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JULY 1996

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**THE TRIP OF
THE PRESIDENT
TO
CHICAGO, ILLINOIS**

July 2, 1996

Staff Copy

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Tuesday, July 2, 1996

CHICAGO, ILLINOIS

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SCHEDULE OF THE PRESIDENT

FOR

TUESDAY, JULY 2, 1996

FINAL

CLINTON/GORE '96 TRAVEL DAY

SCHEDULING DIRECTOR:

ANNE HAWLEY

HOME: 703-553-8940

OFFICE: 202-456-2823

WHCA PAGER: 4039

TRIP COORDINATOR:

LUCIE NAPHIN

HOME: 202-328-8141

OFFICE: 202-456-5328

WHCA PAGER: 4076

PRESS DESK:

ANNE EDWARDS

HOME: 301-565-3101

OFFICE: 202-456-2921

WHCA PAGER: 4208

WEATHER:

Washington, DC

Variably cloudy with a chance of afternoon and evening thunderstorms. Wind southeast at 10 to 15 knots. Low 67 to 72. High 84 to 89.

Chicago, Illinois

Partly to mostly cloudy with a chance of showers and thunderstorms. Wind south at 5 to 10 knots. Low 63 to 68. High 81 to 86.

12:05 pm		THE PRESIDENT arrives Andrews Air Force Base
12:20 pm	(EDT)	THE PRESIDENT departs Andrews Air Force Base via Air Force One en route Chicago O'Hare International Airport, Chicago, Illinois [flight time: 1 hour, 40 minutes] [time change: - 1 hour]
1:00 pm	(CDT)	THE PRESIDENT arrives Chicago O'Hare International Airport, Chicago, Illinois
		Greeters: Colonel McCormick Lt. Colonel Bailey
1:15 pm		THE PRESIDENT departs Chicago-O'Hare International Airport via Marine One en route Meigs Field Landing Zone [flight time: 15 minutes]
1:30 pm		THE PRESIDENT arrives Meigs Field Landing Zone
		Greeters: Mayor Richard Daley Representative Luis Gutierrez Representative Bobby Rush Debra DeLee, CEO, Democratic National Convention Committee
1:45 pm		THE PRESIDENT departs Meigs Field Landing Zone via motorcade en route the Hyatt Hotel [drive time: 10 minutes]
1:55 pm		THE PRESIDENT arrives the Hyatt Hotel
		Greeters: Representative Dick Durbin Representative Ed Pastor Steve Protulis, Executive Director, National Council of Senior Citizens

2:00 pm-
2:45 pm

**ADDRESS TO THE NATIONAL COUNCIL OF SENIOR
CITIZENS' (NCSC) 21ST CONSTITUTIONAL
CONVENTION
REGENCY BALLROOM
The Hyatt Hotel
Remarks: Terry Edmonds
Staff Contact: Alexis Herman
Event Coordinator: Lucie Naphin
OPEN PRESS**

- Off-stage announcement of **the President**,
accompanied by Tom Buffenbarger, Board Member,
NCSC and Lois Wellington, President, California
Congress of California Seniors.
- Tom Buffenbarger makes welcoming remarks and
introduces Lois Wellington.
- Lois Wellington makes remarks and introduces **the
President**.
- **The President** makes remarks.
- Upon conclusion of remarks, **the President** works a
ropeline and departs.

2:50 pm-
2:55 pm

HOLD

3:00 pm-
3:15 pm

**PHOTO WITH THE NCSC OFFICERS AND
EXECUTIVE COMMITTEE
HALLWAY
The Hyatt Hotel
Staff Contact: Alexis Herman
Event Coordinator: Lucie Naphin
CLOSED PRESS**

3:20 pm

THE PRESIDENT departs the Hyatt Hotel via motorcade en
route the Sheraton Hotel
[drive time: 10 minutes]

3:30 pm

THE PRESIDENT arrives the Sheraton Hotel

3:35 pm-
5:10 pm

**DOWN TIME
PRESIDENTIAL SUITE
The Sheraton Hotel**

5:20 pm-
5:55 pm

**VIP RECEPTION FOR REPRESENTATIVE DICK
DURBIN**
BALLROOM 5
The Sheraton Hotel
Staff Contact: Doug Sosnik
Event Coordinator: Lucie Naphin
CLOSED PRESS

-- **The President** does a photo receiving line.

6:00 pm-
6:50 pm

**RECEPTION FOR REPRESENTATIVE DICK
DURBIN**
BALLROOMS 1,2,3
The Sheraton Hotel
Remarks: Michael Waldman
Staff Contact: Doug Sosnik
Event Coordinator: Lucie Naphin
EXPANDED POOL PRESS

Note: **There is a pre-program.**

- Off-stage announcement of **the President**, accompanied by Representative Dick Durbin, Anne Roosevelt, Event Co-Chair and Bill Singer, Event Co-Chair.
- Anne Roosevelt makes opening remarks and introduces Bill Singer.
- Bill Singer makes remarks and introduces Representative Dick Durbin.
- Representative Dick Durbin makes remarks and introduces **the President**.
- **The President** makes remarks.
- Upon conclusion of remarks, **the President** works a ropeline and departs.

6:55 pm

THE PRESIDENT departs the Sheraton Hotel via motorcade en route Navy Pier
[drive time: 10 minutes]

7:05 pm

THE PRESIDENT arrives Navy Pier

7:10 pm-
8:05 pm

FUND RAISING RECEPTION FOR CHICAGO '96
ROOM 349
Navy Pier
Staff Contact: Doug Sosnik
Event Coordinator: Lucie Naphin
CLOSED PRESS

— **The President** does a photo receiving line.

8:05 pm-
8:10 pm

POLICE/DRIVER PHOTOS
HALLWAY
Navy Pier

8:10 pm-
9:45 pm

FUND RAISING DINNER FOR CHICAGO '96
THE BALLROOM
Navy Pier
Remarks: Michael Waldman
Staff Contact: Doug Sosnik
Event Coordinator: Lucie Naphin
EXPANDED POOL PRESS

- Off-stage announcement of **the President**, accompanied by Mayor Richard Daley, Dick Notebeart, Chairman and CEO, Ameritech and Co-Chair, Chicago '96, Bill Daley, Co-Chair, Chicago '96 and person tba.
- Person tba makes welcoming remarks.
- *The National Anthem* is played.
- Reverend Evans delivers the invocation.
- Bill Daley makes remarks and introduces Dick Notebeart.
- Dick Notebeart makes remarks and introduces Mayor Richard Daley.
- Mayor Richard Daley makes remarks and introduces **the President**.
- **The President** makes remarks.
- Upon conclusion of remarks, **the President** works a ropeline and departs.

9:50 pm		THE PRESIDENT departs Navy Pier via motorcade en route Meigs Field Landing Zone [drive time: 5 minutes]
9:55 pm		THE PRESIDENT arrives Meigs Field Landing Zone Note: The DNCC staff will be on the tarmac upon departure.
10:10 pm		THE PRESIDENT departs Meigs Field Landing Zone via Marine One en route Chicago-O'Hare International Airport [flight time: 15 minutes]
10:25 pm		THE PRESIDENT arrives Chicago-O'Hare International Airport
		Greeters: Col. McCormick Lt. Col. Bailey
10:40 pm	(CDT)	THE PRESIDENT departs Chicago-O'Hare International Airport, Chicago, Illinois via Air Force One en route Andrews Air Force Base [flight time: 1 hour, 30 minutes] [time change: + 1 hour]
1:10 am	(EDT)	THE PRESIDENT arrives Andrews Air Force Base
1:25 am		THE PRESIDENT departs Andrews Air Force Base via Marine One en route the White House [flight time: 10 minutes]
1:30 am		THE PRESIDENT arrives the White House
BC RON		THE WHITE HOUSE
HRC RON		THE MARRIOTT HOTEL WARSAW, POLAND

THE WHITE HOUSE
WASHINGTON

SPEECH TO THE NATIONAL COUNCIL OF SENIOR CITIZENS

DATE: July 2, 1996
LOCATION: Hyatt Regency, Chicago, IL
TIME: 2:00-2:45 PM
FROM: Alexis Herman
Bill White

I. PURPOSE

To energize senior leaders by articulating the commonality of our positions on key senior issues, including Medicare, Medicaid, and the Older Americans Act.

