for the last eight of the first 40 C-17 aircraft authorized, a contract worth \$1.87 billion to McDonnell Douglas. The contract will also include options to buy the 80 aircraft for which the Defense Department agreed to budget in November 1995, worth \$15.2 billion to McDonnell Douglas (if the multiyear contract legislative proposal outlined below is enacted, the total value is \$14.4 billion).
- You will also announce that you have submitted a formal legislative proposal to Congress to authorize a 7-year, multiyear procurement of the next 80 C-17's. This will result in a 5 percent savings in aircraft unit price, a total of \$896 million in savings. Overall contract value will be \$16.6 billion, with a value to McDonnell Douglas of \$14.4 billion. This multiyear contract, if enacted, will be DoD's:
  - longest multiyear contract (7 years).
  - Largest multiyear contract value (\$16.6 billion).
  - Second largest multiyear contract savings (\$896 million).

## II. BACKGROUND

In November, the Defense Department decided to plan and budget for another 80 C-17 aircraft after completing its current buy of 40 planes. During your visit to the McDonnell Douglas C-17 plant in Long Beach, you will sign the letter transmitting the contract of the last eight planes of the originally 40 aircraft. You will also announce that the Administration submitted a legislative proposal to Congress which would authorize procurement of the additional 80 C-17's under a seven-year multiyear contract, which would result in savings of \$896 million.

On February 8, you made the following decisions about the future of the B-2 program:

- The \$493 million added by Congress to the B-2 program in Fiscal Year 1996 will be spent on procurement of B-2 components, upgrades and modifications that would be of value for the existing fleet of B-2 bombers, as recommended by the Fiscal Year 1996 Defense Authorization Conference Report.
- The Administration will continue its current B-2 program, which includes about \$7 billion over the next five years to buy and deploy 20 B-2's and upgrade them to the more capable Block-30 configuration.
- The Administration believes that no additional B-2's are required and will not include any money for additional B-2's in its Fiscal Year 1997 budget.
- The Department of Defense will, however, expand an ongoing study of deep attack munitions options to examine tradeoffs between long-range bombers, land- and sea-based tactical aircraft and missiles that are used to strike the enemy's rear area.

## III. PARTICIPANTS (tentative)

Senator Boxer  
 Mayor Beverly O'Neill of Long Beach  
 Mr. Harry Stonecipher, CEO, McDonnell Douglas  
 Mr. Donald Kozlowski, Director of C-17 production  
 Betty Cavanagh, employee, McDonnell Douglas

## IV. PRESS PLAN

Open press

V. SEQUENCE (tentative)

- 10:05 a.m. -- Arrive McDonnell Douglas plant
- Met Harry Stonecipher and Betty Cavanagh (proceed to stage)
  - Don Kozlowski's welcoming remarks
  - Senator Boxer's remarks
  - Don Kozlowski introduces Betty Cavanagh (worked at McDonnell Douglas since 1951)
  - Betty Cavanagh will introduce you and will also present you with commemorative momento (the momento is an embossed C-17 coin attached to pin normally in aircraft's nose gear to prevent movement of plane. Presentation of pin with the momento coin is representative of fact the aircraft is ready for flight (it will be flown to an operational base the next day))
- 10:10 a.m. -- Remarks to plant workers
- 10:40 a.m. -- Greet workers
- 11:10 a.m. -- C-17 event ends

## Attachments

- Tab A Background on C-17 Program
- Tab B Questions and Answers on C-17 Program
- Tab C Background on B-2 Review
- Tab D Questions and Answers on B-2 Review

A



## C-17 GLOBEMASTER III AIRCRAFT PROGRAM

### Background

The C-17 is our nation's core airlifter for the 21st Century. Three years ago, the program was on the verge of cancellation. Production was capped at 40 aircraft while the Administration looked into alternatives and addressed cost, schedule and performance problems with McDonnell Douglas. The Defense department engaged in its own comprehensive process to refine airlift requirements, analyze various aspects of airlift and assess the cost-effectiveness of a range of airlift fleet mixes.

Meanwhile, the McDonnell Douglas/DoD team worked diligently to turn the C-17 program around. It jointly implemented the terms of the Administration's Settlement Agreement, which resolved all outstanding claims and created a new program environment for success; thoroughly analyzed the potential for cost reduction and implemented those initiatives throughout the C-17 plant you will visit; and implemented the best tenets of acquisition reform, with significant quality and cost improvements.

Based on this dramatic turnaround of the C-17 program, the comprehensive analysis of the nation's airlift requirements and capabilities, and the military capability and flexibility the C-17 provides, the Defense Department determined in November 1995 that planning for a total buy of 120 C-17s provides the best value and best means to improve our ability to rapidly apply U.S. military power throughout the world. The Defense Department announced at that time that it had approved planning, programming and budgeting for an additional 80 aircraft. Today, the Administration submitted to Congress a legislative proposal for authority to buy these 80 C-17's on a seven-year multiyear contract with a value of \$16.6 billion. Assuming implementing legislation is enacted, this amount represents a 5 percent savings in aircraft unit price which will be realized by procuring these aircraft by a multiyear buy -- a total of \$896 million which will provide our military with the world's best airlifter at an even more affordable price.

The C-17 brings an enormous strategic capability to an ever changing national security environment. The C-17's ability to deliver outsize cargo during major regional contingencies will enable DoD to meet the mobility requirements identified in its 1995 Mobility Requirements Study Bottom-Up Review Update. Additionally, Department analyses show that the C-17's easy loading and unloading, ability to carry outsized equipment, increased ground maneuverability and its short runway capability are significant force enablers for world-wide operations.



## Strategic Airlift Requirements

Strategic mobility is an essential element of our national strategy, particularly with a smaller U.S. forward presence and with more forces based in the continental United States. The Joint Chiefs of Staff recently assessed the nation's strategic mobility requirements to move military equipment and supplies rapidly to areas of potential conflict around the world. This assessment concluded that it requires at least 120 C-17-equivalents if we are to maintain the capability to fight and help win two nearly simultaneous major regional contingencies.

The 120 C-17s also meet other military-unique requirements:

- Airdrop. Provides the strategic airdrop capability for a brigade of 2,000 personnel and a wide mix of equipment.
- Small, Austere Airfield Access. The C-17, because of its ability to land on shorter runways of only 3,000 feet, will be able to deliver its cargo to many airfields closer to our troops which our current strategic airlifters cannot use. The C-17 can also rapidly deliver its cargo to locations lacking developed infrastructure because it does not require any prepositioned offloading equipment.
- Throughput. With better ground handling characteristics, including an ability to back up and maneuver in tight places, more C-17s can park in a given amount of ramp space and offload in a shorter amount of time. Therefore, the C-17 can deliver more cargo in a shorter time than other aircraft, while being able to carry "outsize" military equipment.
- Survivability. The C-17 has an integrated defensive system which protects against surface-to-air missiles. Additionally, the aircraft was designed for low altitude, moderate speed flight to help it avoid enemy threats.

## C-17 Operational Performance

The C-17 is demonstrating its worth in world-wide operations:

- Hurricane Marilyn Relief. The C-17 filled a critical need after Hurricane Marilyn devastated the U.S. Virgin Islands. It was the only aircraft that could transport needed outsized cargo into St. Thomas during the relief

effort because of the short runway. It delivered 30 percent of the tonnage in only 18 percent of the total airlift missions, illustrating its impressive throughput capability.

- Operation JOINT ENDEAVOR. The C-17 was the mover of choice in getting peacekeeping forces into Bosnia. The Air Mobility Command dedicated twelve C-17s to the operation during the peak movement period. By mid-February, these aircraft had completed over 475 missions, moving approximately 12,000 tons of cargo. These amounts represent about 25 percent of the total missions, but over 40 percent of the cargo delivered by air. In spite of harsh weather and austere airfield conditions, the C-17 maintained a departure reliability rate of 96 percent and a mission capable rate of 85 percent.

#### Your Participation in C-17 Events at McDonnell Douglas Plant

There are 20,000 workers at the plant, 8400 of whom work on the C-17 (other aircraft built there include the MD-11 and the MD-90). 13,900 workers are directly involved in C-17-related work throughout the state, with an estimated 18,600 involved by the end of the century. In addition to your remarks, the following C-17-related events are scheduled at the plant:

- You will announce the award that day of a contract to McDonnell Douglas for the last eight of the first 40 C-17 aircraft authorized, a contract worth \$1.87 billion to McDonnell Douglas. The contract will also include options to buy the 80 aircraft for which the Defense Department agreed to budget in November 1995, worth 15.2 billion to McDonnell Douglas (if the multiyear contract legislative proposal outlined below is enacted, the total value is 14.4 billion).
- You will accept a commemorative memento marking delivery of the 24th C-17 aircraft from McDonnell-Douglas -- the twelfth aircraft in a row delivered early.
- You will also announce that you have submitted a formal legislative proposal to Congress to authorize a 7-year, multiyear procurement of the next 80 C-17's. This will result in a 5 percent savings in aircraft unit price, a total of \$896 million in savings. Overall contract value will be \$16.6 billion, with a value to McDonnell Douglas of \$14.4 billion. This multiyear contract, if enacted, will be DoD's:
  - longest multiyear contract (7 years).
  - Largest multiyear contract value (\$16.6 billion).

- Second largest multiyear contract savings (\$896 million).

#### Major Defense Programs in Southern California

In Fiscal Year 1996, the 13 major defense programs in southern California were appropriated a total of \$6.9 billion, accounting for over 200,000 defense jobs. These programs include:

- C-17, Evolved Expendable Launch Vehicle for space launches, Delta rocket (McDonnell Douglas)
- B-2, F/A-18, Brilliant Antiarmor submunition (Northrop)
- B-1, Global Positioning System, Airborne Laser (Rockwell)
- Defense Support System (satellite network), Space Based InfraRed Systems (for missile launch detection) (TRW)
- Sense and Destroy Armor projectile (Aerojet)
- Classified programs

B



## C-17 AIRCRAFT PROGRAM

Q: What is your opinion of the dramatic turnaround in the C-17 program?

A: When I ran for President in 1992, I strongly supported the C-17 as a crucial element of a new U.S. strategy of engagement. That plane is an amazing asset to the United States, and we made absolutely the right decision to develop it and to rely on it. A lot is owed to the workers at McDonnell Douglas who worked as a joint team with the Air Force and defense officials to make the dramatic turnaround in the program that it did over the last three years. They corrected cost, schedule and performance problems and gave us the world's best airlifter at the most affordable price.

Q: What are the savings in the program?

A: Because of the cost reduction initiatives throughout the C-17 plant, the implementation of new acquisition reform efforts and the efficiencies that will accrue from the multiyear procurement plan I have proposed to Congress, the additional 80 aircraft we will now procure will cost \$16.6 billion -- a price reduction of over 20 percent, with a savings of \$5.3 billion.

Q: How does the C-17 fit in the new security environment?

A: When I ran for President, I was convinced that while we were going to have a downsized military with more joint planning, strategic mobility would be an essential element of our national strategy. The C-17 is instrumental to providing strategic mobility required to fight and help win two nearly simultaneous major regional contingencies. The C-17 also meets other military requirements, such as the need to airdrop paratroopers and equipment, operate at small airfields with minimum infrastructure and drastically reduce the amount of time needed to offload a transport aircraft under combat conditions.

Q: How has the C-17 performed?

A: I have flown in the C-17 and can tell you it's a terrific airplane. It's made a big difference to us. After Hurricane Marilyn devastated the U.S. Virgin Islands, it was the only aircraft that could transport outsized relief cargo into St. Thomas because of the

short runway. And in Bosnia, the C-17 is the mover of choice. By mid-February, the C-17 aircraft was responsible for about 25 percent of the total missions, but over 40 percent of the cargo delivered by air.

Q: What do you see as the likelihood of going beyond 120 C-17s?

A: That decision is several years away, and it's going to be made based on the longevity of other airlifters such as the C-5 and what our international security requirements are at that time. We do not come to the end of production on the 120th aircraft until after the turn of the century, so we have some time to consider that decision.

Q: Can you tell us why the Boeing 747 and the C-5 were ruled out as an alternative to the C-17?

A: Buying a mixed fleet of C-17s and 747s would have resulted in some savings, but a force of 120 C-17's provides far greater flexibility and versatility. Buying more C-5's was not a cost-effective option, particularly with having to reopen its closed production line.

Q: Since the end of the Cold War, hasn't the requirement to move multiple heavy Army divisions gone away?

A: The requirement to move heavy Army divisions is a crucial element of our strategy of being able to fight two major regional conflicts nearly simultaneously.

Q: Do you have any comment on the recent GAO report on the C-17 that said McDonnell Douglas, in a rush several years ago to produce the first C-17 models, took over production of some parts from subcontractors and ended up charging the U.S. Government thousands of dollars more for these items?

A: The C-17 program has been placed under perhaps greater scrutiny than almost any weapons purchase program in the last 20 years, and developed into what everybody considers to be a huge success. In 1992, it was found that McDonnell Douglas did overcharge for some spare parts. McDonnell Douglas has returned over \$180,000 which they and the GAO have determined to be the overcharge for those parts, so this problem is taken care of, and we will continue to audit the program very closely.

Q: The GAO suggests that the money returned by McDonnell Douglas was not enough and that there are still disputed overcharges, and that the amount of profit McDonnell Douglas received on the parts was unwarranted.

A: This has been widely studied by the Defense Department. There was a just refund and the problem has been corrected.

Q: The U.S. Justice Department is reported to have joined a whistle-blower's lawsuit against McDonnell Douglas alleging that the company knowingly accepted defective equipment from subcontractors. Instead of demanding the subcontractors fix the equipment, McDonnell Douglas took the equipment and billed the government, then later fixed the problems itself, the lawsuit alleges. Do you have any comment?

A: I cannot comment on that report since the case is in litigation.

C



## B-2 BOMBER REVIEW

### Background

On February 8, you made the following decisions about the future of the B-2 program:

- The \$493 million added by Congress to the B-2 program in Fiscal Year 1996 will be spent on procurement of B-2 components, upgrades, and modifications that would be of value for the existing fleet of B-2 bombers, as recommended by the Fiscal Year 1996 Defense Authorization Conference Report.
- The Administration will continue its current B-2 program, which includes about \$7 billion over the next five years to buy and deploy 20 B-2's and upgrade them to the more capable Block-30 configuration.
- The Administration believes that no additional B-2's are required and will not include any money for additional B-2's in its Fiscal Year 1997 budget.
- The Department of Defense will, however, expand an ongoing study of deep attack munitions options to examine tradeoffs between long-range bombers, land- and sea-based tactical aircraft and missiles that are used to strike the enemy's rear area.

D

## B-2 BOMBER REVIEW

Q: Why did you decide not to buy more B-2's?

A: It is basically a matter of cost. Although the B-2 has impressive capability, the senior civilian and military leadership at the Pentagon were unanimous that the extra capability more B-2's would provide would come at too high a price.

Q: Does this mean that you are no longer considering the purchase of additional B-2's?

A: We have no plans to buy additional B-2's, but I do not rule it out. We will see what the new DoD study concludes concerning possible trade-offs across service lines in the deep attack mission area.

Q: Why are you going to study the issue further?

A: First, it was recommended by the Roles and Missions Commission. Second, many in Congress and in the defense community felt the Defense Department had not adequately addressed the question of trade-offs.

Q: Hasn't the Pentagon already done several studies that addressed the issue of bombers?

A: Yes, but they did not compare B-2's versus other deep attack options.

Q: Will the new study explicitly look at buying more than 20 B-2 bombers?

A: That is not the focus of the new study, but it will examine options involving more B-2's. It will also examine changes in the size of our aircraft carrier force, land-based tactical air force, surface-to-surface missile force and precision-guided munitions programs.

Q: What is the role of the Defense Science Board (DSB) in this study?

A: The DSB will be asked to provide an independent assessment of the analytic tools and models and make any recommendations for improvement in the study's analytic approach. The DSB will undertake this review at the conclusion of the first part of the study next summer and will be briefed periodically. The goal is to ensure that

the study's overall approach is validated before the work on force structure tradeoffs is conducted.

Q: What was the recommendation of the NSC review?

A: The NSC provided me with its evaluation of the pros and cons of a range of options concerning the B-2. The review did not make a specific recommendation.

Q: Do the Joint Chiefs agree with the B-2 decision?

A: Yes, unanimously, as do the CINCs.

Q: Why did the NSC conduct its review?

A: Once it was clear Congress was going to revise the vetoed Fiscal Year 1996 defense authorization bill, which included provisions lifting the cap on 20 bombers and authorizing the additional \$493 million, in a way that would permit me to sign it, I thought it wise to take a fresh look at the program.

Q: How many B-2's have been delivered to the Air Force?

A: Eight.

Q: When will the B-2 force become operational?

A: The first squadron of eight will be declared operational in Fiscal Year 1997.

Q: How much would 20 additional B-2's have cost?

A: Over 20 years, \$30 billion in life-cycle costs in then-year dollars.

Q: What will the \$493 million from FY 1996 be spent on?

A: The Air Force is preparing final recommendations to Secretary Perry on this, but I expect it will include buying spare parts and mission-related equipment that could be prepositioned abroad to enhance the readiness and response time of the 20 bomber force.

Q: How much of the \$493 million will be spent in California?

A: We will not know until Secretary Perry approves a final package, but since a great number of B-2 subcontractors are in California, it is reasonable to expect California companies will be receiving orders.

2/22/96 6 p.m.

**PRESIDENT WILLIAM JEFFERSON CLINTON  
REMARKS TO MCDONNELL DOUGLAS C-17 WORKERS : 22  
LONG BEACH, CALIFORNIA  
FEBRUARY 23, 1996**

[Acknowledgments:] Senator Boxer; Congressman Horn; Mayor O'Neill; Mr. Stonecipher [MD CEO]; Mr. Kozlowski [MD C-17 Program Manager]; Betty Cavanagh [introducer]:

Ms. Cavanagh, I appreciate your kind words, and I thank you for this momento of the delivery of our 24th C-17. But I value even more your extraordinary dedication to McDonnell Douglas and to our country -- we're all grateful for your many fine years of service.

I am proud to be with the McDonnell Douglas family today. I'm here to say, very simply, thank you. Thank you for building the C-17 Globemaster -- the finest military transport plane in the world. Thank you for the extraordinary partnership you've forged with the Department of Defense to cut costs, increase efficiency and make the C-17 program a model for public/private sector teamwork. Thank you for keeping America strong -- for giving us the airlifter we need to meet our national security responsibilities for the 21st century.

Last month, during my State of the Union address, I described the seven great challenges we must face together to make the future even brighter for every American. We must cherish our children and strengthen our families... provide better education for all our people... enhance the economic security of working families through better access to health care and secure pensions... take back our streets from criminals, gangs and drug dealers... protect the environment... reinvent our



government so that it's not just smaller, but stronger. And we have to keep America strong and lead the global fight for freedom and peace so that we have real security and prosperity here at home.