II. BACKGROUND

The National Council of Senior Citizens (NCSC), the first national senior organization to endorse you in 1992, has over 2,000 councils across the country, and reaches an audience of 2 million seniors, 70% of whom are labor retirees. Founded in 1961 to work towards the passage of Medicare and Medicaid, Lyndon Johnson said, "Without the National Council of Senior Citizens, there would have been no Medicare."

You will be speaking to the 21st Constitutional Convention of the NCSC which will attract 2000 national senior leaders. The convention will focus on the future of Medicare and Medicaid, Social Security, and the Older Americans Act (OAA). NCSC is one of the national senior organizations that receives funding through the OAA for senior employment programs, a program that has been the target of the Congress.

NCSC has consistently supported the Administration, both substantively and politically. Early in the Administration, NCSC worked to support the economic stimulus package and endorsed the Health Security Act. During the budget battle of 1995, NCSC mobilized to fight Congressional attempts to cut Medicare and Medicaid, orchestrating a number of events that were effective at generating media, including:

- o Medicare & Medicaid 30th Anniversary Celebrations held around the country last year. You spoke at their event on Capitol Hill in July, 1995.
- o A Rally of 3,000 seniors with a Trojan Horse on Capitol Hill denouncing the GOP's "promise" to save Medicare. (September, 1995)
- o A Lafayette Park Rally of 2,500 seniors in support of the your promise to veto the GOP budget. (October, 1995)

Many of the NCSC members you will be addressing were members of the White House Conference on Aging last year, and a select few have participated in your Map Room Coffee discussions. This fall, NCSC members from around the country will form a key component to our senior citizens outreach efforts. The campaign is reviewing a proposal from NCSC that would highlight the Medicare and Medicaid issue at the Convention. In 1992, 20% of the voters were seniors.

The three day convention will also be addressed by Representatives Richard Gephardt (D-MO), John Dingell (D-MI), John Lewis (D-GA), David Obey (D-WI), Ed Pastor (D-AZ), Richard Durbin (D-IL), and Bobby Rush (D-IL); Marian Wright Edelman; Justin Dart; Social Security Commissioner Shirley Chater; and key labor leaders.

You will be introduced by Tom Buffenbarger, a NCSC Board Member and General Vice President of the International Association of Machinists, and Lois Wellington, President of the Congress of California Seniors (NCSC's State Chapter).

Following the event, you will proceed to a photo opportunity with NCSC's Board of Directors and key labor leaders. (List attached.)

III. PARTICIPANTS

Steve Protulis, NCSC Executive Director

Lois Wellington, President - Congress of California Seniors (NCSC's State Chapter)

Tom Buffenbarger, NCSC Board Member & VP - International Assoc. of Machinists

2000 NCSC leaders.

NCSC Photo Opportunity - see list attached

IV. PRESS PLAN

Open to the press.

V. SEQUENCE OF EVENTS

- o Upon arrival, you will be greeted by Steve Protulis, and Representatives Dick Durbin (D-IL) and Ed Pastor (D-AZ), and proceed back stage.
- o You will be announced off stage and proceed to your seat on dias.
- o Tom Buffenbarger will deliver welcome and introduced Lois Wellington.
- o Lois Wellington will introduce you.
- o You will proceed to podium and deliver remarks.
- o You exit stage, work ropeline, and proceed to NCSC Photo Opportunity.
- o You depart.

VI. REMARKS

To be provided by speechwriting.

Attachments

Medicare and Medicare Trust Fund Talking Points
Medicaid Background
Social Security Advisory Council Background

NCSC Photo Opportunity

Participants

July 2, 1996

NAME

Hillian Barker
George Becker
Jane Becker
Elmer Blankenship
Tom Duffenbarger
Barbara Dasterling
Tim Foley
Douglas Fraser
Winnie Fraser
Eugene Glover
Carol Gould
Harry Guenther
Lars Hennum
Bill Holayter
Hani Lipp
Eleanor Litwak
Jay Mazur
Charles McMahon
John McMahon, II
John McMahon, III
John McMahon, IV
Robin McMahon
Sarah McMahon
Sean McMahon
Dr. Mary Mulvey
Howard Owens
Jerry Prete
Steve Protulis
Mary Reavill
Steve Regenstreif
Royetta Sanford
Charles Sanders
Frank Stella
John Turner
Dorothy Walker
Lois Wellington
Rosalie Whelan
Charlie Williams
Walter Williams
Judy Wineman

TITLE

NCSC Regional Director
President, USWA
George Becker's wife
NCSC Regional Director
General VP, Int'l. Assoc. of Machinists
Secretary-Treasurer, CWA
Director, UAW-CAP
Former UAW President
Douglas Fraser's wife
NCSC Outgoing President
NCSC Regional Director
NCSC Incoming President
NCSC Regional Director
NCSC Regional Coordinator
Reg. Coord., UNITE Retirees Serv. Dept.
President, NY State Council
President, UNITE
Steve Protulis' grandson
Steve Protulis' family
Steve Protulis' son-in-law
Steve Protulis' grandson
Steve Protulis' daughter
Steve Protulis' family
Steve Protulis' grandson
NCSC Vice President
Executive Director, Cong. of CA Seniors
NCSC Regional Director
Executive Director, NCSC
NCSC Board Member
Director, AFSCME Retiree Program
Director, IBEW Human Services Dept.
NCSC Board Member
Assoc. Dir., Amer. Fed. of Teachers
Secretary-Treasurer, NCSC
Vice President, NCSC
President, Congress of CA Seniors
Director, SEIU Retirees Membership Dept.
President, Wisconsin State Council
Director, UAW Retired Workers' Dept.
Director, UNITE Retirees Service Dept.

MEDICARE TRUST FUND TALKING POINTS

June 7, 1996

THE MEDICARE TRUSTEES' REPORT CONFIRMED WHAT WE ALREADY KNEW -- REPUBLICANS SHOULD ACCEPT PRESIDENT CLINTON'S CALL TO BALANCE THE BUDGET AND STRENGTHEN THE MEDICARE TRUST FUND.

- As CBO said in its April 30th Hill testimony, *".... the projected date of insolvency should be viewed not as telling us something new, but confirming what we already know."*

WE WELCOME REPUBLICANS' CONCERN ABOUT THE TRUST FUND, BUT LONG BEFORE THEY STARTED TALKING ABOUT THE PROBLEM, THE PRESIDENT WAS ACTING TO ADDRESS IT.

- The President's 1993 Economic Plan extended the life of the Trust Fund by 3 years -- *without a single Republican vote.*
- The President's Health Care Reform Plan would have extended the life of the Trust Fund by *another 5 years.*

THE PRESIDENT'S BALANCED BUDGET GUARANTEES THE LIFE OF THE TRUST FUND FOR A DECADE -- THE SAME AS THE SENATE REPUBLICAN BUDGET

- In a June 4th letter, the Medicare trust fund's Chief Actuary confirmed that the life of the trust fund would be extended until "mid-calendar year 2006 under the Administration's proposal."

ACTION IS NEEDED -- BUT THE ONLY CAUSE FOR ALARM IS THE REPUBLICANS' REFUSAL TO MEET WITH THE PRESIDENT ON BUDGET AND MEDICARE ISSUES.

- The need for responsible intervention to improve the Trust Fund is real. The President's plan addresses this need in a responsible way, without imposing devastating provider cuts, increasing beneficiary costs, or enacting structural changes that hurt the program and the people it serves.
- Over \$125 billion remains in the Trust Fund. While incoming revenues are somewhat less than outgoing payments, the current balance in the Trust Fund means that there is absolutely no danger that claims will not be paid.
- Reports should not be used irresponsibly. The upcoming Trust Fund report should not be used to recklessly frighten the 37 million Medicare beneficiaries and their families into thinking that their benefits are in imminent danger. They simply are not.

IT IS TIME TO PUT PARTISAN DIFFERENCES ASIDE AND AGREE ON THE COMMON MEDICARE SAVINGS BOTH REPUBLICAN AND DEMOCRATIC PROPOSALS HAVE.

- We have tens of billions of dollars in common Medicare savings that we could agree on tomorrow to strengthen the Trust Fund. All the Republicans need do is set aside their structural changes that would segment the wealthy and healthy from other beneficiaries and cause Medicare to *"wither on the vine."* (E.G., the Republican Medical Savings Account would actually weaken the Medicare Trust Fund, as it would cost \$4 billion.)

REPUBLICAN BUDGET STILL THREATENS MEDICARE

June 3, 1996

*"No, we don't get rid of it in round one because we don't think it's politically smart....
But we believe it's going to wither on the vine" — Newt Gingrich, 10/24/95*

REPUBLICANS STILL INSIST ON EXCESSIVE MEDICARE CUTS THAT WOULD MOVE MEDICARE TOWARD SECOND CLASS HEALTH CARE. The Republican budget reduces Medicare spending by \$167 billion — \$51 billion or 44% more than CBO scored the President's balanced budget. It would reduce spending by over \$1,100 per beneficiary in 2002 — a 50% greater cut than the President's Medicare savings from the current CBO Medicare baseline.

WHILE HOUSE REPUBLICANS HAVE FINALLY AGREED NOT TO RAISE MEDICARE PREMIUMS, THEY HAVE NOT LOWERED THEIR TOTAL CUTS. Rather than raising costs on beneficiaries directly they now do it indirectly through even deeper cuts in payments to the hospitals and home health providers that serve beneficiaries, jeopardizing quality and access to health services.

- **Extreme Cuts Threaten Viability of Many Hospitals.** Their \$167 billion cut could mean hospitals get lower payments tomorrow than today—even in nominal terms—and will result in cost-shifting, undermine quality, and threaten the financial viability of many rural and urban hospitals. According to the American Hospital Association, nearly 700 hospitals derive 67% or more of net patient revenues from Medicare & Medicaid.
- **American Hospital Association and National Association of Children's Hospitals are "gravely concerned about the level of reductions proposed"** by Republicans in Medicare and Medicaid. [May 10, 1996 letter to Chairmen Roth, Archer, and Bliley from ten hospital associations.]

MORE THAN DOLLARS ARE AT STAKE -- THEIR DAMAGING STRUCTURAL CHANGES WOULD FORCE MEDICARE TO "WITHER ON THE VINE." The Republican budget still contains the damaging structural changes that President Clinton vetoed last year. These changes would segment the Medicare population, leaving the traditional program with fewer dollars and sicker beneficiaries.

- **MEDICAL SAVINGS ACCOUNTS (MSAs).** Republicans insist on the immediate adoption of untested changes to the Medicare program, such as MSAs, that appeal to the healthiest and wealthiest beneficiaries, leaving the sickest and most costly beneficiaries in a weakened fee-for-service program. CBO projects that MSAs will *increase* Medicare costs by more than \$4 billion over seven years.

New York Times [11/18/95]: "A hallmark of the [Republican] Medicare legislation is the encouragement of private health plans....But many experts fear a balkanization of healthy and sick....If some experts worry that managed care plans would skim healthy recipients from the conventional Medicare program, many of the large plans are *concerned that the healthy would be skimmed from them by medical savings accounts.*"

- **OVER-CHARGING IN PRIVATE PLANS.** Republican proposals permit physicians to charge beneficiaries extra -- through "balance billing" -- in private Medicare plans, increasing out-of-pocket costs for beneficiaries and slowly draining the fee-for-service system of both doctors and dollars.
- **HARD SPENDING CAP.** Republicans impose a hard cap on Medicare spending. If costs increase faster than projected, spending would no longer keep up -- leading to cuts exceeding \$167 billion.

Wall Street Journal: "Republicans also would apply a cap to these services. If health-care costs rose faster than the GOP budget allots, doctors, hospitals and other providers would have to absorb the losses. *That, in turn, could come back to bite the beneficiaries.*" [12/27/95]

- **PRESIDENT CLINTON'S BUDGET SHOWS THAT THEIR DEEP CUTS AND DAMAGING STRUCTURAL CHANGES ARE NOT NECESSARY TO BALANCE THE BUDGET AND GUARANTEE THE LIFE OF THE MEDICARE TRUST FUND FOR 10 YEARS.**

REPUBLICANS STILL INSIST ON ENDING THE MEDICAID GUARANTEE

July 1, 1996

THEY ARE STILL INSISTING ON A BLOCK GRANT FORMULA THAT THE GOVERNORS HAVE ALREADY REJECTED. *The Federal-State partnership is severed. The Republican proposal does not meet the Governors' principle that funding must automatically adjust for all changes in enrollment.* Under the Republican proposal, fully 97% of Federal Medicaid spending is a block grant. The remaining 3% is dedicated to an umbrella fund posing as protection for States with high enrollment growth. However, this umbrella is full of holes because it is difficult to access and provides only a one-time payment for population increases, not sustained support for States with higher than expected enrollment.

MEDICAID CUTS COULD STILL TOTAL \$250 BILLION. While the Republicans cut Federal Medicaid spending by \$72 billion, the total Medicaid cuts could still reach \$250 billion over 6 years if States spend only the minimum required to receive their full grant allocation. This is because the Republican proposal reduces State matching requirements.

MEDICAID GUARANTEE TO MEANINGFUL BENEFITS NO LONGER SECURE FOR MILLIONS OF CHILDREN, PEOPLE WITH DISABILITIES, AND OLDER AMERICANS. The House Republican Medicaid plan still undermines the guarantee to meaningful health benefits. With total cuts possibly reaching up to \$250 billion, States could be forced to deny health benefits to millions of children, people with disabilities, and older Americans, putting millions of middle class families at risk of paying for health care for their parents, children or family members with disabilities.

- **Children.** Deep total cuts in Medicaid would put severe financial pressure on States to reduce health benefits for many of the 18 million children who currently receive Medicaid.
- **People with Disabilities.** The Republican plan still jeopardizes the Medicaid guarantee for the over 6 million people with disabilities who currently receive Medicaid by allowing States the option to define who meets the disability criteria. The Republican's excessive Medicaid cuts may force States to restrict the eligible disabling conditions, or cut back on benefits.
- **Older Americans.** Many of the Medicaid benefits critical to older Americans and people with disabilities are optional -- including prescription drugs, home and community-based care, and assistive devices such as wheelchairs and communication devices -- and cuts reaching up to \$250 billion could force States to cut back on these optional benefits.

THE GUARANTEE OF FINANCIAL PROTECTION FOR THE MIDDLE CLASS IS ENDED. Under the Republican plan, some Medicaid beneficiaries could be forced to sell their home in order to qualify for Medicaid nursing home benefits. States would have the option to count some people's homes as assets in determining Medicaid eligibility, which could force older Americans and people with disabilities to sell their home or family farm in order to qualify for nursing home benefits.

In addition, the Republican plan could put overwhelming pressure on states and providers to shift nursing home care costs to patients and their families. Because it makes deep funding cuts and would allow nursing homes to cut back on the covered services or shift costs, many patients and their families would pay more for less.

SOCIAL SECURITY ADVISORY COUNCIL

I. Summary

The Social Security Advisory Council is expected to release a report on long-term financing of the Social Security system this summer. They have not reached agreement on a single recommendation, but are expected to release three different options, each of which contains many controversial proposals.

Our position is not to comment on specific proposals, arguing that Social Security is one of our most successful programs, and ensuring its long-term solvency shouldn't be a part election-year politics, but needs a bipartisan solution. While we will not comment now on specific elements of proposals, we believe that Social Security must remain a safety net for all Americans and its financing must be sound. Therefore, we:

- Oppose moving Social Security to a voluntary or private system that would put retirement at risk; and
- Oppose Proposals That Would Make It Less Dependable for All Recipients.

Background on the Council, details on the options, expanded talking points, and questions and answers follow.