But we can only meet these challenges if all of us -- individuals and families... working men and women and companies... the federal government and state and local governments -- come together and work together as a team. And that's what the C-17 program is all about.

Four years ago, when I was running for President, a lot of people in both parties said America didn't need the C-17. I said they were wrong. Yes, the Cold War was over and we could afford to downsize the military. But we could not afford to turn away from threats to our security that were taking on new and dangerous dimensions -- ethnic and religious hatreds... regional conflicts... the spread of weapons of mass destruction. To meet them, our military needed even greater mobility and the capacity to project power quickly and decisively. That's why I strongly supported the C-17. More than any other tool in our arsenal, it would allow us to get our troops, weapons and supplies where they're needed, when they're needed.

Today, the C-17 is up and flying and the bottom line is clear: this plane has delivered on its promise. We've had airlifters before that could carry heavy loads over long hauls. We've had airlifters that could land on the most primitive airfields in the worst weather conditions. But we've never had a plane that could do both -- until the C-17. As good as the C-17 looked on paper, it has performed even better in reality.

I'm speaking from first hand experience. Last month, I visited our troops in Bosnia, who are doing such an extraordinary job to help peace take hold. The plane I usually fly on was too big to land in Tuzla. So the Air Force made a C-17 Air Force One for the day.

The first thing that impressed me was the plane's remarkable cargo capacity. Between my staff, members of Congress, security and the press, there were more than 100 people sitting on those hard, red molded plastic seats. We also carried two Army Humvees, bags of mail, 210 cases of Coke and 5,000 Hershey bars. And there was room to spare -- although I'm not sure even the C-17 could have lifted a heavier load, given the collective weight of the egos on board.

I spent a lot of time on the flight deck, talking with the crew and seeing what the C-17 can do. The loadmaster, Chief Master Sergeant Mark Smith, told me about his pride in the plane and its capabilities. He reminded me that many people were skeptical that we would risk the C-17 in an environment as potentially hostile as Bosnia. To repeat what I replied: "That's why we built it."

Leaving Bosnia, we wanted to be airborne before dark. Night was falling fast. Our plane was parked near the middle of the runway, leaving only about 4000 feet of tarmac. The Aircraft Commander, Major Frederick Cianciolo [See-Ann-See-olo], said we wouldn't even need half that much. He told people to buckle up. Then he threw 160,000 pounds of thrust into the four Pratt & Whitney engines. Twelve seconds and 1,800 feet of runway later, we were in the air.

The C-17 has been the workhorse of the Bosnia build-up. While it's flown only about 25% of the missions, it has carried over 40% of the cargo and more passengers than any other transport. At

the very start of the operation, terrible weather and flooding held up construction of the Sava River bridge, the main land link for our troops to Bosnia. So we loaded pontoon sections onto flatbeds and rolled them into C-17s. The planes set down near the Sava, the flatbeds rolled off, the bridge was built and our troops moved into Bosnia.

This past fall, when Hurricane Marilyn devastated the U.S. Virgin Islands, the C-17 was the only aircraft in our fleet able to land outsized cargo on undersized runways. C-17s flew 18 percent of our relief missions, but delivered 30 percent of the supplies, medicine and housing materials. Thousands of people came to see the C-17 as a savior from the skies.

The exploits of the C-17 are fast becoming legendary. But I want to say a few words about the exploits of the people right here at McDonnell Douglas.

After the first C-17s rolled off the production line, there were real concerns about cost overruns and scheduling delays -- concerns that I shared. Everyone at McDonnell Douglas pitched in and turned this program around. Working side-by-side with the Air Force, you made a great plane even better, and you did it for less. Now, the fly away cost of the C-17 has been cut in half. The C-17 parked behind me is the twelfth aircraft in a row that you have produced not just on schedule -- but ahead of schedule. And today, the Air Force delivered to McDonnell Douglas a contract for the production of the last 8 of the 40 C-17's we originally requested -- a contract worth 1.8 billion dollars.



Because of your extraordinary efforts and the exceptional performance of the C-17, my administration plans to order another 80 planes to meet our military airlift needs. Today, I asked Congress to approve a multi-year procurement for those planes -- the longest and largest multi-year defense contract ever. It will be worth more than \$14 billion to McDonnell Douglas and more than 18,000 jobs to California. And it will save our taxpayers nearly \$1 billion because we're ordering all the planes we need at once instead of a few at a time.

I want to say a special word of thanks to everyone who made this possible, starting with Major General Ron Kadish [Kay-dish], the Air Force's C-17 Program Director... Rudy de Leon, our Undersecretary of the Air Force..... McDonnell Douglas CEO Harry Stonecipher... your Program Manager, Don Kozlowski... and Representative Jane Harman and the other members of Congress who supported this program so strongly. Congratulations on a job very well done.

Let me say to everyone at McDonnell Douglas, and to people throughout California and across America who have dedicated their lives to our nation's defense: Every American owes you a tremendous debt of gratitude. I want you to know this: as long as I'm President, our military will have the resources it needs to remain the best fighting force in the world. And you will have the resources you need to build the bombers and fighters... the missiles and munitions... the satellites and airlifters that keep our country safe and strong.

All of us must recognize that we are living a period of extraordinary change and challenge. If we work together, we can anticipate the changes and rise to the challenges -- and give every American a chance to live the American dream.

That's what you've been doing all across this state. Over the last three years, the unemployment rate has dropped from 9.5 to a little over 7.5 percent. You've added nearly 300,000 new jobs in 35 months -- after losing 63,000 jobs in the four previous years. Consumer confidence is up. The tax burden on more than 2 million California families is down because we expanded the Earned Income Tax Credit. And with our Crime Bill, we now have more police on the streets to make every law abiding citizen more secure.

I know that meeting the challenges of our times requires facing up to tough choices and trade-offs. In the defense industry, we can't fund every new weapons systems. We can't buy as many of some valuable weapons as we would like. What we can do -- what we must do -- is to work together to build the most effective and efficient defense for America's future.

That's what we did -- what you did -- here at McDonnell Douglas with the C-17. Working together, you've proved that everyone can win: the 8,400 workers at this plant who are making the best airlifter in the world... the people of California... our Armed Forces... taxpayers... and all Americans, who are safer today than ever before. I am proud of what you've accomplished together -- and you should be, too.

Thank you for all that you have done -- and for all that you will do -- for America. God bless you. And God bless America.

###



THE WHITE HOUSE

WASHINGTON

February 22, 1996

BRIEFING ON BASE REUSE ISSUES BY LONG BEACH OFFICIALS

DATE: February 23, 1995  
LOCATION: McDonnell-Douglas Conference Room, Long Beach  
TIME: 11:15-11:30am  
From: David Lane, NEC *DL*

I. PURPOSE

At Mayor Beverly O'Neill's request, you will visit briefly with Long Beach civic, business and labor leaders to get a report on plans to redevelop the Naval Complex. **The group met Thursday morning, February 22, with Navy Secretary John Dalton and Deputy Assistant Secretary Bill Cassidy.**

II. BACKGROUND

Closure implementation continues at the Long Beach Naval Complex. The 1991 BRAC Commission decided to close the Naval Station, Hospital, and adjacent Military Housing Sites, with a job impact of around 10,000 military and civilian positions lost. The 1995 Commission voted to close the Naval Shipyard and support facilities, costing Long Beach more than 4000 additional DoD jobs.

Mayor O'Neill is eager to move ahead aggressively with reuse of the facilities. The City regards rapid leasing and transfer of the base property as critical to successful economic recovery. The Shipyard is scheduled to close in September, 1997. **The atmosphere of Thursday's meeting with the Navy was optimistic and buoyant,** according to the Mayor and Secretary Dalton. There are several reasons for optimism:

- **COSCO** -- The expected anchor tenant for the Shipyard will be the China Ocean Shipping Company (COSCO, the world's largest shipping company), which will expand operations in the Port of Long Beach. The Port is the largest in the U.S. and will expand onto more than 200 acres of Navy property.
- **Boeing Sea Launch** -- Plans exist to use the Naval Station "mole" (a pier) for a commercial satellite launching project. Boeing has signed a \$1 billion deal with Hughes and the leading Ukrainian aerospace company, NPO Yuzhnoye, to manufacture and launch at sea commercial space launch vehicles. The former Naval Station will be the West Coast Home Port for the Sea Launch, to be operational in 1998. The Navy is currently arranging a lease for Boeing/Hughes so that construction can begin this year. (FYI: McDonnell-Douglas opposed the policy decision that permitted the Ukrainian deal.)

- **Super-Volume Retail Center** -- The Navy has approved plans to use the former Naval Hospital as a "power" retail center, an important project for the City. Negotiations for sale of the property are underway.
- **Queensway Bay** -- Like Baltimore's Inner Harbor, this project is designed to make Long Beach a regional tourism and convention destination, anchored by a modern aquarium complex next to the Queen Mary. HUD has approved a \$40 million Section 108 loan for needed public improvements. **Note:** Thursday the Mayor raised an important new issue, assistance dealing with a silting problem in the harbor. The City is seeking help with "maintenance dredging" from the Army Corps of Engineers. DoD and the Army are following up.

### III. PARTICIPANTS

#### President

Leon Panetta

Tony Lake

Bob Bell, NSC

#### Long Beach Delegation

Mayor Beverly O'Neill

Senator Barbara Boxer

Congressman Steve Horn

Jenny Oropeza

Alan Lowenthal

Les Robbins

Mike Donelon

Doug Drummond

Tom Clark

Doris Topsy-Elvord

Jeff Kellogg

Jerry Shultz

Randall Hernandez

James Hankla

John Calhoun

Gerald Miller

David Brown

James Gray

J. B. Larkins

Bob Maxson

Carmen Perez

Allan Tebbetts

Roy Hearrean

Skip Keesal

Councilmember

Councilmember

Councilmember

Councilmember

Councilmember

Councilmember

Councilmember

Councilmember

Councilmember

Chief of Staff to Mayor O'Neill

City Manager

City Attorney

Manager, Economic Development Bureau

Pub. Affairs Director, Douglas Aircraft Co.

President and CEO, Harbor Bank

L. B. Naval Shipyard Employee Association

Cal. State University, Long Beach

Harbor Commission

Chair, Economic Development Commission

President, Port of Long Beach

Attorney, Port of Long Beach

IV. PRESS PLAN

Still photos only.

V. SEQUENCE OF EVENTS

- The President and Mayor O'Neill enter the room and face the participants, who are seated theater-style.
- Mayor O'Neill briefs the President on the City's plans for the Naval Complex and the results of Thursday's meeting with Secretary Dalton.
- The President comments briefly.
- The President departs the room.

VI. REMARKS

Talking points are attached.

**PRESIDENT WILLIAM JEFFERSON CLINTON  
MEETING WITH LONG BEACH OFFICIALS  
LONG BEACH, CALIFORNIA  
FEBRUARY 23, 1996**

- I want to commend Mayor O'Neill for leading the Long Beach community forward with plans to develop the Naval Complex. I'm glad you had a good meeting yesterday.
- I am pleased that the Navy is working cooperatively with you to speed the reuse process. I know they are committed to meeting their closure and property transfer timetables in order for you to move ahead quickly with port expansion and other redevelopment plans.
- From the beginning of our administration, when I laid out a new approach to base reuse, I've said that the federal government should provide the tools for effective reuse, but communities must provide the vision.
- It certainly sounds as though you're doing that in Long Beach. I know you are committed to a vision that will create jobs, provide educational opportunities, assist the homeless, and put Long Beach at the forefront of technology-based economic development.
- The projects you already have on the boards -- from the port expansion, to the SeaLaunch project, to the Queensway Bay Development Plan, will go a long way to make your vision a reality.
- Finally, I just want to reiterate our continued cooperation and support for your efforts. Together I believe we can revitalize these facilities, and I look forward to working with you.



THE WHITE HOUSE

WASHINGTON

**SATELLITE INTERVIEWS WITH LOS ANGELES,  
SAN FRANCISCO, SAN DIEGO AND FRESNO**

**DATE:** Friday, February 22, 1996  
**LOCATION:** McDonnell Douglas, Building 159  
**TIME:** 11:45AM - 12:30PM PST  
**FROM:** Michael McCurry, Laura Schwartz

**I. PURPOSE**

The purpose of these television interviews is to discuss your trip and talk about how you have helped working families in California and moved their economy forward.

**II. BACKGROUND**

The majority of questions will be on presidential politics, how you expect to do in California and your visit with Prime Minister Hashimoto. The anchors will also ask you to comment on the Republican presidential field. Qs&As will follow.

You are scheduled to conduct eight five-minute interviews with television stations in Los Angeles, San Francisco, San Diego and Fresno. None of these interviews are live, they will all be taped. You will wear a lavalier microphone and an IFB. You will not be able to see the anchors.

**II. INTERVIEWS**

|          |             |               |                     |
|----------|-------------|---------------|---------------------|
| 11:45-50 | KRON / NBC  | SAN FRANCISCO | PETE WILSON         |
| 11:50-55 | KPIX / CBS  | SAN FRANCISCO | MARSHA<br>BRANDWYNE |
| 11:55-12 | KGO / ABC   | SAN FRANCISCO | CHERYL JENNINGS     |
| 12:00-05 | KFSN / ABC  | FRESNO        | TBA                 |
| 12:05-10 | S A F E T Y | S A F E T Y   | S A F E T Y         |
| 12:10-15 | KCBS / CBS  | LOS ANGELES   | JERRY DUNPHY        |
| 12:15-20 | KABC / ABC  | LOS ANGELES   | HAROLD GREENE       |
| 12:20-25 | KNBC / NBC  | LOS ANGELES   | TBA                 |
| 12:25-30 | KGTV / ABC  | SAN DIEGO     | STEPHEN CLARK       |



**III. PARTICIPANTS**

THE PRESIDENT  
Mike McCurry  
Laura Schwartz  
Television crew (4)

**IV. PRESS PLAN**

Exclusive to participants, but networks can also take interviews from their affiliates.

**V. SCHEDULE**

|             |             |     |               |
|-------------|-------------|-----|---------------|
| 11:45-11:50 | KRON        | NBC | SAN FRANCISCO |
| 11:50-11:55 | KPIX        | CBS | SAN FRANCISCO |
| 11:55-12:00 | KGO         | ABC | SAN FRANCISCO |
| 12:00-12:05 | KFSN        | ABC | FRESNO        |
| 12:05-12:10 | S A F E T Y |     | S A F E T Y   |
| 12:10-12:15 | KCBS        | CBS | LOS ANGELES   |
| 12:15-12:20 | KABC        | ABC | LOS ANGELES   |
| 12:20-12:25 | KNBC        | NBC | LOS ANGELES   |
| 12:25-12:30 | KGTV        | ABC | SAN DIEGO     |

**VI. REMARKS**

None required.

**VII. ATTACHMENTS**

California economic progress report  
NSC talking points on C-17  
NSC talking points on Hashimoto visit (see Classified Hashimoto briefing paper)

## ECONOMIC PROGRESS IN CALIFORNIA 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 California after three years of the Clinton Administration:

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### *Improved Economic Conditions in California:*

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- The unemployment rate has dropped from 9.4% to 7.7%.
- 293,900 new jobs added in 35 months -- after 63,200 lost during the previous 4 years combined.
- 279,200 new private-sector jobs added in 35 months -- after 172,400 lost during the previous 4 years combined.
- 70,500 manufacturing jobs **LOST** in 35 months -- after 270,500 lost during the previous 4 years combined.
- New business incorporations have increased 7% **per year** -- after decreasing 11% during the previous 4 years.
- The Help Wanted Index has increased 12%.
- Bank lending has increased by \$5.8 billion -- after declining by \$30.7 billion during the previous 8 years.
- Consumer confidence has increased 42%.
- Bankruptcies have declined 5% **per year** -- after increasing 13% **per year** during the previous 4 years.

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### *What President Clinton's Accomplishments Have Achieved for the People of California:*

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**\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN CALIFORNIA:** The national debt will be **more than \$1 trillion** lower than was projected before the passage of the President's economic plan. That's about \$15,000 of reduced federal debt for each family of four in California.

**10 TIMES MORE CALIFORNIA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE:** As a result of the expanded Earned Income Tax Credit, 2,146,915 working families in California will receive a tax cut. This compares to an increase in the income tax rate for only the 218,777 wealthiest taxpayers in California.

**TAX CUT FOR 178,917 SMALL BUSINESSES IN CALIFORNIA:** The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 178,917 small businesses in California are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

**4,959,000 CALIFORNIA 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 4,959,089 workers in California, and protects the jobs of 297,914 workers in California who are likely to use unpaid leave this year alone.

**1.65 MILLION STUDENTS AND FORMER STUDENTS IN CALIFORNIA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS:** Approximately 1.65 million California borrowers -- 1.16 million current borrowers and 490,000 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.

## C-17 AIRCRAFT PROGRAM

Q: What is your opinion of the dramatic turnaround in the C-17 program?

A: When I ran for President in 1992, I strongly supported the C-17 as a crucial element of a new U.S. strategy of engagement. That plane is an amazing asset to the United States, and we made absolutely the right decision to develop it and to rely on it. A lot is owed to the workers at McDonnell Douglas who worked as a joint team with the Air Force and defense officials to make the dramatic turnaround in the program that it did over the last three years. They corrected cost, schedule and performance problems and gave us the world's best airlifter at the most affordable price.

Q: What are the savings in the program?

A: Because of the cost reduction initiatives throughout the C-17 plant, the implementation of new acquisition reform efforts and the efficiencies that will accrue from the multiyear procurement plan I have proposed to Congress, the additional 80 aircraft we will now procure will cost \$16.6 billion -- a price reduction of over 20 percent, with a savings of \$5.3 billion.

Q: How does the C-17 fit in the new security environment?

A: When I ran for President, I was convinced that while we were going to have a downsized military with more joint planning, strategic mobility would be an essential element of our national strategy. The C-17 is instrumental to providing strategic mobility required to fight and help win two nearly simultaneous major regional contingencies. The C-17 also meets other military requirements, such as the need to airdrop paratroopers and equipment, operate at small airfields with minimum infrastructure and drastically reduce the amount of time needed to offload a transport aircraft under combat conditions.

Q: How has the C-17 performed?

A: I have flown in the C-17 and can tell you it's a terrific airplane. It's made a big difference to us. After Hurricane Marilyn devastated the U.S. Virgin Islands, it was the only aircraft that could transport outsized relief cargo into St. Thomas because of the



short runway. And in Bosnia, the C-17 is the mover of choice. By mid-February, the C-17 aircraft was responsible for about 25 percent of the total missions, but over 40 percent of the cargo delivered by air.

Q: What do you see as the likelihood of going beyond 120 C-17s?

A: That decision is several years away, and it's going to be made based on the longevity of other airlifters such as the C-5 and what our international security requirements are at that time. We do not come to the end of production on the 120th aircraft until after the turn of the century, so we have some time to consider that decision.

Q: Can you tell us why the Boeing 747 and the C-5 were ruled out as an alternative to the C-17?