II. Background

The 1996 Trustees report indicates that Social Security's total income, including interest on accumulated assets, will continue to exceed payments until 2019, and that the shortfall will be covered by drawing down assets until the trust fund is exhausted in 2029 (one year earlier than predicted in last year's Trustees report). Even after that, the revenues would meet about 75% of the program's costs. Under the current economic assumptions, the 75 year projection shows a deficit of 2.17% of taxable payrolls. (Currently, the employee and employer each pay 6.2% -- or 12.4% cumulatively. The 2.17% refers to how much the 12.4% payroll taxes would have to be raised to maintain 75 year solvency.)

The Quadrennial Advisory Council on Social Security is an independent, bipartisan council appointed by Secretary Shalala and approved by the President in 1994 to consider long-term issues related to the Social Security system -- specifically, which approaches are best to ensure solvency over a 75 year forecast period. We expect the Council to release a report this summer (mid-June at the earliest). At that point, the Administration will review their options or recommendations.

III. Recommendations

Our current understanding is that no consensus recommendation will be reported from the Advisory Council, but that they will instead report three separate plans. Listed below are the main items that are considered in each plan.

The recommendations in all three options are:

- Expand coverage to excluded state and local employees
- Increase the extent to which Social Security benefits are counted as taxable income.
- Reduce CPI used to compute COLAs by 0.21% (accepts the technical adjustment announced by BLS in March 1996)

In addition to these common elements, the following elements are recommended by some of the members:

Option 1: This plan includes no private accounts.

- Increase length of period used to compute benefits from 35 to 38 years of earnings (in effect, lowering benefit slightly)
- Invest a portion of Trust Fund in equities

Option 2:

- Raise the retirement age to 67 by 2011
- Reduce benefits for average and upper-income recipients
- Require 1.6% increase in payroll taxes above the current amount which would be put into private accounts

Option 3: This is the farthest move toward privatization¹.

- Raise the retirement age to 67 by 2011
- 5% of current payroll tax is put into a private IRA and managed by private investment companies that would fund annuities.
- The remaining 7.4% would cover a smaller, flat retirement benefit plus survivors' and disability benefits.

¹Privatization refers to proposals to establish mandatory savings with the individual investing the savings and in retirement getting back whatever the investment yields. Privatization is not meant to refer to proposals to invest part of Social Security funds in equities.

PRESIDENT WILLIAM J. CLINTON
NATIONAL COUNCIL OF SENIOR CITIZENS
CHICAGO, ILLINOIS
JULY 2, 1996

96 JUL 11 PG : 45

Acknowledgments: Lois Wellington for introduction; Gene Glover, outgoing president; Harry Guenther, new President; Tom Buffenbarger; members of Congress; distinguished labor leaders; Steve Protulis, executive director; the officers and executive board..

I am pleased to join you at this important convention. It is good to be here in Chicago, where I will be returning in less than 8 weeks for another important convention.

Let me begin by thanking the NCSC for your endorsement. You were the first national seniors group to endorse us in 1992. Your support was critical then and it is critical now. We must continue to stand together to say to those who would undermine our values by retreating from 60 years of progress for older Americans -- we will not go back. We will continue to do all we can to ensure that the parents and grandparents and great grandparents of this country are afforded the security and peace of mind they have earned and deserve. For more than 30 years you have been fighting the good fight for Medicare and Medicaid...for the Older Americans Act...for Social Security. Just last year, with your help, we finally made Social Security an independent agency -- giving it the autonomy it needs to fulfill its important mission well into the 21st century. Your determination and commitment to continue our common struggle for the well-being and dignity of seniors has never been more important than right now. And I am proud to stand with you.

What you do is central to America's mission in the 21st century. We know that our country is strongest when we recognize the duty we owe each other. When we help seniors, we help every American family. We cannot go back to the days when families had to choose between college for their children or health care for their parents. We cannot go back to the days when growing old meant being poor. But this is about more than dollars and cents. It is about honoring our mothers and fathers. It is about the moral duty we owe a generation that fought our wars and built this country and still has more to give. There are many reasons why we should stand up for America's seniors, but the most compelling reason is that it is the right thing to do.

When I ran for President four years ago, I said we had a straightforward mission: to provide opportunity, to demand responsibility, and to bring America together as a community again around our basic values. That is what we have tried to do.

Four years ago, our economy was drifting, with high unemployment, an out-of-control deficit, and few new jobs. I took office determined to chart a new course. In 1993, with your strong and invaluable support we put in place an economic plan to cut the deficit, expand trade, give 15 million families a tax cut, and invest in the skills and knowledge of our people. We also

fought for and passed the Family and Medical Leave Act, which puts this country on record as saying our national goal is to help people be good parents and good workers.

I said that if we adopted my economic plan we would cut the deficit in half and create 8 million new jobs in four years. The Republican Congress fought us tooth and nail every step of the way -- but we were right and they were wrong. Here is what some of them said about our plan at the time. Speaker Gingrich said, quote, "I believe this will lead to a recession next year." Dick Armey said, "Clearly this is a job killer." And John Kasich said, and I quote, "This plan will not work. If it was to work then I'd have to become a Democrat." Well, we are saving a seat for him at the convention. Because, in just three-and-a-half years, we have cut the deficit by more than half and created 9.7 million new jobs [404,000 in Illinois]. We have the lowest combined rate of inflation and unemployment in nearly 3 decades. We have 3.7 million new homeowners. We have an all-time high in the exports of American products and services. We have record numbers of new business start-ups. And last year, average hourly earnings for working families started to go up again for the first time in 10 years. We were right and they were wrong. America is moving in the right direction.

But we still have work to do to make sure that we honor our values and leave no one behind. That is why we need to raise the minimum wage. You and I know that you cannot raise a family these days on \$4.25 an hour. I challenge the Congress to put aside partisanship and work with me to pass an increase in the minimum wage now.

And we should also pass the Kassebaum-Kennedy health care reform bill now. You and all Americans deserve a guarantee that you won't lose access to your health insurance if you change jobs or if someone in your family gets sick.

I believe that people who have worked hard all their lives should not have to worry about how they are going to make ends meet when they retire. That is why one of the first things I did as President was to include measures in my 1993 economic plan to strengthen the Medicare Trust Fund. That is why I have proposed legislation to help hard-working Americans by ensuring that their retirement savings stay with them when they change jobs -- and are there for them when they retire. That is why we are fighting for the re-authorization of the Older Americans Act so that seniors can receive the nutrition, transportation and other services they need to stay healthy and live with dignity.

But you can't fully enjoy the senior years if you are afraid to walk down your streets or go out at night. That is why we worked so hard to pass the Crime Bill which is putting 100,000 more police on our streets [2,349 in Illinois]. That is why we fought for and passed the Brady Bill which is keeping 60,000 felons, fugitives and stalkers from getting guns. We have also banned 19 deadly assault weapons and no hunter has missed a deer season because of it, because we specifically protected their legitimate hunting guns. Our approach is working. Crime is down in all parts of this country. Right here in Chicago, murder is down 11 percent.

But we know that the two most important things we must do to honor the duty we owe our parents is to strengthen and preserve Medicare and Medicaid. And I believe strongly that we can balance the budget and reform these important programs without undermining our values.

I will continue to fight any attempts to replace Medicaid's guarantee of health care for millions of children, pregnant women, people with disabilities, and older Americans with an underfunded block grant. Last year Congress sent me legislation to repeal that guarantee. I vetoed that legislation, and if they send it to me again, I will veto it again. Medicaid is a family issue. We must not make hard-working Americans choose between paying their children's college bills and their parent's nursing home care. We must not force seniors to give up the homes and savings they spent a lifetime building -- in order to qualify for nursing home care under Medicaid.

We know how important Medicaid is to older Americans and their families, but what worries me most is what the repeal of the guarantee will do to our children. Block granting Medicaid would deny adequate health care coverage for millions of this nation's neediest children and families. That is wrong -- and it will never happen under my watch.

There is a way we can save Medicaid dollars and save lives at the same time. Lately, there has been a lot of talk about whether or not tobacco is really addictive. All credible scientific evidence says that it is. We know that 3,000 young people start smoking everyday, and 1,000 of them will die prematurely as a result. It is clear -- smoking costs lives. But there are other costs as well. Today, Medicaid spends at least \$10 billion in Federal and state funds each year to pay for the treatment of smoking related illnesses. Rather than yanking the Medicaid guarantee away from millions of children, we can save money and lives by getting behind the growing national movement to prevent our children from taking up the deadly habit of smoking. That is what I am working to do. That is the right thing to do.

Finally, let me say that it is time to stop the partisan bickering and get on with the job of making sure Medicare remains strong well into the 21st century. You who fought so hard to make Medicare a reality, know better than anyone how much this miracle has meant to millions of our people. Before Medicare, only 50 percent of older Americans had health insurance. Today, almost every senior in this nation has this basic guaranteed protection. Lyndon Johnson was right when he told this group in 1966 that Medicare would, "free millions from their miseries. It will take its place beside Social Security, and together they will form the twin pillars of protection upon which all our people can build their lives and their hopes." We must preserve that promise.

Throughout all of 1995 and much of 1996, no issue has so divided the political parties from one another or me from the Republicans than Medicare. We all agree that the Medicare Trust Fund will become exhausted in the year 2001 unless we act now. We all agree that both parties have Medicare reform proposals that would strengthen the Trust Fund for a decade from today. To be sure, there is a big difference between our approaches. The Republicans want deeper cuts that will threaten hospitals, particularly hospitals in our rural and inner city areas and the quality care they provide for millions of beneficiaries. Their proposals would separate the

healthy and wealthy from the sick. Some people say these aren't cuts. Well, when you get less for your money, I say that's a cut.

Clearly, as my budget shows, we can balance the budget and strengthen Medicare without these excessive cuts and ill-advised policy changes. We are deadlocked on this issue -- gridlocked and stuck. But there is a way out. I believe the time has come to focus less on our differences and more on what we agree on.

Today I call on the new Senate majority leader and the Speaker to pass a package of common savings and policy changes we have both agreed to so we can assure the short-term financial viability of Medicare. We can debate our honest policy differences during the presidential campaign -- but we should act now to protect Medicare by passing the savings and policy changes we both agree on. Surely, we can do that much for America's elderly. Surely we can do that much for people with disabilities.

America is in the best position to be a winner in the global economy of the 21st century, largely because of the continued strength and vitality of our nation's seniors. Our seniors are living longer, living healthier, and living better than ever before. Some of you are starting new careers, new businesses. And all of you are contributing in many other ways to our growth as a nation. We have an obligation to help you. But I also want to challenge you to stay active in your communities. Join our National Senior Service Corps. Become a foster grandparent and work with troubled youth. Be a mentor or a tutor. Lend a helping hand to a senior citizen who needs special attention or assistance with daily living. America needs your wisdom, your vigor, and your creativity to face the challenges of this new era. If we work together, America's best days are yet to come.

Thank you and God bless you all.

ECONOMIC PROGRESS IN ILLINOIS 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 Illinois after the first 40 months of the Clinton Administration:

Improved Economic Conditions in Illinois:

- The unemployment rate has dropped from 7.1% to 5.2%.
- Nearly 5 times as many new jobs **per year** -- 124,308 vs. 26,375 average during the previous 4 years. In 39 months, Illinois has added 404,000 total jobs, after adding 105,500 during the previous 4 years combined.
- Over 6 times as many new private-sector jobs **per year** -- 114,369 vs. 18,300 average during the previous 4 years. In 39 months, Illinois has added 371,700 private-sector jobs, after adding 73,200 during the previous 4 years combined.
- 49,600 new manufacturing jobs added in 39 months -- after 52,600 lost during the previous 4 years combined.
- New business incorporations have increased 5% **per year**.
- Business failures have dropped 17% **per year** -- after increasing 14% **per year** during the previous 12 years.
- Bank lending has increased by \$16.8 billion -- after declining by \$14.6 billion during the previous 4 years.
- Consumer confidence has increased 81%.
- Home building has increased 6% **per year** -- after declining 5% **per year** during the previous 4 years.

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

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN ILLINOIS: The national debt will be **more than \$1 trillion** lower over 7 years 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 Illinois.

8 TIMES MORE ILLINOIS FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 599,271 working families in Illinois will receive a tax cut. This compares to an increase in the income tax rate for only the 79,214 wealthiest taxpayers in Illinois.

TAX CUT FOR 53,060 SMALL BUSINESSES IN ILLINOIS: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 53,060 small businesses in Illinois are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

2,185,000 ILLINOIS WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 2,185,099 workers in Illinois, and protects the jobs of 131,268 workers in Illinois who are likely to use unpaid leave this year alone.

1.26 MILLION STUDENTS AND FORMER STUDENTS IN ILLINOIS WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 1.26 million Illinois borrowers -- 880,000 current borrowers and 380,000 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

THE WHITE HOUSE

WASHINGTON

June 27, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Julia Chamovitz
National Economic Council

SUBJECT: Background on Recent Developments in the Illinois Economy

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

- ***Chicago Designated as an Urban Empowerment Zone (EZ)*** -- Chicago was awarded \$100 million in social services block grants and approximately \$250 million in tax incentives for zone businesses. The zone covers neighborhoods in the Pilsen/Little Village, Southside, and Westside/Garfield Park areas. *On June 27, Department of Labor Secretary Robert Reich awarded \$3 million to the Chicago EZ to support programs for dropouts and other at-risk youth.* The zone also is actively involved in the Brownfields and education technology initiative. Two private sector technology companies, HyperSpace Networks and 21st Century Cable TV, have offered to provide cable links and access to high-speed cable information systems to every one of the 68 schools in the Chicago EZ. In addition, the EZ received a \$400,000 U.S. Department of Education 21st Century Learning Center grant which provides resources to 37 schools in the zone. *The Vice President visited the zone on May 4.* (Source: Community Empowerment Board)

East St. Louis and Springfield have also been designated as Urban Enterprise Communities.

- ***Manufacturing Employment has Grown at a Moderate Pace*** -- Manufacturing growth continues in Illinois despite national declines in the manufacturing industry. Some important sectors include industrial machinery, electronic equipment and food processing. Illinois is home to the headquarters of a number of Fortune 500 manufacturers, including Caterpillar, John Deere, Sara Lee, Archer Daniel Midland and Motorola. (Source: Department of Treasury)
- ***Strong Export Growth*** -- Export growth, particularly in the manufacturing sectors, has helped to boost the Illinois economy as exports grew 16 percent in 1995 compared to 1994. A few key industries, such as industrial machinery and equipment, chemicals and allied products and electric and electric equipment produce the bulk of Illinois exports. China is among its most important export growth markets. (Source: Department of Treasury)
- ***Ameritech Adds New Jobs*** -- For the first quarter of 1996, Ameritech, based in Chicago, has added 160 new positions, with strong growth projected for the remainder of the year. Ameritech had a net increase of approximately 1,800 new jobs for the year of 1995. The strong employment figures are a result of the growth in new businesses such as cable television and security monitoring. (Source: Ameritech)

- **Allstate Continues Hiring** -- Allstate Insurance Group, based in Northbrook, Illinois, has hired a total of 264 new employees over the past 6 months, bringing the total number of Allstate employees in the state of Illinois to 8,143. (Source: Allstate)
- **Walgreens Opens New Stores** -- Walgreens of Deerfield, Illinois, plans to open 215 Walgreen stores in fiscal 1996, after opening 206 drugstores in fiscal 1995, with each store employing approximately 30 people and averaging \$5 million. Of the 215 slated to open, 42 stores, have opened over the past 5 months, with about 1,260 new people hired for these stores. (Source: Walgreen Company)
- **TRP Funds \$558,696 for a Project in Evanston** -- The Surgical Simulation for Limb Trauma Management project, designed by MusculoGraphics, Inc. of Evanston and funded with \$558,696 from TRP, will develop the first anatomically correct, three dimensional computer visual model of a human limb for surgical training. This project will permit surgical training on simulated limb trauma typically encountered in battlefield scenarios while significantly reducing training costs. (Source: ARPA)
- **EITC Benefits Almost 600,000 Families in Illinois** -- This information comes from 1993 Treasury estimates.