A: Buying a mixed fleet of C-17s and 747s would have resulted in some savings, but a force of 120 C-17's provides far greater flexibility and versatility. Buying more C-5's was not a cost-effective option, particularly with having to reopen its closed production line.

Q: Since the end of the Cold War, hasn't the requirement to move multiple heavy Army divisions gone away?

A: The requirement to move heavy Army divisions is a crucial element of our strategy of being able to fight two major regional conflicts nearly simultaneously.

Q: Do you have any comment on the recent GAO report on the C-17 that said McDonnell Douglas, in a rush several years ago to produce the first C-17 models, took over production of some parts from subcontractors and ended up charging the U.S. Government thousands of dollars more for these items?

A: The C-17 program has been placed under perhaps greater scrutiny than almost any weapons purchase program in the last 20 years, and developed into what everybody considers to be a huge success. In 1992, it was found that McDonnell Douglas did overcharge for some spare parts. McDonnell Douglas has returned over \$180,000 which they and the GAO have determined to be the overcharge for those parts, so this problem is taken care of, and we will continue to audit the program very closely.



Q: The GAO suggests that the money returned by McDonnell Douglas was not enough and that there are still disputed overcharges, and that the amount of profit McDonnell Douglas received on the parts was unwarranted.

A: This has been widely studied by the Defense Department. There was a just refund and the problem has been corrected.

Q: The U.S. Justice Department is reported to have joined a whistle-blower's lawsuit against McDonnell Douglas alleging that the company knowingly accepted defective equipment from subcontractors. Instead of demanding the subcontractors fix the equipment, McDonnell Douglas took the equipment and billed the government, then later fixed the problems itself, the lawsuit alleges. Do you have any comment?

A: I cannot comment on that report since the case is in litigation.

## B-2 BOMBER REVIEW

### Background

On February 8, you made the following decisions about the future of the B-2 program:

- The \$493 million added by Congress to the B-2 program in Fiscal Year 1996 will be spent on procurement of B-2 components, upgrades, and modifications that would be of value for the existing fleet of B-2 bombers, as recommended by the Fiscal Year 1996 Defense Authorization Conference Report.
- The Administration will continue its current B-2 program, which includes about \$7 billion over the next five years to buy and deploy 20 B-2's and upgrade them to the more capable Block-30 configuration.
- The Administration believes that no additional B-2's are required and will not include any money for additional B-2's in its Fiscal Year 1997 budget.
- The Department of Defense will, however, expand an ongoing study of deep attack munitions options to examine tradeoffs between long-range bombers, land- and sea-based tactical aircraft and missiles that are used to strike the enemy's rear area.

## B-2 BOMBER REVIEW

Q: Why did you decide not to buy more B-2's?

A: It is basically a matter of cost. Although the B-2 has impressive capability, the senior civilian and military leadership at the Pentagon were unanimous that the extra capability more B-2's would provide would come at too high a price.

Q: Does this mean that you are no longer considering the purchase of additional B-2's?

A: We have no plans to buy additional B-2's, but I do not rule it out. We will see what the new DoD study concludes concerning possible trade-offs across service lines in the deep attack mission area.

Q: Why are you going to study the issue further?

A: First, it was recommended by the Roles and Missions Commission. Second, many in Congress and in the defense community felt the Defense Department had not adequately addressed the question of trade-offs.

Q: Hasn't the Pentagon already done several studies that addressed the issue of bombers?

A: Yes, but they did not compare B-2's versus other deep attack options.

Q: Will the new study explicitly look at buying more than 20 B-2 bombers?

A: That is not the focus of the new study, but it will examine options involving more B-2's. It will also examine changes in the size of our aircraft carrier force, land-based tactical air force, surface-to-surface missile force and precision-guided munitions programs.

Q: What is the role of the Defense Science Board (DSB) in this study?

A: The DSB will be asked to provide an independent assessment of the analytic tools and models and make any recommendations for improvement in the study's analytic approach. The DSB will undertake this review at the conclusion of the first part of the study next summer and will be briefed periodically. The goal is to ensure that

the study's overall approach is validated before the work on force structure tradeoffs is conducted.

Q: What was the recommendation of the NSC review?

A: The NSC provided me with its evaluation of the pros and cons of a range of options concerning the B-2. The review did not make a specific recommendation.

Q: Do the Joint Chiefs agree with the B-2 decision?

A: Yes, unanimously, as do the CINCs.

Q: Why did the NSC conduct its review?

A: Once it was clear Congress was going to revise the vetted Fiscal Year 1996 defense authorization bill, which included provisions lifting the cap on 20 bombers and authorizing the additional \$493 million, in a way that would permit me to sign it, I thought it wise to take a fresh look at the program.

Q: How many B-2's have been delivered to the Air Force?

A: Eight.

Q: When will the B-2 force become operational?

A: The first squadron of eight will be declared operational in Fiscal Year 1997.

Q: How much would 20 additional B-2's have cost?

A: Over 20 years, \$30 billion in life-cycle costs in then-year dollars.

Q: What will the \$493 million from FY 1996 be spent on?

A: The Air Force is preparing final recommendations to Secretary Perry on this, but I expect it will include buying spare parts and mission-related equipment that could be prepositioned abroad to enhance the readiness and response time of the 20 bomber force.

Q: How much of the \$493 million will be spent in California?

A: We will not know until Secretary Perry approves a final package, but since a great number of B-2 subcontractors are in California, it is reasonable to expect California companies will be receiving orders.



THE WHITE HOUSE  
WASHINGTON

February 22, 1996

TAPED NATIONAL RADIO ADDRESS

DATE: February 23, 1996  
LOCATION: Palisades Board Room  
Sheraton Miramar Santa Monica, CA  
TIME: 6:15 PM PST  
FROM: Rica Rodman

I. PURPOSE:

You will discuss the memorandum you will sign directing the distribution of the Manual on School Uniforms.

II. BACKGROUND:

There will be a cough button on your desk should you need it.

III. PARTICIPANTS:

1. The President, Kris Engskov.
2. White House Communications Agency (WHCA) staff, video taping staff, staff photographer.

IV. PRESS PLAN:

The ABC, CNN, AP, C-SPAN, CBS, NBC, Mutual, UPI, USA, American Urban Radio Network, and Standard News radio networks will carry the address in its entirety to their collective thousands of stations across the country Saturday at 10:06 AM EST.

V. SEQUENCE OF EVENTS:

- Briefing.
- Radio address taping.

VI. REMARKS:

The speech text will be provided by Michael Waldman in the Office of Speechwriting.

THE WHITE HOUSE  
WASHINGTON

February 22, 1996

**ROUND TABLE ON LONG BEACH SCHOOL DISTRICT UNIFORM POLICY**

|           |                         |
|-----------|-------------------------|
| LOCATION: | Jackie Robinson Academy |
| DATE:     | February 24, 1996       |
| TIME:     | 9:40am                  |
| FROM:     | Rahm Emanuel            |

**I. PURPOSE**

To follow through on your SOTU by supporting the Long Beach School District's uniform policy. This is an opportunity to demonstrate your ongoing commitment to fighting crime and promoting safety and values in schools.

**II. BACKGROUND**

In 1994, the Long Beach Unified School District (elementary and middle schools) became the first school district in the country to require all its students to wear uniforms. This was a deliberate effort to deal with violence in schools, truancy and other behavior problems. Even though the policy allows the parents of students to opt out of the uniform policy, only about one percent of the 58,000 students in the district have exercised that option.

After one full school year, the statistics in Long Beach's public elementary and middle schools are quite impressive: overall crime dropped 36%, assault and battery cases dropped 34%, fighting dropped 51%, weapons offenses dropped 50%, and sexual offenses were down 74%.

This past Wednesday, February 22, 1996, a lawsuit filed by the Legal Aid Foundation of Long Beach, ACLU, et al. against the Long Beach Unified School District was **amicably settled**. After three days of negotiations, the families were satisfied by an agreement that included improved communication with parents and clear information on the availability of uniform assistance for disadvantaged students. The 26 families involved in the case had wanted to make school uniforms an entitlement program, but dropped that as a result of the settlement. Members of the Legal Aid Foundation and ACLU have been invited and will be attending your speech.

Jackie Robinson Academy was named after the Major Leaguer Jackie Robinson, who went to grade school and highschool in Pasadena and attended college at UCLA. After he retired from baseball in 1957, he traveled the U.S. lecturing against drug use and promoting civil rights.

### **III. PARTICIPANTS**

(Participants are representatives from several different schools in the Long Beach School District.)

The President  
Superintendent of Education Carl Cohn  
Shawn Ashley, Principal  
Bobbie Smith, President of the Board of Education  
Joanne Stubbs, Teacher  
Melissa Machit, Student  
Maurice Troutman, Student  
Alexis Ruiz-Alessi, Principal Jackie Robinson Academy  
Darlene Spoeri, Teacher  
Beverly O'Neil, Mayor of Long Beach  
Seth Greenberg, Parent  
Lawanda Reynolds, Parent  
Bill Ellis, Chief of Police

### **IV. PRESS PLAN**

Expanded Pool Press.

### **V. SEQUENCE OF PROGRAM**

- Superintendent Cohn will make brief welcoming remarks.
- The President will make introductory remarks and open up discussion.
- Superintendent Cohn will close discussion.

### **VI. REMARKS**

Talking points provided by Terry Edmonds.



(SEATED IN ORDER, BEGINNING ON YOUR RIGHT)

**SUPERINTENDENT CARL COHN**

Has been Super for three years. He is a Long Beach native, has strong ties to the community. Strong supporter of uniforms. Sees uniform issue as grassroots solution.

**SHAWN ASHLEY - PRINCIPAL OF FRANKLIN MIDDLE SCHOOL**

His school is a very urban, tough school. He did not favor uniforms at first, but has since become a strong believer in them. He is also a parent of five children middle school ages.

**BOBBIE SMITH - PRESIDENT, BOARD OF EDUCATION**

She is retired librarian from Long Beach City College. As the first district, the Board went out on a limb by making this a mandatory policy (although it was a unanimous decision.)

**JOANNE STUBBS - ELEMENTARY SCHOOL TEACHER**

Teaches Reading at an elementary school. She talks about how you can promote traditional values as a teacher.

**MELISSA MACHIT - 8TH GRADE STUDENT (will be introducing you at speech.)**

She has a parent who is a teacher. She thinks uniforms help students focus on their studies. She will talk about how behavior in the school has changed since the uniform policy began.

**MAURICE TROUTMAN - 8TH GRADE STUDENT**

Very supportive of the uniform policy. He thinks past tragedies at his school could have been prevented by the order uniform policies offer.

**ALEXIS RUIZ-ALESSI (Aleck-sis Ru-eez Al-ess-ee) - PRINCIPAL OF JACKIE**

**ROBINSON ACADEMY.** This is her first year at Robinson, but she was a principal for several years prior to that at a different elementary school in Long Beach.

**DARLENE SPOERI (Spear-ee) - HUDSON ELEMENTARY SCHOOL TEACHER**

Has experience with middle school students also. Very supportive of uniforms.

**BEVERLY O'NEILL- MAYOR OF LONG BEACH**

Used to be President of Long Beach City College. She went to grade school in Long Beach. She has been instrumental in voicing her support for this program.

**SETH GREENBERG - PARENT (basketball coach for CA State University at Long Beach)**

Has a 2nd grade student. He thinks uniforms control gangs and the problem of "keeping up with the Jones'."

**LAWANDA REYNOLDS - PARENT**

She has twin children in elementary school. (another daughter is at Yale). She was Chair of a highschool interracial committee and loves uniforms for "equalizing" differences among kids.

**BILL ELLIS - CHIEF OF POLICE (his retirement party is the day of this roundtable)**

He has been Chief for 3 years, and has served Long Beach P.D. for 31 years. He brought much needed stability to the department, and therefore the school district, which relies heavily on officers to help with problems of truancy and crimes. He believes uniforms help police identify problems, such as strangers at schools and truancy.



**PRESIDENT WILLIAM JEFFERSON CLINTON  
ROUNDTABLE ON SCHOOL UNIFORMS  
JACKIE ROBINSON ACADEMY  
LONG BEACH, CALIFORNIA  
FEBRUARY 24, 1996**

06 FEB 22 P 9 : 10

[Acknowledgements: Carl Cohn, Superintendent of Schools; Mayor Beverly O'Neill; Alexis Ruiz-Alessi (UH-LESS-EE), Principal of Jackie Robinson Academy; Bobbie Smith, President, Board of Education; Bill Ellis, Chief of Police who is retiring after 30 years of service; Students: Charlene Higa; Melissa Machit (MOCK-IT); Parents: LaWanda Reynolds, Seth Greenberg; Shawn Ashley, Principal of Franklin Middle School; Joanne Stubbs, teacher]

- It's great to be back here in California. I was here in September to convene the leaders of California's high tech economy to discuss ways to bring the information superhighway to every classroom in this state.. I pleased to say that California is rising to the challenge I set forth in September. And on March 9, I will be back here to kick-off NetDay, the day when companies, unions, engineers, parents, and educators all over this state begin to wire California schools. More than 20 percent of your schools will be wired this year. I'm really looking forward to NetDay and I know many of you are too.
- But, I'm here today to hear what you have to say about another program that is moving your schools and your students forward. I appreciate this opportunity to learn more about your highly successful school uniform program.
- Quality education is critical to America's future and the future of our children and families. But, we cannot educate our children in schools where weapons, gang violence, and drugs threaten their safety. Every parent has a right to expect that when their child goes off to school in the morning, they will return home safe in the evening. And every parent has a right to expect that their children are spending the day learning and teachers are spending the day teaching.
- My Administration has been committed to making our schools as safe and excellent as they can be: Gun Free Schools; Safe and Drug Free Schools; random drug testing for student athletes; prosecuting hardened young criminals as adults; Family Partnership for Learning; character education; religious freedom.
- In State of the Union I suggested that one step local school districts might want to take to fight crime and teach values and discipline is to follow the example of Long Beach and require students to wear uniforms. As parents we've all read too many stories of children beaten up or even killed by criminals who were trying to steal a designer jacket or a pair of expensive basketball shoes. School uniforms are not a panacea -- they don't teach values. We still need parents and teachers for that. But, they can instill discipline and reduce crime.

- The program you put in place two years ago is working -- crime is down, learning is up here. Parental involvement is central to your success.
- We need to support your efforts and make it easier for other local school districts to do what you have done. That's why I have just signed a directive, instructing the Secretary of Education to distribute a new manual on School Uniforms to each of the nation's 16,000 school districts. The manual provides a road map for the establishment of a school uniform policy for schools who choose to start one. It also highlights successful programs that are working across the country -- including the program here in Long Beach.
- This is not Washington telling schools what to do. The decision whether to adopt a uniform policy is a local decision. The manual gives parents, teachers, and local officials the tools they need should they decide to start a uniform program.
- We know this is not a panacea. Parents and all of us have a role to play in teaching our children right from wrong and being good role models.
- I'm really here to listen to what you have to say. I want to know more about how your program is working and how we can support you. Thank you.



## Q & A's: MANUAL ON SCHOOL UNIFORMS

### What exactly is the action that the President is taking?

The President directed the Secretary of Education to distribute a new Manual on School Uniforms to each of the nation's 16,000 school districts.

Whether to adopt a school uniform policy is a local decision that must be made by parents and school officials. The Manual, developed by the Education and Justice Departments, explains how to establish a school uniform policy and describes model uniform programs already in effect in various schools across the nation.

### Why is the President doing this now?

The President has always been interested in the steps local communities take to improve our schools.

The President determined it was important to respond to this interest by creating a clearinghouse for information for school districts that are considering whether to adopt a uniform policy. The President wants to local school officials, parents and teachers who are considering a uniform policy to be able to learn from others' examples.

### Isn't this just a political gimmick designed to steal "values" issues from the Republicans in a Presidential election year?

No. For three years -- from the first days of this Administration -- the President, Secretary Riley and Attorney General Reno have been taking aggressive steps to promote school safety and discipline. They have stressed the need to permit our schools to return to their original purpose -- education. As part of this overall effort, Attorney General Reno herself visited the Long Beach last December, on behalf of the President, to express support for the school district's decision to adopt a school uniform program. This new initiative on school uniforms is just one part of overall efforts to improve the quality of education for our children.

Among other things:

- the President supported and signed into law the **Gun Free Schools Act** in 1994;
- the President supported and signed the **Safe and Drug-Free Schools** provisions of the Improving America's Schools Act;
- last year, the Department of Justice filed a brief supporting in the Supreme Court supporting an Oregon school district's program for **random drug testing of student athletes** -- a program upheld by the Supreme Court last June.

(answer continued next page)

- the **1994 Crime Act** also includes numerous provisions, such as the **Community Schools Program** and the **Youth Handgun Safety Act**, designed to decrease violent crimes by our youths and permit prosecution of hardened young criminal as adults.

At the same time, the Administration has taken many bold steps to ensure that our schools instill in young Americans the core responsibilities, respect and hard work that are also essential to quality education:

- the Education Department's **Family Involvement Partnership for Learning** is designed to promote parent involvement in schools and education;
- the **Improving America's Schools Act**, signed by the President in 1994, makes funding available to support local character education programs;
- in addition, at the President's direction, Secretary Riley recently distributed to each of our nation's 16,000 school districts **Manual on Religion in Public Schools**, which explains that our schools are not religion-free zones.

#### **Is the President forcing local school districts to adopt uniform policies?**

No. The decision whether to adopt a uniform policy is a local decision to be made by parents, teachers and local school officials. Whether to adopt a uniform policy depends on the particular conditions and circumstances in individual schools and school districts. What is right for one school district may not be right for another one.

#### **Then what is the manual for?**

This manual is meant to give local parents, teachers and officials the information and examples they need if they decide to make uniforms part of an overall program to promote school safety and discipline.

#### **You seem to think school uniforms will be some sort of panacea. Is this true?**

School uniforms are not a panacea. School uniforms are, however, one significant tool that is available as part of an overall program to promote school safety and discipline.

School districts like Long Beach, California, have found that after implementing school uniform programs, there were substantial decreases in violence and disciplinary problems, and that schools return to their original purpose -- education. The purpose of this manual is to assist local parents and officials who determine that a school uniform policy is appropriate for their school.



**Does the President favor mandatory, as opposed to voluntary, uniform policies?**

The question of whether to adopt a mandatory or voluntary policy is a local decision that depends on the circumstances in a particular school district. The Manual shows that, to date, some school districts have adopted mandatory programs, while others have adopted voluntary programs. The Manual discusses both types of policies.

**Is there anything beyond anecdotal evidence to suggest that school uniforms actually make any difference?**

It is true that actual statistical data may be limited at this time. But if we can help protect children from violence -- if we can save the life of just one child -- then these initiatives are justified and worthy of our strong support.

As the President said in his State of the Union Address, it is important to support local school officials and parents who determine that school uniforms should be part of their program to improve school safety and discipline. The education of our children is too important not to lend our support to local schools that take steps to improve the learning environment.