<u>Rep.</u>	<u>EITC Benefits</u>	<u>\$ (millions)</u>	<u>% Families</u>	<u>Higher Taxes</u>
Porter (R)	11,400 families	18.8	7.5	19,114 taxpayers
Yates (D)	35,800 families	59.3	26.9	6,034 taxpayers
Crane (R)	11,500 families	19.0	7.5	6,896 taxpayers
Collins (D)	43,100 families	71.4	33.5	4,355 taxpayers
TOTAL	599,300 families	992.1	20.4	79,000 taxpayers

- **Federal Reserve on the Seventh District (Chicago)** -- The District economy expanded at a slightly higher rate in May and early June than earlier in the year, led by a moderately expanding manufacturing sector. Retail sales continued to improve through April and May, while inclement weather dampened the sale of seasonal items and delayed many housing and construction projects in the District. Manufacturing activity continued to post modest gains in May, led by increased orders and production. Banking activity remained strong in most categories, although margins continued to be squeezed by competition for loans. Labor markets remained tight, manufacturers increased their payrolls, and spot shortages of qualified workers persisted. Grain prices retreated from record levels, but District farmers remained well behind in their plantings. (Source: Federal Reserve Beige Book, 6/19/96)

THE WHITE HOUSE

WASHINGTON

June 28, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: ANN WALKER
RUSSELL HORWITZ

RE: Local Issues Briefing -- Chicago

WELFARE

Clinton Administration Approves Welfare Waiver

Last Wednesday, the Clinton Administration granted Illinois a waiver to implement legislation requiring mothers to identify their children's fathers in order to collect welfare benefits. Mothers would not, however, forfeit their child's portion of the grant unless they failed to comply with the requirement for six months. Federal approval of the paternity initiative, which is part of a welfare reform package passed in 1995 by the Republican-controlled Illinois General Assembly, came after a year of review and just days after you proposed a similar measure at the national level. The state still has two other requests for waivers pending: one would give Illinois the authority to cancel benefits in cases where recipients failed to report earned income and the other would allow the state to deny food stamp benefits to fugitive felons.

HOUSING

Cabrini-Green Rehabilitation Plan Unveiled

Last Thursday, City Hall unveiled a plan to demolish eight of the 23 Cabrini-Green public housing high-rises as the first step toward transforming the area into a mixed-income community. The project will include two new schools, a library, ball fields, a grocery store and a police station. Phase One is expected to begin immediately and will be completed in three years. Cabrini residents, however, have denounced the plan calling it the "local equivalent of ethnic cleansing in Bosnia." Residents see the plan as a massive relocation of poor African-Americans to free some of the most lucrative land in Chicago for private development. Residents have vowed to block any move to demolish more than three high-rises.

Gang and Drug House Enforcement Initiative

Landlords may be forced to evict tenants who have been arrested for drug offenses if Mayor Daley's proposed ordinance is passed by the city council. The proposal, dubbed the gang and drug house enforcement initiative, is intended to crackdown on landlords who allow drug dealers free reign in their buildings. Some Landlords have complained that the proposed ordinance conflicts with Chicago's 1986 tenants' rights ordinance which allows tenants who are convicted of drug-related crimes or disorderly conduct to be forgiven if they promise to correct their behavior within 10 days. The 1986 law prevents landlords from terminating leases of convicted drug users while the new ordinance would give the City power to force landlords to evict their tenants if arrested. If the tenants are exonerated and later sue their landlords for wrongful eviction, landlords would not be protected from civil liability however the city would be. The ordinance will come before the full Council on July 10.

EDUCATION

New Property Tax Adds \$49 Million to Chicago School Budget

Last Tuesday, Chicago's proposed public schools budget was presented, calling for one of the largest property tax increases since the 1992-93 budget. Chicago School CEO, Paul Vallas, stated the tax revenue will add an additional \$49 million over two years to the \$2.9 billion budget to help expand preschool programs, address falling high school test scores and perform major repairs to 118 different schools. The new budget will also help 75,000 students attend summer school next year, which is 20% of all Chicago public school students. The budget raises property taxes by about \$37 for each home costing \$100,000 and calls for 130 layoffs throughout the district. The school board is expected to vote on July 24.

GAO Releases Study of School Conditions

According to a General Accounting Office study released last Tuesday, nearly one-third of Illinois' schools have buildings in need of extensive repair or renovation. The report ranks Illinois 25th among states in terms of the physical condition of its public schools, noting that almost one-quarter of the state's school facilities do not meet fire codes and 70% of schools have at least one unsatisfactory environmental condition.

Plan to Restructure Chicago Schools

Last Monday, Vallas proposed a \$3.6 million restructuring of Chicago's public high schools under the 1996-1997 school budget. Vallas indicated that more than a dozen schools will be put on probation next month, allowing the board to remove faculty and make dramatic changes in school policies. Under the restructuring, high schools would be subdivided into smaller schools to separate freshmen and sophomores from upper grade students and allow teachers to spend more time with younger students. The new program would also allow students to take classes at local colleges and universities for high school credit.

Report Details Tuition Increases at Universities

According to a report released last Thursday by the Illinois Board of Higher Education, tuition costs at Illinois' state-run universities have increased three times faster than the rate of inflation since the mid-1980s. Tuition at the state's private universities grew less quickly during the same period, but still grew at more than twice the rate of inflation during the same period. Tuition and fees at Illinois public universities average \$3,432, 20% more than the national average for public universities, while tuition and fees at the state's private universities average \$12,314, one percent less than the national average. Earlier this year, state lawmakers proposed both a tuition freeze and a cap that would limit tuition increases to 5% or the rate of inflation.

ENVIRONMENT

Inner City at Risk from Dioxin

A recently released study finds that inner-city communities are being exposed to the largest sources of cancer-causing dioxin. The study, conducted by the New York-based Center for the Biology of Natural Systems, tested the amount of dioxin contamination in the Great Lakes and found that incinerators are the largest producers of dioxin. Forty-eight percent of dioxin found in the Great Lakes was released by medical incinerators and 22 percent of dioxin was released into the environment by municipal waste incinerators. The researchers noted that up to 85 percent of hospital waste streams are made of recyclable material and recommended that hospitals use dioxin-free alternative technologies. The Illinois General Assembly has recently decided to eliminate state subsidies for incinerators.

MINIMUM WAGE

Living Wage Loses Support

A living wage proposal that would force city contractors to pay employees a minimum wage of \$7.60 an hour is losing support. Sponsored by Aldermen Ricardo Munoz and Toni Preckwinkle in mid-May, the living wage bill was originally supported by Mayor Daley and about 36 aldermen, but at a hearing last Monday, only 13 still favored the proposal. Critics from Daley's staff and City Council say Chicago can't afford the wage increase and that the measure would increase taxes by \$35 million. Service Employees International Union officials still plan to testify in favor of the bill, but unless funds can be raised without a huge tax increase, the council will probably vote against the bill.

TRANSPORTATION

Amtrak Cuts Rail Service to Chicago

Following successive cuts in the train company's federal subsidies, Amtrak will discontinue weekday "Loop" service between Chicago and Springfield this Monday in an effort to reduce costs. Amtrak is also considering scaling back service from Chicago to St. Louis, Carbondale and Quincy, but plans to maintain at least some of its downstate train routes. State lawmakers recently appropriated \$2.5 million to keep the threatened lines running through the end of June, but in the absence of additional state or federal funds, municipalities are being forced to consider providing subsidies of their own in order to retain local rail connections. By discontinuing the Loop, which is one of four daily connections between Springfield and Chicago, Amtrak expects to save \$1.1 million.

CONVENTION

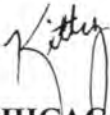
Chicago Cab Drivers May Disrupt Democratic National Convention.