A number of school districts and individual schools have seen very promising results from school uniform programs. Most notably, Long Beach reported very significant decreases in discipline problems and improvements in safety conditions in the year after uniforms were adopted.

**What about people who say that uniform programs violate student rights?**

The Manual explains that uniform programs can be adopted in a manner that is consistent with protections for student religious and other protected expression. This Manual was developed in coordination with the Department of Justice.

But let's not forget that we are talking about the education of our children, and that we have a duty to provide quality education in a safe environment. If local school officials, parents and teachers determine that school uniforms can help promote safety and discipline, and prevent violence in our schools, then we should offer our strong support.

**Aren't some students currently suing school districts, including Long Beach, that have adopted uniform programs?**

Yes, we understand that some individual students have initiated such lawsuits. The Manual explains, however, how uniform programs can be designed to provide full protection for student religious or other protected expression. Again, this Manual was developed in coordination with the Department of Justice.

**Won't this manual just lead to more litigation?**

We believe that this Manual should actually reduce lawsuits by making it easier for parents and school officials to understand the ways that uniform programs can appropriately be designed.

**Do you support Long Beach's position that its school uniform program does not violate student rights?**

We have been advised by the Department of Justice that Long Beach's program should survive court scrutiny. The Attorney General herself visited Long Beach last December, at the President's request, to recognize the district's uniform program.

**Have any courts addressed the constitutionality of uniform programs?**

A state court in Arizona recently upheld the school uniform program at the Phoenix Preparatory Academy.

**Will the Justice Department defend school uniform programs in court?**

What role the Justice Department will play must be assessed on a case by case basis. Any role for the Justice Department must reflect that the decision whether to adopt a school uniform program is a local decision.

**How do you propose that school districts address the issue of cost?**

Uniforms normally cost much less than a typical student wardrobe. School uniforms also remove the pressure many parents and students feel to purchase designer clothing or sneakers.

At the same time, schools with uniform programs have come up with a variety of alternatives for providing uniforms to disadvantaged students whose families cannot afford them. Each school district must determine what steps are appropriate. This is a local decision that will depend on the circumstances at each particular school.

**What are some examples of steps that schools have taken to make uniforms available to disadvantaged students?**

Some schools have asked community businesses or organizations to donate resources to provide uniforms to disadvantaged students. At one school, parents organized to raise funds to provide uniforms to disadvantaged students. One school purchases uniforms for all of its students. And a number of schools arrange for graduating students to make their used uniforms available to students entering the school.

**Will the federal government provide money to help pay for uniform programs?**

No special funds would be made available for this purpose. Of course, the Education Department already provides substantial resources to support local education, and local school districts will need to determine whether to use any of the funds available to them for school uniforms.

- Again, school uniform programs are local initiatives. The purpose of the new Manual is to assist local schools that determine to make uniforms part of their safety and discipline efforts.



# EDUCATION WEEK

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## ACROSS THE NATION

### 'Dressing For Success'

Calif. District Touts Uniforms for Putting Focus on Learning

By Jessica Portner  
Long Beach, Calif.

Linda Moore has been feeling especially proud lately.

And she has President Clinton to thank. In his State of the Union Address last month, Mr. Clinton praised student uniforms as a way to promote safety and discipline in public schools. Ms. Moore, the principal of Will Rogers Middle School here, felt a particular satisfaction in the endorsement.

"Everybody is looking for answers, and here is a district that is doing something that is working," she said. For more than a year, the 83,000-student Long Beach system has required its elementary and middle school students to dress in uniform fashion. It was the first public school district in the nation to do so.

Mr. Clinton may have had this Southern California school system in mind when, in his speech, he challenged public schools to mandate uniforms "if it meant that teenagers [would] stop killing each other over designer jackets."

#### Dramatic Results

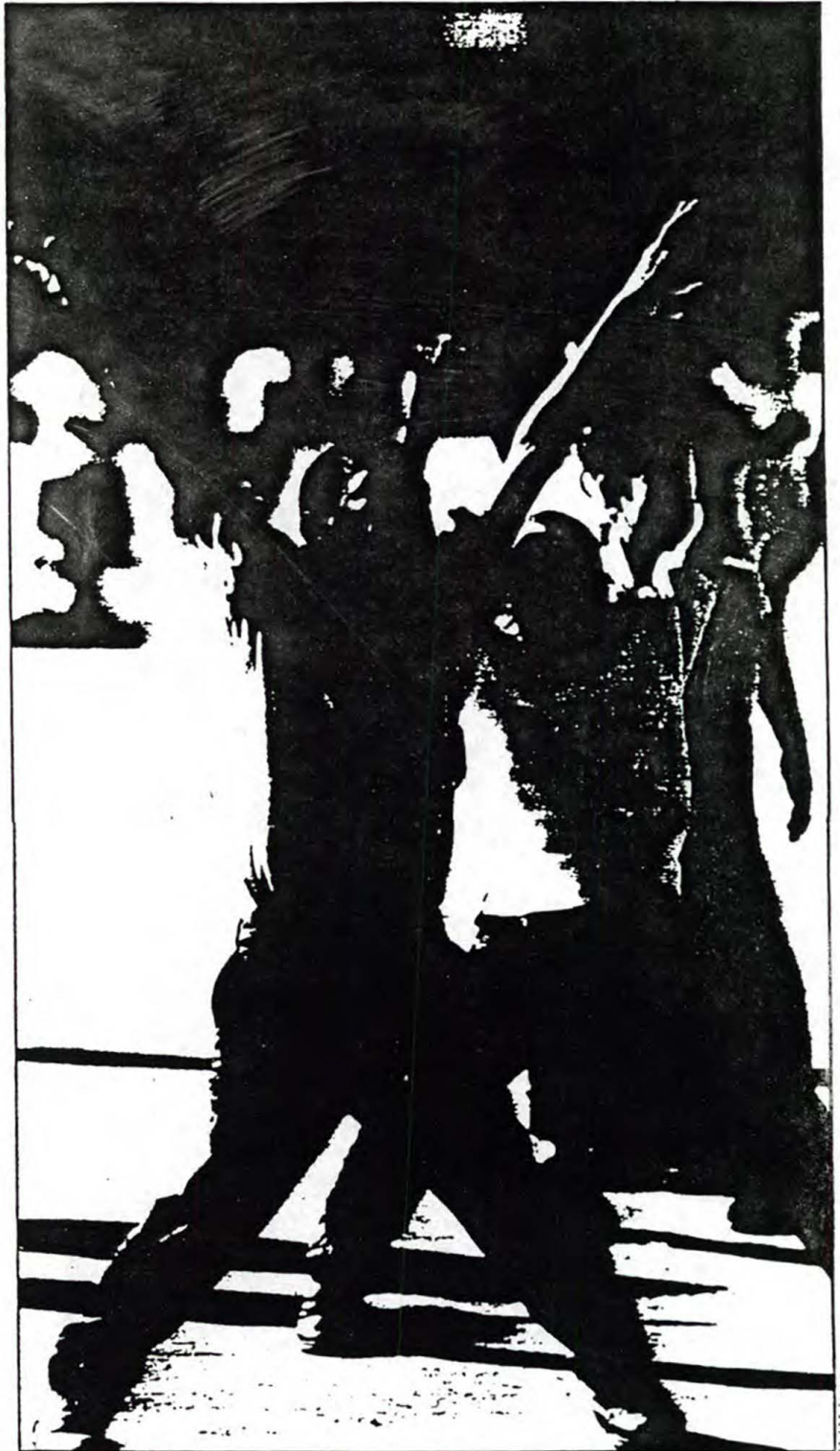
Since the mandatory-uniform policy was launched in 56 elementary and 14 middle schools here in fall 1994, violence and discipline problems have decreased dramatically, a recent survey by the district shows.

From the year before uniforms were required, 1993-94, to last year, assault and battery cases in grades K-8 have dropped 34 percent. Physical fights between students have dropped by 51 percent, and there were 32 percent fewer suspensions.

Though each school in the district can choose its own uniform, most Long Beach students are required to wear black or blue pants, skirts, or shorts with white shirts. Nearly 60,000 K-8 students are affected by the policy.

Parents have the option of excusing their children from the requirement. But, so far, only 500 parents have filled out petitions to

*Continued on Page 12*



The 83,000-student Long Beach, Calif., school district has required that students in its 56 elementary and 14 middle schools dress in uniform fashion since the fall of 1994. Educators in the district credit the dress code for reducing fights, increasing academic achievement, and discouraging gang members from harassing students. But some students aren't as high on the idea as their parents and teachers. "It's totally bogus," one student says.



# Uniforms Get Credit for Decrease in Discipline Problems

Continued from Page 1

exempt their children, according to Dick Van DerLaan, a spokesman for the district.

In addition to Long Beach, a few other districts in California and across the country are testing the benefits of requiring students to come to school in color-specific, and sometimes style-specific, clothing.

The Oakland, Calif., schools began a similar uniform policy last September. And a small number of other districts—including Dade County, Fla.; Seattle; and Charleston, S.C.—allow schools to decide for themselves whether to require uniforms. (See *Education Week*, March 15, 1996.)

But Long Beach appears to be the first school system to have documented measurable success in improving student behavior.

Since students at Rogers Middle School started wearing black bottoms, white tops, and red jackets or sweaters, fights have declined by 40 percent, and academic performance has improved, school official said.

Uniforms are an effective method of reducing unwanted behavior, she said, because the more formal clothing puts students in the right mind-set to learn.

"It's about dressing for success," said Ms. Moore, who said she wears the school uniform as a gesture of solidarity with her students. She has a selection of bright red blazers in her home closet.

Not one parent at Rogers Middle School has opted out of the plan this year, and a quick look around campus at the unbroken stream of red, white, and black shows that students are largely compliant. But there are some exceptions.

Last week, as Ms. Moore darted down the hall between classes, the former basketball coach was scanning the crowds.

"Tuck in that shirt," she called out to one disheveled teenager who was slouching against a locker. She looked disparagingly at another whose sweatshirt was clearly purple, not red.

In addition to choosing uniform colors, each of the district's schools is allowed to choose the fabric and style of dress. One elementary school requires its pupils to wear ties, and a few others prefer plaid, but most stick with blue or black and white.

"This isn't a private, prep school, with a coat-of-arms and saddle shoes look," Mr. Van DerLaan said. "It's a little more California casual."

## Generation Gap

A catalyst for adopting uniforms in Long Beach was parents' fears over students being attacked for inadvertently wearing a wrong color scarf or hat that might provoke rivalry among local gangs.

The district adopted a dress code more than a decade ago that prohibits gang-related attire, as well as caps, bandanas, baggy pants, and electronic pagers. But many felt the district had to take a more drastic approach.

When Judy Jacobs had two children attending Rogers Middle

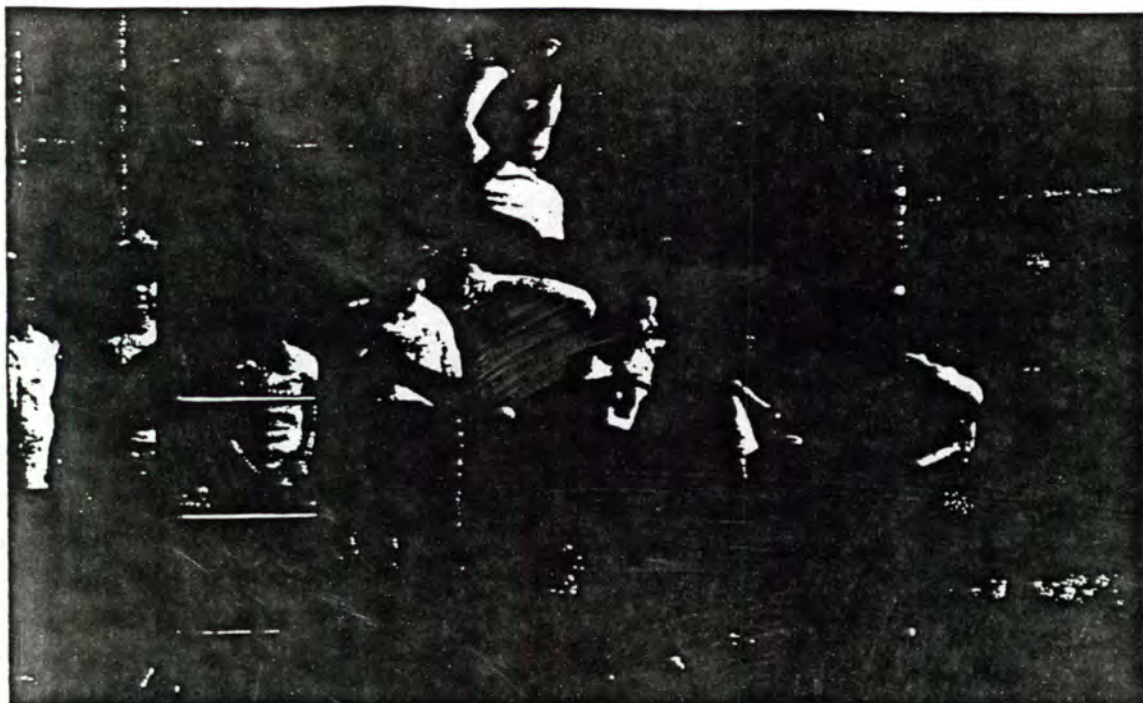


Photo by Neil Johnson

School, she was among the organizers of the effort to bring uniforms to that school. She now has a child in a district elementary school and has remained enthusiastic about uniforms. "There are so few boundaries for kids these days, with the drug use and violence, so if we can give them some limits, that's good," she said.

The uniformity tends to bolster safety because it makes it easier to spot people who may not belong on campus, school leaders say.

Many who teach in areas where gangs are prevalent argue that students are safer walking to school when dressed in uniform.

"If gang members see one of our students in uniform, they'll leave them alone," as if they belong to a different clique, said Wilma Ferguson, who has been a gym teacher at Franklin Middle School here for 14 years.

But a large portion of the district's students aren't as upbeat as parents and teachers appear to be. And the older they get, the less they seem to like it—which may not bode well for talk in the district of expanding the uniform requirement to high schools.

"It's like we're all in jail," said Hector Gonzalez, a 7th grader at Rogers.

"It's totally bogus," said Gan Luong, an 8th grader at Franklin. "If you wear decent clothes, you shouldn't have to wear uniforms."

Alicia Nunez, also an 8th grader at Franklin, complained that the regimented attire stifles her creativity. "You come to school to get your education, not for them to tell you how to dress," the 14-year-old said as she strode across campus wearing a chocolate-brown T-shirt and jeans.

## Legal Challenge

The U.S. Supreme Court hasn't directly addressed the question of

## The Dressing Rules

The Long Beach, Calif., school district has had a dress code for more than a decade, but in 1994 it became the first in the nation to adopt a districtwide K-8 uniform policy. Though the uniforms can vary, most schools have adopted a version of the one pictured here on Franklin Middle School student Shawn Smith, 13, far right. His classmate, Donta Sandler, 13, is not in uniform but is following the district's K-12 dress code, detailed below.

- Students must be clean.
- No oversized or sagging clothing.
- No open-toed shoes or sandals.
- No jewelry that could cause injury.
- No beepers or pagers.
- No gang-related clothing.
- No hats, unless part of a school uniform or medically required.
- No sunglasses in class unless medically required.
- No bandanas, rags, gloves, or gang-related decorative articles.
- No visible gang-related tattoos.

SOURCE: Long Beach, Calif., School District



White shirt, blouse, or polo shirt, buttoned and tucked in.

Black or blue pants, skirt, or shorts.

whether public schools can impose dress requirements on their students. Lower courts, however, have generally upheld school dress codes.

Last fall, in one of the first legal tests of a mandatory-uniform policy, an Arizona state judge upheld a Phoenix middle school's policy, even though it does not give students the right to opt out of the requirement.

Most public schools and districts offer a parent or guardian the opportunity to excuse a child from wearing a uniform. And most do not impose harsh penalties on students who are supposed to wear uniforms but don't.

"Schools generally feel they need to exercise latitude when they opt

their foot down," said Gary Marx, a spokesman for the American Association of School Administrators in Arlington, Va.

The American Civil Liberties Union of Southern California, on behalf of a group of low-income families, filed a lawsuit in state court last October against the Long Beach Unified School District, claiming that the district's uniform policy is a financial burden on poor families. The ACLU also claimed that the district has violated state law by neglecting to adequately inform parents about their right to exempt their children from the program.

The law signed in 1994 by California Gov. Pete Wilson to allow state public schools to require uni-

forms also says that parents must have a way to opt out of such requirements.

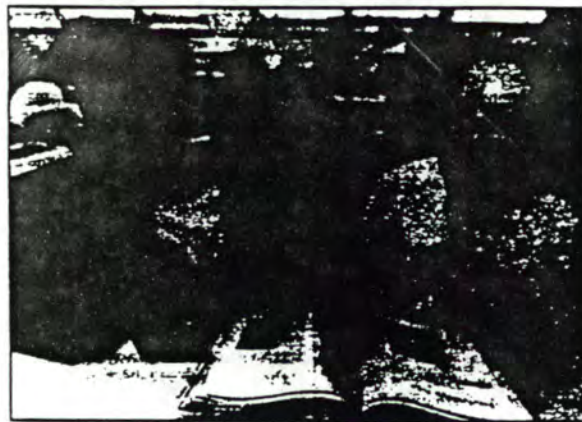
The ACLU lawyers say many parents can't afford the cost of school uniforms. About 66 percent of the district's elementary and middle school students qualify for free or reduced-price lunches. The case is currently in mediation.

Hope Carradine, who dresses three of her five children in uniforms, said she had to ask other family members to help pay for them. "I shop thrift and buy in bulk, and you can't do that with uniforms," she said.

## Other Strategies

But district officials say that parents can buy the essential





Since the Long Beach school system adopted its mandatory uniform policy in 1994, it has recorded a significant drop in behavior problems and a marked rise in academic achievement. Top left and top right, students at Roosevelt Elementary School wear their matching outfits during their physical-education class. Under the policy, each school can choose its own colors and style of dress. Above, Shaquana Harrison, and Jennifer Conrad wear different versions of Franklin Middle School's approved T-shirts.

items—a white shirt and a pair of pants—for \$25 from several area stores. In addition, many schools sell sweatshirts or shorts for \$6 each. Many local charities also provide free uniforms, backpacks, and shoes to needy students.

And if parents find the costs too burdensome, Mr. Van DerLaan, the district spokesman, said, they can always opt out. A flier explaining this right was sent to parents nine months before any uniform policies became effective, he said.

Despite their commitment to the school-uniform policy, Long Beach officials don't view it as a panacea for discipline problems.

Other efforts, such as stepped-up parent involvement and additional conflict-resolution classes, also

have contributed to the more peaceful climate on campuses, school leaders here say.

The district is continuing to evaluate the benefits of uniforms to determine whether last year's improved numbers for behavior were more than a blip on the screen.

And while some Long Beach students complain that the regulation dress is monotonous and dampens their personal style, many also see a positive side.

"The good thing is people judge you on your inner characteristics rather than what you wear," said Nick Duran, an 8th grader and the student-body president at Rogers Middle School. Plus, he said, it's easier to choose what to put on in the morning.

END

THE WHITE HOUSE  
WASHINGTON

February 22, 1996

**SPEECH TO THE COMMUNITY OF LONG BEACH**

LOCATION: Jackie Robinson Academy Courtyard  
DATE: February 24, 1996  
TIME: 10:30am  
FROM: Rahm Emanuel

**I. PURPOSE**

To support the role school uniforms can play in bringing safety to schools, and to demonstrate your commitment to returning schools to their original purpose -- educating children free from fear.

**II. BACKGROUND**

You will be announcing that the Department of Education will be sending a Manual on School Uniforms to all 16,000 school districts nationwide. The Manual provides a road map for schools and parents on how to establish a school uniform policy, and details some of the initiatives that have been implemented in different cities -- including Baltimore, Cincinnati, Dayton, Detroit, Los Angeles, Miami, Memphis, Milwaukee, Nashville, New Orleans, Phoenix, Seattle and St. Louis.

\*A teacher was shot Thursday morning at the Figueroa Elementary School in L.A. presumably by a stray bullet.

**III. PARTICIPANTS**

The President  
Superintendent of Education Carl Cohn  
Melissa Machit  
Beverly O'Neil, Mayor of Long Beach

All other attendees from the roundtable, plus additional students, will be on stage.

**IV. PRESS PLAN**

OPEN

**V. SEQUENCE OF PROGRAM**

- Mayor Beverly O'Neil makes welcoming remarks.
- Superintendent Cohn makes brief remarks.
- 8th grader Melissa Machit introduces the President.

- The President makes remarks.

## **VI. REMARKS**

Prepared by Terry Edmonds.



REMARKS BY PRESIDENT WILLIAM JEFFERSON CLINTON

SCHOOL UNIFORMS

JACKIE ROBINSON ACADEMY

LONG BEACH, CALIFORNIA

FEBRUARY 24, 1996

96 FEB 22 P 9 : 10

[Acknowledgements: Carl Cohn, Superintendent of Long Beach Schools for introduction; Members of Congress: Xavier Becerra (HAV-EE-ER BES-ERA); Matthew Martinez; Lucille Roybal-Allard; Esteban Torres; Secretary Federico Pena; L.A. County Supervisor, Gloria Molina; Mayor Beverly O'Neill; Bill Ellis, Chief of Police who is retiring after 30 years of service; Alexis Ruiz-Alessi (UH-LESS-EE), Principal of Jackie Robinson Academy; Bobbie Smith, President, Board of Education; and friends...]

It's great to be back in California and in Long Beach. In September I was here to talk with the leaders of your high tech economy about ways to bring the information superhighway to your classrooms. I am pleased to say that California is rising to the challenge I set forth in September. And on March 9, I will be back here to kick-off NetDay, the day when companies, unions, engineers, parents, and educators all over this state join together to wire California's schools, including this one. More than 20 percent of your schools will be wired this year. I'm really looking forward to NetDay and I know that many of you are too.

I came here today to applaud another one of your efforts to strengthen your schools and the education of your young people. In just two years, your ground-breaking school uniform program has made tremendous progress towards freeing teachers to focus only on the job of teaching and students to focus only on the job of learning. You are returning your schools to their original purpose -- as places of learning. The rest of the nation can learn a lot from what you are doing here.

The renewed vitality of the Long Beach schools reminds us that we live in an age of great possibility. More Americans, from all walks of life, will have more chances to build the future of their dreams than ever before. New technologies being taught in your schools are opening remarkable vistas of prosperity. A growing global marketplace is putting a premium on American ingenuity and skill.

We see evidence of this all around us even now. In the last three years we have cut the deficit nearly in half. We have the lowest combined rates of unemployment and inflation in 27 years. We have created almost 8 million new jobs. Homeownership is at a 15-year high. Right here in California, the unemployment rate has dropped from 9.4 percent to 7.7 percent. More than 290,000 new jobs have been added in the last three years, after a loss of 63,200 jobs during the previous four years. And new business incorporations in this state have increased 7 percent per year -- after decreasing 11 percent during the previous four years. So America and California are on the move.



Our leadership in the world is also strong, bringing new hope for peace from Haiti to the Middle East to Bosnia. But, perhaps most important, the American people are coming together again around our most fundamental values. After years of spiraling out of control, the crime rate, the welfare and food stamp rolls, the poverty rate, and teen pregnancy are all down. The future for our children is brighter than it's ever been before.

But any full accounting requires us to look at the full picture. Even though we have created almost 8 million new jobs and unemployment is down significantly, people still feel economically insecure. Who would believe that we could bring the crime rate down, but that violence among juveniles would go up? Who would believe that drug use could go down, but that casual drug use and rampant illegal cigarette smoking among juveniles would go up? How could things be so good on the one hand and we still have all these troubling signs on the other?

The reason is that we are undergoing a period of profound change. We are moving from an era when people mostly made their livings from factories to an era dominated by information and technology. And this great uprooting has created an enormous age of possibility for the American people. The young people in this audience will have an opportunity to do more things to live out their dreams than any generation of Americans in history. But, whenever things change this much, there is bound to be uncertainty, people who worry about whether they will be a part of that future.

The only way we will move forward in this time of change is together, as one America. The most important lesson I have learned in three years as President is that we cannot solve the complex problems of the modern world unless we work together in the genuine spirit of community -- each of us doing our part. The great lesson of American democracy is that when we are together we are never defeated, and when we are divided we defeat ourselves.

So what we have to do now is look to the future. In my State of the Union address, I outlined what I believe are the seven great challenges facing America -- challenges we must face if we are to give all Americans a chance at the American Dream...a chance to make the most of their lives. Those challenges are: strengthening our families and giving our children better childhoods; building economic security for every single working family that is genuinely willing to work for it; fighting crime and drugs and gangs until people feel safe enough to sit on their front steps and unlock their doors; working to clean our environment while we grow our economy; maintaining our leadership for peace and freedom in the world; continuing to reform and reinvent our government so that it serves the American people better.

I think it is fair to say that none of these goals can be achieved unless we meet this final challenge: We must improve the quality of education for all Americans. Quality education is critical to America's future and the future of our children and families. But, we cannot educate our children in schools where weapons, gang violence and drugs threaten



their safety. Most schools are safe. But we must have zero tolerance for violence in our schools. Every parent who walks a child to the bus stop and waves goodbye in the morning, should not have to wonder if that child will return home safely when the last bell rings. We, as parents, have a right to expect that our children will be safe in school. We, as parents, have a right to expect that our children are spending the day learning and teachers are spending the day teaching.

In partnership with you and school districts across this country, we are pursuing a comprehensive strategy for improving overall safety and quality in our schools. We are keeping guns out of our schools with the help of the Gun Free Schools Act. We are educating our children about the dangers of drugs with the help of the Safe and Drug Free Schools initiative. We are tackling student drug use through our support of random drug testing of student athletes. We are getting tough on criminals by permitting the prosecution of hardened young criminals as adults. We are promoting greater parental involvement through the Department of Education's Family Partnership for Learning initiative. We are teaching our children the values of hard work, discipline, study and respect through the introduction of character education in our schools. And we are affirming to every school district in America that our schools are not religion-free zones. But we must do more. And states and local school districts must lead the way.

In my State of the Union Address, I suggested that one step school districts might take in their efforts to fight crime and teach students good values and discipline is to follow the example of Long Beach and other local school districts and require their students to wear school uniforms. Too often, we have seen the tragic headlines screaming of the senseless death of a teenager who was killed for a pair of sneakers or jewelry or a designer jacket. In Detroit, a 15-year-old boy is shot for his \$86 basketball shoes. In Fort Lauderdale, a 15-year-old student is robbed of his jewelry. And just this past December in Oxon Hill, Maryland a 17-year-old honor student is killed at a bus stop -- caught in the crossfire during the robbery of another student's designer jacket. As parents, who among us has not been wrenched by these stories of lost innocence and wasted youth. We cannot stand idly by while our children are being snatched from us by criminals who place more value on material things than on a human life.

The Long Beach Unified School District and the parents here are not standing idly by. Two years ago, you were the first school district in the nation to require elementary and middle school students to wear uniforms to class in an effort to deal with violence, truancy and other disturbances. Parental support for the program has been central to this effort. The results have been remarkable.

After the first year of the program, fights decreased 51 percent, weapons offenses decreased 50 percent, assault and battery offenses decreased 34 percent -- overall school crime dropped 36 percent. And you did this as a community -- together: the board of education voting to start a uniform program...parents actively supporting it...businesses and churches and civic organizations helping defray the cost for needy students...and students



seizing the opportunity to take the spotlight off of crime and violence and shine it on the job of learning.

We need to support your efforts and make it easier for other local school districts and parents to do what you have done. As I said in the State of the Union, if it means that teenagers will stop killing each other over designer jackets, then our public schools should be able to require their students to wear school uniforms.

After I mentioned this in the State of the Union, we were deluged with calls from around the country asking how to start school uniform programs. In order to support the efforts of parents, teachers and local school districts, we took on the job of finding out what was working so we could share it with others across the nation. And I have just signed a directive, instructing the Secretary of Education to distribute a new manual on School Uniforms to each of the nation's 16,000 school districts. Developed by the Department of Education in consultation with the Department of Justice, the manual provides a road map for the establishment of a school uniform policy for schools that want to use this tool. It also provides a central source of information about successful programs that are making a difference across the nation.

Let me be clear: this is not big government. This is not Washington telling schools what to do. The decision whether to adopt a uniform policy as a tool in an overall program to promote school safety and discipline is a local decision to be made by parents, teachers and local schools.

In closing, let me say that I am proud of what you have done here to nourish your children and create safe schools. Washington has a role to play, but you are the people who are leading the way. Nothing we do in Washington will ever replace the power of a parent's love. And we all know that the best teacher for a child has always been a loving parent. You have never forgotten that. And it is making a difference.

We have made a lot of progress, but there is still much more to do. Four years ago, I met a man in New York hotel who was a waiter at one of my campaign dinners. He was an immigrant, with a 10-year-old son. That night he said to me, "Where I came from, we were very poor, and we're much better off here economically. But where we live, we are not free." He said, "We have a park across the street from our apartment, but my boy can't play in the park unless I go with him. We have a school down the street from our apartment, but my boy can't walk to school unless I go with him." So, he said to me, "If I vote for you, will you make my boy free?"

Last week, I saw that man again. His name is Demetrius. And I said, "Your son is about 14 now?" "Yes." "How's he doing?" "Fine." And I asked him did he have a message for me. He said, "Yes. Keep fighting for the working people, it's still tough out there."

You are showing America that things can get better, if we all fight the good fight together.

Thank you and God bless you all.

THE BRIEFING PAPER FOR THE MEETING WITH  
HISPANIC LEADERS WILL BE FORWARDED



# California Accomplishments of the Clinton Administration

## Economic Development

[NOTE: For general economic statistics for California, see the one-page "Economic Progress in California", a copy of which is attached.]

**Empowerment Zone/Enterprise Communities.** L.A. has been declared a Supplemental Empowerment Zone and Oakland an Enhanced Enterprise Community. They'll receive \$40-100 million each in flexible funding to create jobs and help communities rebuild. Imperial County, L.A.-Huntington Park, San Diego, San Francisco-Bayview-Hunter's Point, and Watsonville have been declared "Enterprise Communities." They receive block grant funding of approximately \$3 million and access to tax-exempt bond financing for private business activities in the targeted communities.

**Space Station and C-17.** Administration fought hard to save the Space Station and C-17 aircraft program and won a tough competition for a major C-17 contract with Saudi Arabia, preserving billions of dollars of economic activity and tens of thousands of jobs in California.

**San Diego shipbuilding.** San Diego's shipbuilding industry has received a substantial investment from both our domestic shipbuilding initiative and Defense Department contracts. Last month, the Navy awarded a \$500 million contract to build two new ships, securing 4,000 jobs through the year 2000.

**L.A. Metro Rail.** \$1.9 billion in federal funds has been allocated for the LA Metro Rail system in the past two years, the largest city transit grant in the country. From 1993-95, the federal dollars generated 21,740 jobs from the LA Metrorail Red Line project. If the FY 96 request of \$158.9 million is funded, an additional 7,262 jobs will be generated.

## Exports

**Export jobs.** California jobs supported by exports have risen by over 250,000 since 1993. [USTR]

**Manufactured goods.** California's exports of manufactured goods rose nearly 35% from 1993-1995. [USTR]

**Exports to Japan.** California exports to Japan rose 52% from 1993-1995. [USTR]

**Export licensing -- computers.** Eliminated cumbersome export licensing requirements that restricted the export of computers, telecommunications equipment and other electronic goods. Barriers removed on up to \$37 billion in technology exports, 1/3 made in California.

**Japanese rice.** Negotiated access to the lucrative Japanese rice market for the first time. We expect to sell 500,000 tons of American rice to Japan this year, most grown in California, creating 900 jobs in agriculture and shipping.

**NAFTA.** California benefits more than any other state from the NAFTA, with over \$7 billion in goods exported to Mexico in 1994.

**GATT.** As the country's largest exporting state, California is a significant beneficiary of GATT. In 1994, California firms exported over \$70 billion in goods; California firms have increased exports by \$20 billion since the President took office.

### **Defense Transition Programs**

**Technology Reinvestment Project.** TRP has awarded nearly \$1 billion on a competitive basis to develop "dual-use" technologies. Projects led by California firms have received about 30% of all funds. With the matching funds that these firms are required to invest, TRP projects will generate \$2 billion in new high-tech economic activity in California.

**Base conversion.** Administration is expediting transfer of military facilities to localities so bases can be developed for the economic benefit of surrounding communities. *Alameda Naval Supply Center*, the *Presidio*, and San Bernardino County's *Norton Air Force Base* have all been transferred for productive local reuse. The *Sacramento Army Depot* was recently turned over to the city to serve as the site for a 3,000-employee Packard Bell facility. California bases have received over \$1.5 billion in environmental cleanup, job retraining, and economic development grants.

**DFAS.** Four military bases in California will house DFAS defense accounting centers, saving or creating 3,000 new jobs.

**Defense Conversion Adjustment.** California was awarded \$10 million for a Defense Conversion Adjustment project, which will assist 1,000 civilians who will be dislocated by the BRAC closure of Long Beach Naval Shipyard. In addition, the seeks to serve 500 unspecified contractor employees directly affected by the closure.

### **Environment**

**California Desert Protection Act.** President fought for and signed this act -- the largest single designation of parks and wilderness areas ever in the lower 48 states. Then President fought GOP attempts to roll back the law.

**Bay-Delta plan.** Administration negotiated consensus plan that will protect California's most valuable resource -- water. The San Francisco Bay-Delta estuary is a critical link in a system that supplies drinking water to two-thirds of the state's people and provides irrigation for 45 percent of America's fruits and vegetables.



**Offshore oil drilling.** President helped defeat GOP effort to drop ban on offshore oil drilling.

**Environmental technology.** Administration made unprecedented commitment to environmental technology -- a market where California firms lead the world, with 200,000 jobs and annual revenues of \$20 billion. Our initiatives help environmental businesses compete in fast-growing global market, expected to reach \$500 billion in 2000.

**San Diego beaches.** Ground was broken last summer on a new facility to treat sewage from Mexico and protect San Diego area beaches. Administration has obligated \$240 million to this project, which will begin operations in early 1997, ahead of schedule.

**Blocking GOP efforts to weaken laws.** President and congressional Dems have blocked House bills to roll back Clean Water Act, enact a regulatory moratorium to prevent new health/environmental safeguards, put in place regulatory "reform" to weaken food safety and drinking water standards, and enact a "takings" law that would pay polluters not to pollute.

## Immigration

**Reimbursements to California.** This Administration is the first to obtain funding from Congress to reimburse states for a share of the costs of incarcerating criminal aliens, in addition to assisting with education and medical care costs. This year, we reimbursed California \$64 million for the costs of incarcerating criminal aliens.

**Border control.** Launched in California as Operation Gatekeeper, our border control effort has added 500 agents to the line already, and will add 462 more this year -- doubling the number of Border Patrol agents in San Diego from less than 1,000 in FY 94 to over 2,000 by the end of this year. This program has also given the Border Patrol far better equipment and training. As a result of this initiative, border crossings in certain areas of San Diego have dropped dramatically, drawing praise from local law enforcement officials and from the press -- including the conservative *San Diego Union* editorial board.

**Deportation of alien prisoners.** A significant increase in the program to deport alien prisoners upon termination of their sentences is expeditiously sending thousands of felons back to their home countries every year.

**Worksite enforcement.** A stepped-up worksite enforcement strategy is doubling the number of worksite investigators nationwide. In FY 96, 604 officers and support staff will be hired for worksite enforcement, with more than 450 officers in new INS positions as Immigration Agents, focussed on enforcing employers sanctions and removing criminal aliens. The Administration is also producing counterfeit-resistant work authorization documents and expanding worker verification programs. *In California*, the Verification Information System (VIS) program is being tested with over 200 employers in the City of Industry and in Santa Ana. This pilot is testing a means for employers to confirm the employment eligibility of newly hired non-citizen employees quickly and effectively.



## Crime

**New cops.** In just over one year, the Administration's Crime Bill has already provided funding to place 4,571 new community police officers on the streets of California. Los Angeles Police Department alone was awarded more than \$66.5 million to pay for 1505 new police officers: all of which will be involved in community policing.

## Disaster Relief

**L.A. Earthquake.** Administration won rapid approval of a supplemental earthquake recovery appropriation of \$9.5 billion and agreed to pay 90% of reconstruction costs. \$11.5 billion has been allocated for the recovery so far, and the Administration requested over \$4.8 billion more to finish the job (which was in the rescission bill that passed last summer).

Earthquake benefits were delivered faster than ever before, and innovative contracting provisions ensured freeways were repaired in record time. Funds were advanced to allow schools to be repaired quickly so they could re-open in a matter of weeks. Special programs provided for these schools to be upgraded for future seismic safety. By comparison, in the 1989 San Francisco earthquake, federal government paid only 75% of the damages and was roundly criticized for slow pace of reconstruction efforts.

The Administration stepped in to help state and local governments in unprecedented ways: virtually no state money was contributed to the earthquake recovery effort in the months following the disaster; and HUD developed an innovative new program to rebuild apartment buildings in the San Fernando Valley "ghost towns" after the state bond measure designed to address this problem failed.