Some cab drivers are upset with the city council's refusal to act on their request for a fare increase and have suggested they may stage a slowdown or block intersections during the Democratic National Convention. Last month, 2,000 cab drivers signed a petition asking for the fare hike but council members say it will not be considered until after the convention.

THE WHITE HOUSE
WASHINGTON

July 1, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS 
SUBJECT: HOT ISSUES -- CHICAGO

Scholarship Records Ordered Open: On June 11, a Cook County judge ruled that IL must disclose the records of those who received and gave secretive General Assembly scholarships. Numerous examples of lawmakers giving scholarships to relatives, political friends and people outside their districts have been reported by *Associated Press*, based on partial records that have been available. The scholarships, which are not tied to need or academic merit, cost state universities more than \$4 million a year in waived tuition. Lawmakers and education officials have refused repeated requests to disclose most of the records, citing state and federal laws they say make the information private. (DoEd)

Disability Insurance: Persons who are currently eligible for Social Security Disability Insurance or Supplemental Security Income benefits based on drug abuse or alcoholism (DAA) will be ineligible for cash benefits, as well as Medicare/Medicaid coverage, after January 1, 1997. Between June 7 and June 22, SSA sent notices about this change in law to all people currently eligible for benefits because of DAA. IL has the second largest DAA population, with approximately 24,000 individuals receiving benefits, or 12.3 percent of the nation's DAA population. (SSA)

VA Medical Centers: Secretary Brown has approved the integration of Chicago's Lakeside and West Side VA Medical Centers under a common management structure, to make veterans' care more cost-effective, accessible and of higher quality. Despite VA's efforts to involve stakeholders, University of Illinois at Chicago is strongly opposed to VA's integration plan. The entire IL delegation is concerned about the planned consolidation, and the issue has received extensive local media coverage. (VA)

Crime Victims: A percentage of criminal fines paid in Federal cases is distributed back to the state in which the case was brought, under the Victims of Crime Act (VOCA). DOJ administers these funds and will be returning \$8.1 million to IL for crime victim programs in FY96. These funds are particularly important in light of your recent announcement of your support for a Constitutional amendment conferring certain rights on crime victims. These grants will likely be used to fund the bulk of state programs created as the result of such an amendment. (DOJ)

Illegal Dumping: An ongoing investigation of municipal corruption (nicknamed Operation Silver Shovel) conducted by DOJ and FBI was made public in January. An FBI informant is alleged to have paid bribes to several Chicago aldermen and other officials (2 have pled guilty to date), in exchange for construction debris dumping in unlicensed dump sites in their wards. A total of 16 dump sites, all in poor, minority neighborhoods, have been linked to the investigation. The City of Chicago is pursuing settlements with haulers and other parties, but officials still expect clean up expenses not attributed to any individual or party to run into the millions of dollars. The City and members of the IL delegation have sought Federal funding for cleanup and redevelopment of many of these sites. However, EPA has neither the money nor the statutory authority to clean up the sites if no toxic material is found in the construction debris. (EPA)

Six Month Paternity Establishment Demonstration: On June 26, Secretary Shalala approved the "Six Month Paternity Establishment Demonstration" welfare project for IL, the fourth welfare waiver approved for the state. Under this demonstration, Aid to Families with Dependent Children (AFDC) recipients will be required to take more responsibility for helping the state establish paternity. New applicants and AFDC recipients who are having their cases reviewed or adding another child will be asked to provide more detailed information about the identity and location of the father of the child(ren). Failure to cooperate during the first six months after notification of the rules will result in sanctions including elimination of the partner's portion of the AFDC grant and adult's medicaid coverage. (HHS)

Marketing Abuses in the IL Medicaid Managed Care Program: Currently, IL has a voluntary managed care program for the AFDC population. As the State prepares to move into a mandatory managed care environment through the proposed Section 1115 waiver entitled "Mediplan Plus," HMO marketing has become more aggressive. There has been a great deal of attention directed at Medicaid HMO marketing practices in IL, by the press, beneficiary advocate organizations and other interested organizations, who have made allegations of widespread marketing abuse. Congressmen Durbin, Rush and Gutierrez will hold a fact-finding meeting in July in Chicago on these marketing abuses by HMOs, at which the HHS Region 5 Director and staff from HCFA will testify. (HHS)

Chicago Empowerment Zone: The Chicago Empowerment Zone is making slow progress, because the first set of proposals have yet to be funded. The City and State have signed an agreement on how the Title XX dollars will be accounted for and the city is about to finalize and approve the first set of proposals. HHS Region 5 Director Rosenthal also has been working closely with the Empowerment Zone that surrounds the site of the Democratic Convention. (HHS)

Kulick Grant Announcement: On June 27, Secretary Reich announced a \$3 million grant to the Chicago Mayor's employment and training office for out-of-school youth employment programs. The "Kulick Grant" provides for comprehensive employment services for these youth, who reside in the low income community of Grand Boulevard on the south side of Chicago. The Vice President recorded an actuality for this announcement. (DOL)

Drug Interdiction Assistance Program: The ACLU has filed suit against the State Police for targeting Hispanic drivers for drug interdiction purposes. (DOT)

Green Line Closure: In July 1995, the City of Chicago requested FTA's concurrence to allow the City to permanently close and tear down a portion of the Green Line at Dorchester Station, waive the pay-back of approximately \$9 million of funds already expended on this portion of the line, and provide approximately \$5.7 million in additional federal funding to tear down the Dorchester portion. You have expressed interest in this matter. Mayor Daley has written to Secretary Peña requesting that FTA expedite the resolution of the issue. On March 12, CTA held a Public Hearing regarding the proposal. About 1,000 people attended the hearing at which 100 speakers gave comments -- approximately two-thirds of the speakers favored keeping the line in place. FTA is currently reviewing the information provided by the City. However, at this point, it is unclear when FTA will make their decision. (DOT)

Airport Debate: The issue of expanding the Chicago O'Hare Airport or building a new airport in Peotone, just south of Chicago, continues to be controversial with Mayor Daley and Governor Edgar supporting construction of a new airport. Rep. Hyde has joined with the Governor and Rep. Lipinski supports the Mayor's proposal. The Greater O'Hare Association of Industry and Commerce and major airlines operating at O'Hare support the City's position. Airlines have campaigned statewide against by the Governor's plan. (DOT)

Closure of Meigs Field (CGX): Chicago has announced that it is considering closing CGX as an airport and converting it into a public park. CGX serves corporate aircraft doing business in downtown Chicago. CGX is located on Chicago's lakefront, on property that the City Department of Aviation leases from the Chicago Park District. The City's proposal is opposed by Governor Edgar and various aviation interest groups including which estimate that CGX contributes \$57 million annually to Chicago's economy and is responsible for 1,500 local jobs. Congressman Rush also opposes closing CGX calling the proposal "misguided." (DOT)

AMTRAK Service: On June 28, the IL Department of Transportation issued a news release stating that Amtrak cost overruns will force them to look for new solutions to rail passenger service. This has led to a major disagreement in the press between the two organizations. For FY97, AMTRAK will absorb 55% of the passenger rail costs with the State required to fund the remaining 45%. However, the State legislature has appropriated \$6.5 million which AMTRAK claims is at least \$700,000 less than necessary. The service changes will mean the elimination of the Loop service between Chicago and Springfield which was agreed to by AMTRAK and the State. With the IL decision to remove financial support for the Chicago-Milwaukee service, AMTRAK plans to work with the state of Wisconsin to continue service levels on this route. Daily service from Chicago to Carbondale, St Louis and Quincy will continue through June 30, 1997. (DOT)

Asbestos Training Fraud Indictments: In June, EPA and the DOJ announced indictments against two Chicago-area residents, alleging that thousands of fraudulent training certificates had been sold to asbestos-abatement workers and contractors since 1991. EPA regulations require asbestos workers and contractors to be trained and certified for the safe and environmentally sound handling of asbestos. EPA staff are visiting selected Chicago Public Schools which may have utilized contractors with fraudulent certificates in order to determine if any improper work was performed. (EPA)