## ECONOMIC PROGRESS IN CALIFORNIA 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 California after three years of the Clinton Administration:

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*Improved Economic Conditions in California:*

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- The unemployment rate has dropped from 9.4% to 7.7%.
- 293,900 new jobs added in 35 months -- after 63,200 lost during the previous 4 years combined.
- 279,200 new private-sector jobs added in 35 months -- after 172,400 lost during the previous 4 years combined.
- 70,500 manufacturing jobs *LOST* in 35 months -- after 270,500 lost during the previous 4 years combined.
- New business incorporations have increased 7% **per year** -- after decreasing 11% during the previous 4 years.
- The Help Wanted Index has increased 12%.
- Bank lending has increased by \$5.8 billion -- after declining by \$30.7 billion during the previous 8 years.
- Consumer confidence has increased 42%.
- Bankruptcies have declined 5% **per year** -- after increasing 13% **per year** during the previous 4 years.

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*What President Clinton's Accomplishments Have Achieved for the People of California:*

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**\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN CALIFORNIA:** The national debt will be **more than \$1 trillion** lower than was projected before the passage of the President's economic plan. That's about \$15,000 of reduced federal debt for each family of four in California.

**10 TIMES MORE CALIFORNIA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE:** As a result of the expanded Earned Income Tax Credit, 2,146,915 working families in California will receive a tax cut. This compares to an increase in the income tax rate for only the 218,777 wealthiest taxpayers in California.

**TAX CUT FOR 178,917 SMALL BUSINESSES IN CALIFORNIA:** The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 178,917 small businesses in California are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

**4,959,000 CALIFORNIA 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 4,959,089 workers in California, and protects the jobs of 297,914 workers in California who are likely to use unpaid leave this year alone.

**1.65 MILLION STUDENTS AND FORMER STUDENTS IN CALIFORNIA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS:** Approximately 1.65 million California borrowers -- 1.16 million current borrowers and 490,000 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.



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THE WHITE HOUSE

WASHINGTON

February 21, 1996

36 FEB 21 P6:06

MEMORANDUM FOR THE PRESIDENT

FROM: Julia Chamovitz  
National Economic Council

SUBJECT: Background on Recent Developments in the California Economy

This memorandum presents background information about current economic conditions in California.

- ***California is on the Rebound*** -- *Business Week*, *Newsweek*, and *The Economist* are just some of the news publications that have recently run stories on the economic come-back occurring in California. All the articles noted the growth sectors are foreign trade, technology and entertainment. Declines in the aerospace industry have slowed, which has been a factor in the rebounding of the California economy.
- ***Lockheed Martin is Adding Jobs in Sunnyvale*** -- Lockheed Martin has begun relocating several hundred employees from New Jersey and Pennsylvania to its aerospace facility in Sunnyvale. This facility will serve as the company's center for commercial space opportunities, which are expected to grow over the next several years. The relocation is expected to be completed by the end of the year. (Source: Lockheed Martin)
- ***DreamWorks to Build a New Studio*** -- DreamWorks, the company founded a little over a year ago by Steven Spielberg, Jeffrey Katzenberg and David Geffen recently announced it will build the first new studio in Los Angeles in over 50 years. The \$200 million investment is expected to have 15 sound stages for motion picture, television, CD-ROM and music video production at the Playa Vista development, near the Lost Angeles Airport. The company is expecting the investment to create approximately 9,000 jobs in Los Angeles. (Source: DreamWorks)
- ***Wells Fargo Plans to Merge with First Interstate*** -- On January 24, San Francisco-based, Wells Fargo and Co. and Los Angeles-based First Interstate Bancorp agreed to merge under the Wells Fargo and Co. name. The \$116.6 billion deal will mark the largest bank merger in the U.S. The deal still needs the approval of shareholders and regulators. At this time, Wells Fargo could not confirm any job loss due to the merger, but according to the *Los Angeles Times* the merger could cause the loss of up to 8,000 jobs and 350 offices in California. (Source: Well Fargo and Co., *Los Angeles Times* 1/25/96)
- ***Oakland Designated Urban Enhanced Enterprise Community*** -- Oakland was designated as one of four urban "enhanced" enterprise communities, which means it received \$22 million in economic development grants in addition to the benefits for other ECs. This includes \$3 million in social service block grants and tax exempt bond financing for zone business projects. San Diego, San Francisco and Los Angeles were also designated as urban ECs. Imperial County and the City of Watsonville were designated rural ECs. (Source: Community Empowerment Board)

- ***Progress Report on the Los Angeles Urban Supplemental Empowerment Zone*** -- Los Angeles received a \$125 million economic development (EDI) grant as an Urban Supplemental Empowerment Zone (SEZ), plus \$325 million in HUD loan guarantees. These funds have been used to capitalize the Los Angeles Community Development Bank (CDB). Federal staff and technical assistance greatly contributed to this effort. CDB's mission is to create high-paid, high-skilled permanent jobs for residents of the SEZ. (Source: CEB)

**Note:** California, with seven designations, has the highest number of EZ/ECs.

- ***TRP Funds \$12 Million for an Electronic Network Project*** -- The Smart Valley CommerceNet project will attempt to use internet connectivity to reduce the costs of doing business and increase the options of both buyers and sellers. Major participants include various commercial interests, who see CommerceNet as a way of lowering costs, and the Defense Logistics Agency, which sees the project as a way of increasing efficiency. CommerceNet is currently addressing the issue of standard protocols for data security, exchange, and cataloging. (Source: ARPA)
- ***EITC Benefits Over 2.1 Million Families*** -- This comes from 1993 Treasury estimates.

| <u>Rep.</u>  | <u>EITC Benefits</u>      | <u>\$ (millions)</u> | <u>% Families</u> | <u>Higher Taxes</u>      |
|--------------|---------------------------|----------------------|-------------------|--------------------------|
| Horn         | 45,800 families           | 79.0                 | 34.0              | 3,400 taxpayers          |
| Beilenson    | 23,300 families           | 40.1                 | 15.7              | 12,700 taxpayers         |
| Berman       | 44,400 families           | 76.5                 | 36.1              | 1,300 taxpayers          |
| Moorhead     | 41,400 families           | 71.4                 | 29.0              | 7,800 taxpayers          |
| Waxman       | 59,500 families           | 102.6                | 49.5              | 22,700 taxpayers         |
| Becerra      | 69,300 families           | 119.5                | 57.3              | 1,000 taxpayers          |
| Martinez     | 42,300 families           | 72.9                 | 33.6              | 800 taxpayers            |
| <b>STATE</b> | <b>2,147,000 families</b> | <b>3,702.2</b>       | <b>29.7</b>       | <b>218,800 taxpayers</b> |

- ***Federal Reserve on the 12th District (San Francisco)*** -- The District shows signs of moderation in economic activity entering 1996, although robust performance continues in several states. Holiday retail sales were disappointing, notably in California. There are signs of weakening demand in a few manufacturing industries, but the electronics sector remains strong, particularly in the San Francisco Bay Area. Loan activity is moderate to strong, with reports of a significant expansion of consumer loans in Southern California. Home loans and housing starts are reportedly increasing in California. (Source: Federal Reserve Beige Book, 1/17/96)



THE WHITE HOUSE  
WASHINGTON

February 21, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: DAN COLLINS  
RUSSELL HORWITZ

RE: Local Issues Briefing -- Los Angeles Area

STORM

Storm Floods Parts of Southern California

A storm system hit Southern California Tuesday, causing accidents, flooding, and forcing people from their homes. Parts of the San Gabriel Valley and Ventura and Santa Barbara counties reported 4-5 inches of rain from the storm. Low lying areas of Long Beach were knee-deep in flood waters forcing the closure of 35 intersections. Several houses and apartment complexes were evacuated in La Habra.

CRIME

"Freeway Killer" Bid To Halt Execution Denied

Last week, the State Supreme Court refused to block the February 23rd execution of serial killer William Bonin. Bonin, a truck driver, was convicted of murdering 14 young men and boys he picked up along Southern California roads between 1979-80. The court rejected claims that Bonin did not receive a fair trial and that his attorney was inept. On Monday, Governor Wilson denied Bonin clemency. Bonin will be the first inmate in the state to die by lethal injection.

Three-Strikes-and-You're-Out

In a hearing before three state Senate committees, representatives from LA County testified that the state's "Three Strikes and You're Out" law is causing a backlog in court cases, forcing early releases from county jails and resulting in long delays for civil trials. Jury trials have increased 25 percent in the county since adoption of the law. In response, LA County, where over 60 percent of the state's three strikes cases are filed, is seeking reimbursement of \$169 million from the state. Other cities, such as San Francisco and Sacramento, have managed to implement the three strikes law without the negative impacts reported by Los Angeles.



#### Santa Monica Crime Rate Declines to Lowest Level in 20 Years

The crime rate in Santa Monica decreased 9 percent in 1995. Crime is now at its lowest level since 1974. Police attribute the decline to an increase in police patrols in the downtown area, the city's crackdown on transients, and a youth curfew. Neighborhood anti-crime programs, as well as community policing, have also contributed to the decrease in the crime rate.

#### LA Police Chief Seeks Second Term

Although under scrutiny from within the force and from Los Angeles Mayor Richard Riordan, Police Chief Willie Williams says he plans to serve a second 5-year term. City leaders, however, have already started to look for a replacement. Williams, who took office following the 1992 Los Angeles riots, has until December 31st to officially inform the city Board of Police Commissioners of his decision to seek a second term.

### **AFFIRMATIVE ACTION**

#### University of California (UC) To Ban Race and Gender Preferences For Admission

The UC Board of Regents approved a new timetable for implementing the ban on using race and gender preferences for admission criteria. The ban will now go into effect in 1998. Last week, statistics were released indicating that applications from underrepresented minorities have declined in the past year after increasing the two previous years. Many attribute the decline in minority applications to the Regents decision to end affirmative action within the UC system.

#### Ballot Initiative to Dismantle Statewide Affirmative Action Programs

The Los Angeles City Council voted unanimously to oppose the "California Civil Rights Initiative". The ballot initiative would require the dismantling of statewide affirmative action programs. Although the Los Angeles City Council has no legislative authority, it is the largest political group to take an official position on the initiative.

### **WELFARE**

#### Los Angeles County Cuts Welfare

Los Angeles County Supervisors voted to cut general welfare relief payments by almost 25 percent for nearly 90,000 recipients. County officials claim that if cuts are not made, deeper cuts would have to be made to other city services such as law enforcement and libraries. The cuts go into effect March 1 and will save an estimated \$78 million in the next year.

### **LONG BEACH**

#### Public Safety Summit II Encourages Youth to Stop Violence

Over 1,500 youths attended the recent Public Safety Summit II in Long Beach. The summit included a series of workshops, key note speaker Edward James Olmos, and Los Angeles District Attorney Gil Garcetti. The one-day conference was designed to bridge the gap between Long Beach police and youth.

# California Immigration Fact Sheet

## New Resources for California

- **California:** In FY 1996, INS will hire 1,260 new Border Patrol Agents, Inspectors, Investigators, Anti-Smuggling agents, and other INS officers in California.
- **Nationwide:** Budget increases in fiscal years 1994, 1995 and 1996 increase INS budget by 72 percent over FY 1993. INS FY 96 budget totals \$2.6 billion -- 24 percent over FY 95.

## Border Control

- **Operation Gatekeeper:** Operation Gatekeeper launched in October, 1994. Before Operation Gatekeeper, 14-mile stretch in San Diego accounted for as much as 40 percent of Southwest border apprehensions; and, within that area, the 5-mile stretch of Imperial Beach accounted for nearly 25 percent of all Southwest border apprehensions. In first year of Gatekeeper, INS gained control in Imperial Beach, and new target is Chula Vista. Key elements of Gatekeeper:
  - **New Border Patrol Agents:** INS has added over 500 new agents to San Diego Sector in FY 1994 and 1995. This year, INS will add another 462 for the Sector.
  - **New Inspectors:** INS to hire over 200 new inspectors for San Diego ports of entry -- the largest port of entry staffing increase in INS history.
  - **Other Measures:** Fencing, lighting, roads and technology; the appointment of U.S. Attorney Alan Bersin as the Attorney General's Special Representative on Southwest border issues; a Port Court at the border to exclude and deport aliens who try to enter this country with fraudulent documents; more detention space; better coordination with the military that is on the border to support law enforcement in drug trafficking; and joint efforts with local law enforcement.
- **Entire Southwest Border:** In FY 1994 and 1995, INS hired 1,150 new Border Patrol agents. In FY 96, INS to hire 800 new agents and bring 200 agents from interior U.S. Total border enforcement spending is up from \$362 million in FY 93 to \$583 million in FY 96. We are doubling Border Patrol force on Southwest border.

## Worksite Enforcement

- **Nationwide:** INS worksite operations removed close to 12,000 illegal workers in FY 95
- **California:** In October 1995, INS launched pilot project in City of Industry and Santa Ana to verify the employment eligibility of aliens. The one-year pilot includes over 230 employers and over 80,000 employees. Pilot is coupled with increased investigative strength by 150%.

## Removing Illegal Aliens from California

- **California Removals:** In FY 95, INS removed 19,099 illegal aliens from California.
- **FY 96 Removal Resources Nationwide:** INS will add 635 positions and \$46.1 million to expand the Institutional Hearing Program (including full enhancement for California) and to add county jail projects, 418 positions and \$42.7 million add new detention beds, and 279 positions and \$26 million to remove absconders, criminal aliens, and illegal workers apprehended at job sites. A significant portion of these resources to go to California.
- **National Removals:** INS removed over 48,000 illegal aliens from the U.S. in FY 95, including over 30,000 criminal aliens. In FY 96, INS expects to remove over 60,000 illegal aliens.
- **State Criminal Alien Assistannce Program:** Of \$130 million in SCAAP money available in FY 95, California received \$63,969,580 – the largest of all state grants.

### **Naturalization**

INS completed 117,000 naturalization cases in California in FY 94, 161,000 in FY 95, and expects to complete 550,000 in FY 96. The historical approval rate for naturalization cases is 80 to 90 percent. Feb. 22 and 23, 1996, we are swearing in 18,000 new citizens in Los Angeles.



THE ENVIRONMENTAL ISSUES UPDATE WILL BE  
FORWARDED



# Federal Emergency Management Agency

Washington, D.C. 20472

February 22, 1996

96 FEB 22 P4:13

MEMORANDUM TO: Kathryn O'L. Higgins  
Secretary to the Cabinet

FROM: *James L. Witt*  
James L. Witt  
Director

SUBJECT: Flooding in Washington and California

The purpose of this memorandum is to update you regarding the flood situations that have developed in Washington and California due to recent heavy rains and snowmelt. The latest information is as follows:

## Washington

During the recent storm that began January 26, 1996, major flooding in the State occurred as the result of warm weather, deep snowpack and heavy rains. The heaviest amounts of rain fell on the southwest portion of the State. Two deaths and ten injuries are associated with this incident. Additionally, one woman in Yakima County is missing and presumed drowned.

The State of Washington requested a Presidential Disaster Declaration on February 8, 1996. The initial declaration was signed by the President on February 9, 1996, and amended on February 12, 13, and 16, 1996. The twenty (20) counties now included in the declaration are Adams, Asotin, Benton, Clark, Columbia, Cowlitz, Garfield, Grays Harbor, King, Kittitas, Klickitat, Lewis, Pierce, Skamania, Snohomish, Thurston, Wahkiakum, Walla Walla, Whitman, and Yakima, along with the Yakima Indian Reservation. All areas have been designated for Public Assistance, Individual Assistance, and Hazard Mitigation.

At present, a flood warning continues for the Cedar River in King County and for the Yakima River at Parker and Kiona. The flood watch on the Naches River has ended. The flood warning for the Spokane River in Spokane has ended. New river forecasts now indicate that the Spokane River at Spokane will remain below flood stage through Tuesday. The American Red Cross is operating one (1) shelter that is currently housing twenty-two (22) people. To date, 42,221 meals have been served by the Red Cross.

A total of 241 individuals have visited one of the five FEMA Disaster Recovery Centers that have opened in Washington. Disaster Recovery Centers are located in Benton, Lewis, Pierce, Cowlitz, and Walla Walla counties. A total of 7,076 residents of Washington have applied for assistance through FEMA's National Teleregistration Center, and 158 people have called the FEMA Helpline. To date, FEMA has provided \$1,782,341 in Housing Assistance to affected residents, in addition to approving \$9,602 in assistance under the Individual and Family Grant

Program. FEMA estimates that **\$75 million** in assistance will be provided to State and local governments, Special Districts, and Non-profit organizations under the Public Assistance Program.

There are **9,349** National Flood Insurance Policies in force in the declared counties, with total coverage exceeding **\$764 million**. To date, **1,058** claims have been submitted by affected policy-holders.

## **California**

Due to heavy rains, the San Francisco Bay area is experiencing localized flooding on freeways and local streets. The National Weather Service issued a small stream urban flood advisory for the Bay area on February 20. Rain is falling on southern California, but there is no major disruption to transportation at this time.

At present, there have been no emergency declarations at either the local or State levels. However, a National Guard Armory has been opened in Oroville, Butte County, to house approximately twenty-one (21) families. The Butte County Health Department requested that the families be evacuated due to a health hazard caused by the backup of septic tanks. In addition, a trailer park has been flooded out, which may result in more requests for shelter.

Several California roadways are closed due to the heavy rains. Highway 1 was closed at the Monterey/San Luis Obispo county line due to rock and mudslides. Highway 39 was closed just north of Azusa due to rockslides. Highway 92 is closed in the Half Moon Bay area due to a mudslide. Efforts are underway to clear the affected roadways.



## **Presidential Disaster Declarations in Washington State**

The First Disaster, FEMA-DR-1079-WA: Severe storms, high winds and flooding occurred in western Washington between Nov. 7 and Dec. 18, 1995.

The Second Disaster, FEMA-DR-1100-WA: The recent storm that began about January 26, 1996 which resulted in major flooding from warm weather, deep snowpack and heavy rains. Heaviest rains in the southwest part of the state.

**A conservative estimate of all costs that are eligible for FEMA assistance for both disasters is \$204 Million.**

The first release of funds for DR-1079-WA has been accomplished. Applicants have been briefed on the FEMA program. Field inspection of damaged sites from the latest flood have begun.

**For Public Assistance grants, there have been over 250 applications from local governments, state agencies, special districts and non-profit organizations:**

|                                   |                  |
|-----------------------------------|------------------|
| For the first disaster (DR-1079)  | 228 applications |
| For the second disaster (DR-1100) | 23 applications. |

**The latest conservative federal/state estimate of eligible costs to repair infrastructure and for emergency costs is \$135 Million.**

|                                   |               |
|-----------------------------------|---------------|
| For the first disaster (DR-1079)  | \$35 Million  |
| For the second disaster (DR-1100) | \$100 Million |

**For Individual Assistance (FEMA programs) for both disasters, the estimate is \$44 Million.**

|                                   |              |
|-----------------------------------|--------------|
| For the first disaster (DR-1079)  | \$12 Million |
| For the second disaster (DR-1100) | \$32 Million |

To provide disaster housing, 6,200 applications have been received,  
\$2.5 Million in checks have been written.  
For Individual and Family Grants, 2,855 applications have been received,  
\$1 million in checks have been written.

**For Hazard Mitigation, the estimate is \$25 Million.**

**The Flood Insurance Administration has received 1,058 claims in Washington State under the Flood Insurance Program and has opened a claims office in Portland, Oregon.**

**Small Business Administration Loan Figures (as of 2/21/9)**

|                         |                                                      |
|-------------------------|------------------------------------------------------|
| For the first disaster  | 1,257 applications issued, over \$1 Million approved |
| For the second disaster | 5,256 applications issued, 229 received              |

THE WHITE HOUSE  
WASHINGTON

February 22, 1996

INTERVIEW WITH JOEL CONNELLY OF THE SEATTLE POST-INTELLIGENCER

DATE: February 24, 1996  
TIME: 1:00 PM Pacific Time  
LOCATION: Air Force 1 flight to Seattle, WA  
FROM: Mike McCurry

I. PURPOSE

To promote the accomplishments of your administration, specifically what you have done to move the economy forward for the people of Washington State.

II. BACKGROUND

Joel Connelly is the former Washington Bureau Chief for the Seattle Post-Intelligencer. He is now the political editor and also a regular on Seattle Week in Review, a Brinkley style political talk show. Joel covers both national and regional politics and has reported on environmental issues affecting the Pacific Northwest. The Seattle Post-Intelligencer is the largest paper in Washington and endorsed you in 1992. Political Affairs has included Seattle Post-Intelligencer primary coverage in the attached briefing material.

Joel has interviewed you before your previous two trips to Seattle, always resulting in a positive story. Joel has indicated that he will be asking you about the environment and medicaid. Given that Connelly is the political editor he will probably also ask about Presidential politics and the Republican nominees. Joel did not cover your trip last week to survey the flood damage. He may, however, ask you about your trip. FEMA has provided an update for you.

III. PARTICIPANTS

THE PRESIDENT  
Joel Connelly  
Mike McCurry

IV. PRESS PLAN

This interview will be on-the-record and a Seattle Post-Intelligencer exclusive.

V. SEQUENCE OF EVENTS

This interview will take place on the flight from the California to Washington State.

VI. REMARKS

There will be no prepared remarks for this interview.

VII. ATTACHMENTS

Political Q's and A's (To be forwarded)

Washington economic progress report

CEQ talking points on timber (To be forwarded)

Medicaid talking points

Update on WA floods from FEMA



THE POLITICAL Q's AND A's WILL BE FORWARDED

## ECONOMIC PROGRESS IN WASHINGTON 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 Washington after the first three years of the Clinton Administration:

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### *Improved Economic Conditions in Washington:*

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- The unemployment rate has dropped from 8.2% to 5.8%.
- In 35 months, Washington has added 128,800 total jobs or 44,160 **per year**. During the previous 4 years combined, Washington added 235,100 total jobs or 58,525 **per year**.
- 16% **FEWER** new private sector jobs **per year** -- 38,057 vs. 45,300 average during the previous 4 years. In 35 months, Washington has added 111,000 private sector jobs, after adding 181,200 during the previous 4 years combined.
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THE CEQ TALKING POINTS ON TIMBER WILL  
BE FORWARDED



## MEDICAID

**Question:** Are you going to be able to reach agreement with the Republicans on Medicaid?

**Answer:** I am determined to reach agreement and balance the budget, but I am determined to do it in a way that reflects America's values. My balanced budget proposal protects Medicare, Medicaid, education and the environment, while giving working Americans a modest tax cut.

We could agree on a balanced budget tomorrow. Democrats and Republicans have already agreed on enough cuts to balance the budget in seven years and give working Americans a tax cut. We also have some agreement on Medicaid. I agree that we can give states more flexibility to manage their programs better. That's why I would repeal the Boren Amendment and allow states to use managed care without seeking waivers. But the Republicans want to go far beyond what is necessary. They would end the guarantee to meaningful health benefits for millions of people with disabilities, pregnant women, poor children and older Americans in need of nursing home care. They would leave states vulnerable to economic downturns, inflation and other circumstances beyond their control that lead to increases in enrollment.

I believe we will reach agreement because balancing the budget is the right thing to do. But we must do it in a way that is consistent with our values.

**Question:** Do you support the National Governors' Association Medicaid resolution?

**Answer:** The Governors have made real progress by coming up with a plan in which funding increases as enrollment grows. They have also proposed -- as I did in my Medicaid plan -- to give states unprecedented flexibility to manage their programs better. For example, both proposals would repeal the Boren Amendment and allow states to use managed care without seeking waivers.

However, I have some concerns. We need to be sure that Medicaid remains a real guarantee. We have to maintain eligibility for the millions of poor children, pregnant women, people with disabilities and older Americans who receive medical services through Medicaid today, ensure that the benefits provided are meaningful, and preserve people's ability to enforce their rights adequately.

## MEDICAID: WHAT IS AT STAKE IN THE BUDGET NEGOTIATIONS

**MEDICAID GUARANTEE.** Republicans are insisting on ending the Medicaid guarantee to meaningful health benefits for millions of people with disabilities, pregnant women, poor children, and older Americans in need of nursing home care -- even though it is not necessary to balance the budget.

Republicans want to replace the Medicaid guarantee with a deeply underfunded block grant that could *deny health benefits to 3-6 million Americans in 2002, including more than 1 million children.* And the *only* required benefits would be immunizations and limited family planning -- hardly what one would call "coverage." The depth of the Medicaid cuts could force States to significantly reduce coverage, increasing the number of uninsured people, uncompensated care, and cost-shifting to people with private insurance.

President Clinton is refusing to go backwards on coverage, insisting on retaining the guarantee of meaningful Medicaid health benefits for people with disabilities, pregnant women, poor children, and older Americans in need of nursing home care.

**DEPTH OF THE CUTS.** Republicans want to cut Federal Medicaid funding to States by \$85 billion in order to pay for an excessive tax cut for the well-off.

Republicans are insisting on \$85 billion in Medicaid cuts -- 45% more than the President -- largely to fund an excessive tax cut. They would cut spending growth per person to rates one-third below inflation. And the total Medicaid cuts would more than triple if States only spent the minimum required.

President Clinton's balanced budget achieves \$59 billion in savings by capping spending growth per beneficiary, giving States incentives to reduce costs without denying anyone health care coverage while providing States with unprecedented flexibility to operate their programs and pay providers.

**LEAVES STATES VULNERABLE.** Republicans are insisting on block granting Medicaid, which will leave States vulnerable to economic downturns, inflation, demographic changes, and natural disasters -- even though it is not necessary to balance the budget.

Under a block grant, States would be responsible for 100% of the additional costs from circumstances beyond their control. According to analysis by the Center on Budget and Policy Priorities, if inflation were just 1 percentage point higher than projected over 7 years, States would have to spend about \$65 billion more, or cut eligibility, benefits, or establish waiting lists.

President Clinton is standing firm on maintaining the 30-year Federal partnership with States, protecting States from circumstances beyond their control and increasing State flexibility.



**NURSING HOME QUALITY STANDARDS.** Republicans want to repeal Federal enforcement of the nursing home quality standards that have dramatically improved the quality of nursing home care — even though it is not necessary to balance the budget.

Excessive Medicaid cuts combined with the elimination of Federal enforcement of nursing home quality standards may lead to inadequate and inconsistent enforcement of quality.

President Clinton's balanced budget retains Federal quality standards and enforcement. Since these Federal standards were signed into law by President Reagan, there has been a 50% reduction in dehydration among nursing home residents, a 31% reduction in hospitalization rates, and a 25% reduction in the use of physical restraints.

**FINANCIAL PROTECTIONS.** Republicans want to repeal financial protections for families, their homes and farms — even though this is not necessary to balance the budget.

Republicans would repeal the laws that prevent States from forcing adult children to have to pay for their parents' nursing home care, if their income is above the State median income -- even though it is not necessary to balance the budget. They would repeal laws that protect families from having to sell their home or family farm in order to qualify for Medicaid, and would repeal the laws that restrict the placing of liens on homes and family farms of Medicaid recipients.

President Clinton's balanced budget maintains current financial protections.

**POOR ELDERLY AND PEOPLE WITH DISABILITIES' ACCESS TO MEDICARE.** Republicans are insisting on repealing the guarantee that Medicaid pay poor older Americans and people with disabilities' Medicare premiums, deductibles, and copayments.

The Medicaid guarantee of assistance with Medicare premiums, deductibles, and copayments ensures that more than 5 million poor older Americans and people with disabilities can afford Medicare physician services. Yet Republicans do not set aside *any* Medicaid block grant funding for Medicare deductibles and copayments, and set aside less than half of the funds needed to cover premiums. Hundreds of thousands of poor and near poor older Americans and people with disabilities could lose funding for their Medicare premiums — at the same time that Republicans would increase Medicare premiums.

President Clinton's balanced budget maintains the guarantee of this critical assistance.

**SPOUSAL IMPOVERISHMENT PROTECTIONS.** Republicans would undermine protections for spouses of nursing home residents from impoverishment — even though it is not necessary to balance the budget.

Republicans undermine these spousal impoverishment protections by repealing the guarantee of nursing home coverage, making it more difficult for the Federal government to ensure that States enforce spousal impoverishment protections, and repealing the right of spouses to seek redress in Federal court if they are wrongly denied protection.

President Clinton's balanced budget maintains the current spousal impoverishment protections which have protected about 450,000 spouses of nursing home residents since they went into effect. Most of these spouses are women.



## BACKGROUND ON MEDICAID IN WASHINGTON AND OREGON

### Washington

- o In 1993, the state developed an ambitious and comprehensive health care reform plan that would have achieved universal coverage using employer mandates. However, political problems caused the plan to fall apart, and the state has never submitted an alternative plan to HHS for approval.

### Oregon

- o Oregon operates its Medicaid system under a Federal waiver approved by HHS in March 1993. The Oregon Health Plan waiver expanded access to health care to the uninsured and offers a benefit package based on a prioritized ranking of services and treatments. It began operations in February 1994.
- o The state is awaiting HHS action on an amendment to the plan that would impose premiums on those made eligible for Medicaid by the waiver. Premiums would range from \$7 - \$28 a month for those at or below the poverty level.

Approval of the amendment has been delayed because of HHS's concern that the state has not provided a fall-back mechanism for those unable to afford the premiums. However, after months of negotiation, HHS will probably agree to approve the amendment within the next few days.



# Federal Emergency Management Agency

Washington, D.C. 20472

February 22, 1996

96 FEB 22 P4:13

MEMORANDUM TO: Kathryn O'L. Higgins  
Secretary to the Cabinet

FROM: *James L. Witt*  
James L. Witt  
Director

SUBJECT: Flooding in Washington and California

The purpose of this memorandum is to update you regarding the flood situations that have developed in Washington and California due to recent heavy rains and snowmelt. The latest information is as follows:

## Washington

During the recent storm that began January 26, 1996, major flooding in the State occurred as the result of warm weather, deep snowpack and heavy rains. The heaviest amounts of rain fell on the southwest portion of the State. Two deaths and ten injuries are associated with this incident. Additionally, one woman in Yakima County is missing and presumed drowned.

The State of Washington requested a Presidential Disaster Declaration on February 8, 1996. The initial declaration was signed by the President on February 9, 1996, and amended on February 12, 13, and 16, 1996. The twenty (20) counties now included in the declaration are Adams, Asotin, Benton, Clark, Columbia, Cowlitz, Garfield, Grays Harbor, King, Kittitas, Klickitat, Lewis, Pierce, Skamania, Snohomish, Thurston, Wahkiakum, Walla Walla, Whitman, and Yakima, along with the Yakima Indian Reservation. All areas have been designated for Public Assistance, Individual Assistance, and Hazard Mitigation.

At present, a flood warning continues for the Cedar River in King County and for the Yakima River at Parker and Kiona. The flood watch on the Naches River has ended. The flood warning for the Spokane River in Spokane has ended. New river forecasts now indicate that the Spokane River at Spokane will remain below flood stage through Tuesday. The American Red Cross is operating one (1) shelter that is currently housing twenty-two (22) people. To date, 42,221 meals have been served by the Red Cross.

A total of 241 individuals have visited one of the five FEMA Disaster Recovery Centers that have opened in Washington. Disaster Recovery Centers are located in Benton, Lewis, Pierce, Cowlitz, and Walla Walla counties. A total of 7,076 residents of Washington have applied for assistance through FEMA's National Teleregistration Center, and 158 people have called the FEMA Helpline. To date, FEMA has provided \$1,782,341 in Housing Assistance to affected residents, in addition to approving \$9,602 in assistance under the Individual and Family Grant

Program. FEMA estimates that \$75 million in assistance will be provided to State and local governments, Special Districts, and Non-profit organizations under the Public Assistance Program.

There are 9,349 National Flood Insurance Policies in force in the declared counties, with total coverage exceeding \$764 million. To date, 1,058 claims have been submitted by affected policy-holders.

## California

Due to heavy rains, the San Francisco Bay area is experiencing localized flooding on freeways and local streets. The National Weather Service issued a small stream urban flood advisory for the Bay area on February 20. Rain is falling on southern California, but there is no major disruption to transportation at this time.

At present, there have been no emergency declarations at either the local or State levels. However, a National Guard Armory has been opened in Oroville, Butte County, to house approximately twenty-one (21) families. The Butte County Health Department requested that the families be evacuated due to a health hazard caused by the backup of septic tanks. In addition, a trailer park has been flooded out, which may result in more requests for shelter.

Several California roadways are closed due to the heavy rains. Highway 1 was closed at the Monterey/San Luis Obispo county line due to rock and mudslides. Highway 39 was closed just north of Azusa due to rockslides. Highway 92 is closed in the Half Moon Bay area due to a mudslide. Efforts are underway to clear the affected roadways.



## **Presidential Disaster Declarations in Washington State**

The First Disaster, FEMA-DR-1079-WA: Severe storms, high winds and flooding occurred in western Washington between Nov. 7 and Dec. 18, 1995.

The Second Disaster, FEMA-DR-1100-WA: The recent storm that began about January 26, 1996 which resulted in major flooding from warm weather, deep snowpack and heavy rains. Heaviest rains in the southwest part of the state.

**A conservative estimate of all costs that are eligible for FEMA assistance for both disasters is \$204 Million.**

The first release of funds for DR-1079-WA has been accomplished. Applicants have been briefed on the FEMA program. Field inspection of damaged sites from the latest flood have begun.

**For Public Assistance grants, there have been over 250 applications from local governments, state agencies, special districts and non-profit organizations:**

|                                   |                  |
|-----------------------------------|------------------|
| For the first disaster (DR-1079)  | 228 applications |
| For the second disaster (DR-1100) | 23 applications. |

**The latest conservative federal/state estimate of eligible costs to repair infrastructure and for emergency costs is \$135 Million.**

|                                   |               |
|-----------------------------------|---------------|
| For the first disaster (DR-1079)  | \$35 Million  |
| For the second disaster (DR-1100) | \$100 Million |

**For Individual Assistance (FEMA programs) for both disasters, the estimate is \$44 Million.**

|                                   |              |
|-----------------------------------|--------------|
| For the first disaster (DR-1079)  | \$12 Million |
| For the second disaster (DR-1100) | \$32 Million |

**To provide disaster housing, 6,200 applications have been received,  
\$2.5 Million in checks have been written.**

**For Individual and Family Grants, 2,855 applications have been received,  
\$1 million in checks have been written.**

**For Hazard Mitigation, the estimate is \$25 Million.**

**The Flood Insurance Administration has received 1,058 claims in Washington State under the Flood Insurance Program and has opened a claims office in Portland, Oregon.**

**Small Business Administration Loan Figures (as of 2/21/9)**

|                         |                                                      |
|-------------------------|------------------------------------------------------|
| For the first disaster  | 1,257 applications issued, over \$1 Million approved |
| For the second disaster | 5,256 applications issued, 229 received              |

THE BRIEFING PAPER FOR THE ROUNDTABLE  
DISCUSSION ON WORKER RETRAINING WILL  
BE FORWARDED

PRESIDENT WILLIAM JEFFERSON CLINTON  
SHORELINE COMMUNITY COLLEGE ROUNDTABLE  
SHORELINE, WASHINGTON  
FEBRUARY 24, 1996

96 FEB 22 2:42

- In my State of the Union address, I talked about our challenge to provide Americans with the educational opportunities they need to face the demands of the 21st century.
- Higher education is more important today than ever before. And I am proud of what this administration has done to make it more affordable for more Americans. We've created a new student loan program that's made it easier to borrow and repay loans. Through AmeriCorps, our national service program, 25,000 young people will earn their way through college by serving their communities.
- But we need to keep working to open the doors of college wider than they ever have been. That's why, in my State of the Union, I challenged Congress to expand Pell Grant scholarships for deserving and needy students, to make up to \$10,000 a year of college tuition tax deductible, to provide a \$1000 merit scholarship for the top five percent of graduates in every high school class, and to expand work-study, so that one million Americans will be able to work their way through college by the year 2000.
- But we know that in this economy, an education earned when you are young is not enough to last a lifetime. People need to be equipped with skills for a high-tech world. I challenged Congress to pass a new G.I. Bill for America's workers to consolidate 70 overlapping job-training programs into a simple voucher worth \$2600 for unemployed or underemployed workers to use as they please for community college tuition and training. We believe the employee should be the best judge of how and where to get training.
- I understand that Shoreline is a leader in getting displaced workers back on the job, and in upgrading the skills of current employees. I'd like to hear from all of you about your experiences.



THE BRIEFING PAPER FOR THE REMARKS TO STUDENTS,  
FACULTY AND COMMUNITY MEMBERS AT SHORELINE  
COMMUNITY COLLEGE WILL BE FORWARDED

96 FEB 22 P 9:40

PRESIDENT WILLIAM J. CLINTON  
REMARKS TO SHORELINE COMMUNITY COLLEGE  
SEATTLE, WASHINGTON  
FEBRUARY 24, 1996

**Acknowledgments:** Senator Murray [Shoreline is her hometown; taught at day-care center and a class on parenting]; Reps. Jim McDermott, Norm Dicks; Gov. Lowry; CC Pres. Gary Oertli [Ort-lee].

Particularly, Bill Gates and Microsoft [donating \$10 million worth of software and tech. assistance to WA State Comm. Colleges -- including Shoreline.] In SOTU, challenged businesses to work w/ govt. and comm. to help Americans make most of lives. This is a shining example of how the private sector can make challenge real.

As Mr. Gates said, Microsoft has joined w/ us to meet another challenge: to make sure all our students are technologically literate. I have challenged all Americans to join me in a national mission to achieve 4 goals: computers in classrooms; connected to each other and world outside; new and exciting educational software; teachers who can use it. Thanks to Bill Gates and Microsoft for stepping up to America's Technological Literacy Challenge. Your work and the work of other industry leaders will help us put the future at the fingertips of all of our children.

**Pleased to be back in WA.** Here last week under different circumstances: to review the flood damage in Washington, Oregon, Idaho. Awed by damage, but inspired by spirit of people -- what they did individually and what they did together. Stories from Woodland: Man w/ jackhammer and broken rib; man who lost hearing aid, "indoor swimming pool," "why can't we be like this every day?" Same spirit at Roundtable just attended. That's the spirit of this and all community colleges around the country. Comm. colleges make astonishing contribution: flexible, entrepreneurial, democratic w/ small "d", open to everyone. Model for what we must do to meet challenges across America.

## STRAIGHTFORWARD VISION WHEN I TOOK OFFICE

American dream for all; strongest force for peace and freedom; continue come together around basic values.

How? Opportunity, responsibility, commitment to community.

## LAST THREE YEARS: AMERICA & WA.

Economy strong: Lowest unemp/infl 27 yrs. 7.7 M new jobs: Nearly 1M in basic industries like autos & construction. Homeownership highest in 15 yrs. Exports growing faster than imports, 1st time in yrs. As for WA: Unempl. 8.2%, now 5.8%. New businesses increasing 8% per yr.

Reduced credit-crunch w/ lending increased \$6.2 billion. In last 3 years, WA has created 128,000 new jobs. You know exports mean jobs:

340,000 WA jobs supported by exports. Total exports 1995 = \$23.6 bill.

Same time: Still econ. insecurity: too many people working hrder w/out raise, downsizing.

Strongest force for peace & freedom: no missiles at children, Bosnia, Haiti, Somalia.

Same time: Brink of peace -- Rabin murdered, London bomb.

Coming together and values: welf, pov, crime, teen preg: all down.

Same time: Juv. crime, drugs, cigarettes up.

Right direction, but new challenges.

Why? Profound change: Info. Age, global economy.

## AGE OF POSSIBILITY, unleashed by change.

More Americans, more chances to build future of their dreams.

Great change means great challenges. SOTU: must face them together.

Era big government over, can't go back to: Fend for yourselves. Instead, move forward: all Americans meet challenges together: families, schools, churches, businesses. *When we are together, we are never defeated; and when we are divided, we defeat ourselves.*



## **BUDGET**

Balance budget in that spirit: 7 years, protect values, modest tax cut.

Honor responsibilities: Medicare for elderly, Medicaid for children, disabled, education of children, health of environment.

To Congress: Coming back to work Monday. Finish job by Easter.

**SEVEN CHALLENGES** for future to seize promise of age of poss:

1. Cherish children, keep families together.

2. Take streets back from crime/gangs/drugs.

3. Leave environment safe and clean for next generation.

4. Maintain leadership fight for freedom and peace.

5. Make democracy work.

**AND ESPECIALLY: 6.** Provide all Americans w/education for new century. Renew schools, open college doors wider than ever. Working to do that: Expanding Head Start; Goals 2000; Direct lending & income contingent loans; Expanding Pell grants [12% of students at Shoreline]. Now we have to do more: Demand higher standards. Public school choice -- and let teachers form charter schools. Computers -- connected by 2000; College merit schol; 1M work study; right kind of tax cut: 10K for tuition.

**AND 7. Help every American willing to work achieve economic security.** Raise minimum wage, approaching 40-year low. Protect workers' pension. Access to health care, Kennedy-Kassebaum. Above all, start people early. Give H.S. students who decide they want to go into the workplace instead of to college the training they need. Shoreline does this w/ its Tech-Prep program w/ Boeing and its Professional Automotive Training Center, named best in nation by American Vocational Association and the automotive industry. For experienced workers, must have GI bill: Challenge Congress to consolidate 70 antiquated job-training programs into simple voucher worth \$2,600 for unemployed or underemployed workers to use as they please for community college tuition or other training. We need to get more Americans into places like Shoreline.

Businesses must be good partners w/ workers. Great e.g. right here: Microsoft, Starbucks, where employees who work 20 + hrs. a wk. get health coverage and stock options.

## **CONCLUSION**

Challenges as we move into future: Stronger families. Better education. Access to health care. Safer streets. A cleaner environment.

Can do all these things -- if we do them together. Meet any challenge, achieve any goal.

So don't be cynical: no excuse for inaction. Concentrate on tomorrow, vision of future, doing something to make it real.

Lift up your sights, fight for our future, best is yet to come.

THE WHITE HOUSE

WASHINGTON

February 22, 1996

**PHOTO OPPORTUNITY WITH KEY  
CLINTON/GORE SUPPORTERS**

**Date:** February 24, 1996  
**Location:** Room T.B.A.  
Shoreline Community College  
Shoreline, Washington  
**Time:** 6:30 PM  
**From:** Doug Sosnik, Political Affairs

**I. PURPOSE**

Receiving/photo line with key Clinton/Gore supporters from Washington State .

**II. BACKGROUND**

This photo opportunity with key supporters is designed to have you touch base with a large group of your most loyal supporters, many of whom will once again take active roles in your re-election campaign.

The participants will consist of elected officials, key Democratic Party activists, 1992 supporters and several Clinton/Gore contributors, from throughout Washington State. Many of these participants were jolted after the 1994 mid-term elections, which saw Washington State succumb in a dramatic sense to the conservative tidal wave. Since then, however, Democrats in the state have regained their footing and the general sense today is that the Democratic Party is poised to make a comeback in 1996.

**III. PARTICIPANTS**

Invitations were extended to 120 key Clinton/Gore supporters. (List to be forwarded)

**IV. SEQUENCE OF EVENTS**

Once you enter the room, you will take pictures with each of the participants.



**V. PRESS**

Closed Press.

**VI. REMARKS**

Not required.

## ECONOMIC PROGRESS IN WASHINGTON 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 Washington after the first three years of the Clinton Administration:

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### *Improved Economic Conditions in Washington:*

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- The unemployment rate has dropped from 8.2% to 5.8%.
- In 35 months, Washington has added 128,800 total jobs or 44,160 **per year**. During the previous 4 years combined, Washington added 235,100 total jobs or 58,525 **per year**.
- 16% **FEWER** new private sector jobs **per year** -- 38,057 vs. 45,300 average during the previous 4 years. In 35 months, Washington has added 111,000 private sector jobs, after adding 181,200 during the previous 4 years combined.
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THE WHITE HOUSE  
WASHINGTON

February 21, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Julia Chamovitz, Selina Davis  
National Economic Council

SUBJECT: Background on Recent Developments in the Washington Economy

This memorandum presents background information about current economic issues in Washington.

- ***Hopes for a New Intel Site to Employ Up to 1000 by End of 1996*** -- Intel has plans to build a combination computer systems manufacturing and research and development site in DuPont, 15 miles south of Tacoma. The \$100 million project is expected to create 800 to 1000 new jobs.

FYI: On February 23, a hearing is set to challenge the Intel project alleging violations of the public viewing time line called for in the Washington State Environmental Policy Act. A ruling is expected on February 26. (Source: Intel Corp.)

- ***Boeing Number 1 in 1995 Market Share*** -- The Boeing Company finished 1995 with a 69.7% share of the global market for new jetliners, reflecting 346 announced orders for 1995 worth \$31.2 billion. This increased demand for new aircraft has led Boeing to recently announce increased production rates for 1996. (Source: The Boeing Company)

FYI: *The Wall Street Journal* reported on Feb. 9 that Boeing's commercial-jetliner unit is expected to hire at least 7,000 new and laid-off workers for newly created jobs by early 1997. While Boeing would not speculate on its future employment plans, the company is in the process of reviewing its employment forecast.

FYI: The Boeing strike was resolved at the end of 1995.

- ***BHP Steel to Open New Plant in Kalawa*** -- Australia-based BHP Steel has begun construction on a \$221 million steel coil finishing facility in the southwest Washington town of Kalawa. BHP expects to employ 230 people at the plant, with an annual payroll of \$10 million, once operations begin in mid-1997. (Source: BHP Steel USA Inc.)



- ***SEH America Begins Expansion of Vancouver, WA Facility*** -- SEH America, a manufacturer of high purity silicon wafers, recently began implementing a \$100 million expansion program. The expansion will involve upgrading existing production capabilities and development of additional silicon crystal growing capacity. The expansion is expected to create 100 new jobs. SEH America employs 1,250 people in Vancouver. (Source: SEH America)
- ***Tacoma Designated Urban Enterprise Community*** -- Tacoma received \$3 million in social services block grants and tax exempt bond authority. The EC includes the Hilltop area, portions of the Eastside, Downtown, and the Port/Industrial area. Tacoma's One-Stop Capital Shop will deliver financial, business, and technological assistance to small and minority and women-owned businesses within the EC and throughout the broader region. Other Washington state ECs include Seattle (urban EC) and lower Yakima County (rural EC.) (Source: Community Empowerment Board)
- ***TRP Funds \$3.9 million Project in Seattle*** -- Boeing Computer Services of Seattle will lead a team of companies in creating a portable, head-mounted computer display with a position-sensing system. One version of the system will superimpose images directly on the surface of objects, while a second will project text and images onto the operator's protective face shield. Of special significance to the military is the prospect of performing maintenance and repair on military equipment with the aid of hands-free, interactive drawings, photographs, and text that are projected directly onto the soldier's view. (Source: ARPA)
- ***EITC Benefits 210,000 Families in Washington*** -- This comes from 1993 Treasury estimates.

| <u>Rep.</u>  | <u>EITC Benefits</u>    | <u>\$(millions)</u> | <u>% Families</u> | <u>Higher Taxes</u>     |
|--------------|-------------------------|---------------------|-------------------|-------------------------|
| White        | 13,000 families         | 20.6                | 8.9               | 5,600 taxpayers         |
| Metcalf      | 21,700 families         | 34.4                | 15.0              | 2,700 taxpayers         |
| Smith        | 25,200 families         | 39.9                | 17.1              | 1,700 taxpayers         |
| Hastings     | 29,500 families         | 46.9                | 20.6              | 1,700 taxpayers         |
| Nethercutt   | 31,100 families         | 49.3                | 22.1              | 1,700 taxpayers         |
| Dicks        | 26,600 families         | 42.3                | 18.5              | 1,900 taxpayers         |
| McDermott    | 29,800 families         | 47.4                | 24.7              | 5,000 taxpayers         |
| Dunn         | 11,600 families         | 18.3                | 7.8               | 5,200 taxpayers         |
| Tate         | 21,600 families         | 34.3                | 15.2              | 1,800 taxpayers         |
| <b>STATE</b> | <b>210,000 families</b> | <b>398.4</b>        | <b>23.2</b>       | <b>27,500 taxpayers</b> |

- ***Federal Reserve on the 12th District (San Francisco)*** -- The District shows signs of moderation in economic activity entering 1996, although robust performance continues in several states. There are signs of weakening demand in a few manufacturing industries, but the electronics sector remains strong, particularly in Washington. Bank conditions are good, although there is slight downward pressure on loan margins. Real estate prices are rising in many areas of the state, with the exception of south central Washington. (Source: Federal Reserve Beige Book, 1/17/96)

THE WHITE HOUSE  
WASHINGTON

February 21, 1996

**MEMORANDUM FOR THE PRESIDENT**

**FROM: DAN COLLINS  
RUSSELL HORWITZ**

**RE: Local Issues Briefing -- Seattle**

**CRIME**

Minority Youths Punished Disproportionately

A study by the state Department of Social and Health Services found that minority youths are more likely than white youths to be detained, charged, and sentenced to confinement. The report states that while minority youths comprise only 21 percent of the juvenile population in the state, they make up 29 percent of the youths arrested, 37 percent of the youths prosecuted and 42 percent of those sent to juvenile corrections facilities. The study urges the courts and legislature to review the criteria judges use to make detention decisions, local rules for screening cases, guidelines governing criminal prosecution and the criteria used by probation officers to handle youths.

House Bill Allows Misdemeanor Offenders To Possess Guns

A bill before the state House would allow people convicted of misdemeanor crimes to possess guns. Critics of the bill argue that the bill would be dangerous for victims of domestic violence as some domestic violence crimes are classified as misdemeanors. Last year, over 85 percent of domestic violence cases in Seattle were classified as misdemeanors.

Corrections Officials Urge HIV Testing of Inmates

The state Senate passed a bill allowing corrections officials, who have been exposed to the body fluids of inmates, the right to find out if the inmates are infected with HIV, hepatitis, or other sexually transmitted diseases. The bill would also allow corrections officials access to the test results of prisoners who were mandatorily tested because they were convicted for prostitution, drug, or sex offenses. Under current law, only the inmate and jail administrator are informed of positive test results. Opponents of the bill argue that it would give staff members a false sense of security as an HIV-infected inmate could still test negative for up to six months.



## SPORTS

### Plans to Move Seahawks Delayed

A weekend meeting between Seattle Seahawks owner Ken Behring and a prospective buyer for the team was cancelled due to excessive media interest. Since Behring announced he was breaking the team's lease with the Kingdome and moving the team to Los Angeles, local leaders have tried to find a new buyer for the team. NFL Commissioner Paul Tagliabue has told Behring to keep the team in Seattle until he gets court approval for breaking the lease.

## MILITARY

### Disciplined Air Force Pilot Courts Public Opinion

McChord Air Force Major Alan Kiferr, who was disciplined for allegedly misusing government aircraft to attend Seattle SuperSonics games, has placed advertisements in local and national newspapers seeking public support for a congressional investigation into the treatment of him and his crew by the Air Force. Kiferr says that it was only a coincidence that his crew's overnight stays were in cities where the SuperSonics were playing away games. The Air Force continues to stand by the findings of its investigation.





# Federal Emergency Management Agency

Washington, D.C. 20472

February 22, 1996

96 FEB 22 P4:13

MEMORANDUM TO: Kathryn O'L. Higgins  
Secretary to the Cabinet

FROM:

*James L. Witt*  
James L. Witt  
Director

SUBJECT: Flooding in Washington and California

The purpose of this memorandum is to update you regarding the flood situations that have developed in Washington and California due to recent heavy rains and snowmelt. The latest information is as follows:

## Washington

During the recent storm that began January 26, 1996, major flooding in the State occurred as the result of warm weather, deep snowpack and heavy rains. The heaviest amounts of rain fell on the southwest portion of the State. Two deaths and ten injuries are associated with this incident. Additionally, one woman in Yakima County is missing and presumed drowned.

The State of Washington requested a Presidential Disaster Declaration on February 8, 1996. The initial declaration was signed by the President on February 9, 1996, and amended on February 12, 13, and 16, 1996. The twenty (20) counties now included in the declaration are Adams, Asotin, Benton, Clark, Columbia, Cowlitz, Garfield, Grays Harbor, King, Kittitas, Klickitat, Lewis, Pierce, Skamania, Snohomish, Thurston, Wahkiakum, Walla Walla, Whitman, and Yakima, along with the Yakima Indian Reservation. All areas have been designated for Public Assistance, Individual Assistance, and Hazard Mitigation.

At present, a flood warning continues for the Cedar River in King County and for the Yakima River at Parker and Kiona. The flood watch on the Naches River has ended. The flood warning for the Spokane River in Spokane has ended. New river forecasts now indicate that the Spokane River at Spokane will remain below flood stage through Tuesday. The American Red Cross is operating one (1) shelter that is currently housing twenty-two (22) people. To date, 42,221 meals have been served by the Red Cross.

A total of 241 individuals have visited one of the five FEMA Disaster Recovery Centers that have opened in Washington. Disaster Recovery Centers are located in Benton, Lewis, Pierce, Cowlitz, and Walla Walla counties. A total of 7,076 residents of Washington have applied for assistance through FEMA's National Teleregistration Center, and 158 people have called the FEMA Helpline. To date, FEMA has provided \$1,782,341 in Housing Assistance to affected residents, in addition to approving \$9,602 in assistance under the Individual and Family Grant

Program. FEMA estimates that **\$75 million** in assistance will be provided to State and local governments, Special Districts, and Non-profit organizations under the Public Assistance Program.

There are **9,349** National Flood Insurance Policies in force in the declared counties, with total coverage exceeding **\$764 million**. To date, **1,058** claims have been submitted by affected policy-holders.

## California

Due to heavy rains, the San Francisco Bay area is experiencing localized flooding on freeways and local streets. The National Weather Service issued a small stream urban flood advisory for the Bay area on February 20. Rain is falling on southern California, but there is no major disruption to transportation at this time.

At present, there have been no emergency declarations at either the local or State levels. However, a National Guard Armory has been opened in Oroville, Butte County, to house approximately twenty-one (21) families. The Butte County Health Department requested that the families be evacuated due to a health hazard caused by the backup of septic tanks. In addition, a trailer park has been flooded out, which may result in more requests for shelter.

Several California roadways are closed due to the heavy rains. Highway 1 was closed at the Monterey/San Luis Obispo county line due to rock and mudslides. Highway 39 was closed just north of Azusa due to rockslides. Highway 92 is closed in the Half Moon Bay area due to a mudslide. Efforts are underway to clear the affected roadways.



## **Presidential Disaster Declarations in Washington State**

The First Disaster, FEMA-DR-1079-WA: Severe storms, high winds and flooding occurred in western Washington between Nov. 7 and Dec. 18, 1995.

The Second Disaster, FEMA-DR-1100-WA: The recent storm that began about January 26, 1996 which resulted in major flooding from warm weather, deep snowpack and heavy rains. Heaviest rains in the southwest part of the state.

A conservative estimate of all costs that are eligible for FEMA assistance for both disasters is \$204 Million.

The first release of funds for DR-1079-WA has been accomplished. Applicants have been briefed on the FEMA program. Field inspection of damaged sites from the latest flood have begun.

For Public Assistance grants, there have been over 250 applications from local governments, state agencies, special districts and non-profit organizations:

|                                   |                  |
|-----------------------------------|------------------|
| For the first disaster (DR-1079)  | 228 applications |
| For the second disaster (DR-1100) | 23 applications. |

The latest conservative federal/state estimate of eligible costs to repair infrastructure and for emergency costs is \$135 Million.

|                                   |               |
|-----------------------------------|---------------|
| For the first disaster (DR-1079)  | \$35 Million  |
| For the second disaster (DR-1100) | \$100 Million |

For Individual Assistance (FEMA programs) for both disasters, the estimate is \$44 Million.

|                                   |              |
|-----------------------------------|--------------|
| For the first disaster (DR-1079)  | \$12 Million |
| For the second disaster (DR-1100) | \$32 Million |

To provide disaster housing, 6,200 applications have been received,  
\$2.5 Million in checks have been written.

For Individual and Family Grants, 2,855 applications have been received,  
\$1 million in checks have been written.

For Hazard Mitigation, the estimate is \$25 Million.

The Flood Insurance Administration has received 1,058 claims in Washington State under the Flood Insurance Program and has opened a claims office in Portland, Oregon.

Small Business Administration Loan Figures (as of 2/21/9)

|                         |                                                      |
|-------------------------|------------------------------------------------------|
| For the first disaster  | 1,257 applications issued, over \$1 Million approved |
| For the second disaster | 5,256 applications issued, 229 received              |