Chicago Northwest Municipal Waste Incinerator: Settlement negotiations are continuing in order to resolve an enforcement action initiated by EPA in September 1993 against this 25-year old waste-to-energy facility which has contributed to chronic air pollution problems in the area. EPA is seeking \$2.1 million in penalties (mostly in the form of funding for supplemental environmental projects to benefit the local community) and expects to resolve the case this summer. Chicago closed the facility permanently on June 13. EPA and the State are monitoring the level of airborne lead in response to public health concerns. (EPA)

Altgeld Gardens Public Housing Complex: EPA has been working with the Chicago Housing Authority (CHA) to remove PCB-contaminated soils from an area within the Altgeld Gardens Public Housing Complex, home to 10,000 minority residents that is adjacent to multiple landfills, a large sewage treatment plant, and several steel mills. Although surface soil has been removed, deeper, more contaminated soils will be removed this fall by CHA and areas have been fenced off in the interim. EPA also held educational workshops in June on asthma, which is widespread among residents and is aggravated by high ozone levels and other air quality problems. A representative group for the complex, People for Community Recovery, has met with EPA, HUD, DOJ and White House staff on its funding requests for various efforts related to clean up and education, and is anxious to have its funding requests acted on. (EPA)

Clean Air Act Issues: Under the Clean Air Act, which requires states to ensure that cities are taking the actions necessary to decrease air pollution, Chicago has been classified as an area of "severe non-attainment" for ozone (smog) and must meet Federal health-based air quality standards by 2007. IL's most recent air quality analysis has led State and local officials to assert rural, regional, or even national programs may be needed to reduce air pollution that contributes to the unhealthy air quality in the area. EPA, in partnership with 37 eastern states, is evaluating the transport of air pollution across areas of the country and looking at ways to reduce pollution levels in those areas. IL is relying heavily on federally-mandated, reformulated gasoline to reduce Chicago-area smog, and is currently implementing enhanced automobile exhaust testing to reduce pollution. (EPA)

Crime and Law Enforcement Report

Illinois

(07/02/96)

Relevant Crime Rates: State of Illinois

	<u>1993</u>	<u>1994</u>	<u>Percent Change</u>
Murder -	1332	1378	+3.5%
Sexual Assault-	4046	3913	-3.3%
Robbery-	44,584	43,788	-1.8%
Violent Crime-	112,260	112,928	+0.6%
Total Crime-	657,129	661,150	+0.6%

*Source: FBI Estimate

Relevant Crime Rates: City of Chicago

	<u>1994</u>	<u>1995</u>	<u>Percent Change</u>
Murder -	930	827	- 11.0%
Sexual Assault-	3,048	2,896	- 4.9%
Robbery-	33,949	30,086	- 11.3%
Total Crime-	283,236	270,934	- 4.3%

*Source: Chicago PD

COPS:

Overall, Illinois has been awarded \$130,310,052 in COPS funding to hire or redeploy 2,344 police officers. Chicago has been awarded \$48,264,132 for 986 officers.

Curfews:

Chicago has had a juvenile curfew program in effect for a number of years. Children under 17 are not allowed on the streets between 10:30 - 6:00 during the week and from 11:30 to 6:00 on weekends.

	<u>1993</u>	<u>1994</u>	<u>1995</u>
Curfew Citations -	94,048	83,063	Not yet available

Drug Courts:

--Planning Grant Winnebago County (Rockford, IL) ---- \$35,000
 --Implementation Grant Kankakee County Circuit Court (Kankakee, IL) -- \$300,000

Safe & Drug Free Schools Program:

Illinois will receive approximately \$19.2 million in FY96 for the Safe & Drug Free Schools Program. Roughly 40 million students benefit from this program in 97% of America's school districts.

Violence Against Women Act:

In FY95 under the S.T.O.P (Services *Training *Officers * Prosecutors) Violence Against Women Act, the state of Illinois received \$426,346, as did every other state and territory. This represents the first step in helping restructure the criminal justice system's response to crime of violence against women. In FY96, Illinois has been allocated \$4.6 million in VAWA grants. The goal is to award the funds during August.

Victims of Crime Act:

In FY96, the Justice Department will return \$8.1 million to Illinois for crime victim programs. These funds represent a percentage of criminal fines paid in Federal cases brought in the state of Illinois.

Additional Crime-related Information:

Chicago Police Superintendent Matt L. Rodriguez is the Chairman of the Major Cities Chiefs Organization and the Chairman of the Hispanic Institute of Law Enforcement. He was a very strong supporter of the 1994 Crime Bill and the ban on assault weapons.

ILLINOIS WELFARE WAIVER FOR PATERNITY ESTABLISHMENT
Background .

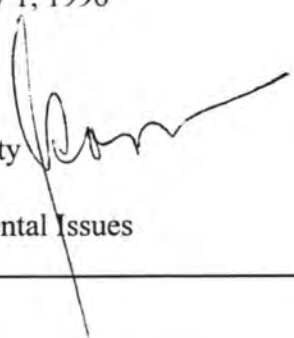
On June 26, HHS approved a welfare demonstration waiver for the state of Illinois that will require mothers on AFDC to provide more detailed information about the identity of the fathers of their children in order to get AFDC benefits. It is similar to the paternity initiative recently announced by the Administration. Failure to cooperate during the first six months would result in the mother losing part of the AFDC grant and her own Medicaid coverage. After six months, failure to cooperate would be sanctioned through the loss of the full AFDC grant. Children would retain Medicaid coverage. Some advocates and minority state legislators believe that the waiver is too harsh, particularly toward women who genuinely can not cooperate, whether through lack of knowledge or fear of abuse.



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

July 1, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Kathleen A. McGinty 
SUBJECT: Chicago Environmental Issues

DIOXIN

Last Wednesday, an article in *The Chicago Defender* highlighted a study that found inner city communities are being exposed to the largest sources of cancer causing dioxins. The study cited medical waste incinerators as the source of nearly half of all dioxins released in the Great Lakes region. Hospitals are frequently located in urban areas.

The Administration has worked to protect communities affected by incinerator pollution by issuing the most stringent health standards ever for incinerators -- cutting pollution from dangerous incinerator emissions by 98%.

In addition, The Administration has fought hard to expand the Community Right to Know program which would give Americans a more complete picture of all the toxic pollution released into our communities. The Vice President's announcement last Wednesday increased by 30 percent the industrial facilities required to make public the levels of toxic chemicals they release into the air water and land in neighborhoods across America.

FEDERAL ENERGY REGULATORY COMMISSION (FERC)

Recently, the Federal Energy Regulatory Commission completed a year of work on a rule to bring greater competition to transmission of electricity. Potential benefits to consumers may amount to \$5.4 billion annually. The Administration recently announced a plan to couple the rule with a program to ensure that this huge consumer benefit would not compromise progress toward clean, healthy air by forging an agreement between EPA and the states to control their emissions with a backup role for FERC.

PROJECT XL

There are two different Chicago projects. Both are part of the Administration's Reinventing Environmental Regulation initiative. Neither of these are final projects. The first is being negotiated. The second is just about to be proposed. Both are examples of our policy of flexibility with accountability and community empowerment.

(1) *Project XL for Facilities.* 3M has proposed a new streamlined permit for its Chicago facility that will allow it to get products to market quicker. In return for this flexibility, the company has agreed to produce superior environmental performance. Ensuring accountability, the facility will report its daily emissions from the facility on the Internet. 3M is investing in technology which will perform at superior environmental levels. These investments are creating air emissions credits, which have value in Chicago, a non-attainment area.

The company has agreed to donate credits earned to the local community. The community can use the credits two ways. They can retire some or all of the credits to produce air quality improvements in the area or it can sell the credits to environmentally responsible companies that would like to locate or expand. The proceeds from the sale could be reinvested to produce greater environmental benefits to the region. This is an excellent example of a company sharing the economic benefit of regulatory flexibility with the local community. As indicated, the final agreement for this project is being negotiated and has yet to be approved by EPA.

(2) *Project XL for Communities.* The Center for Neighborhood Technology and the Chicago Board of Education are about to propose a project to EPA that will rely upon investment in energy efficiency to produce economic, environmental, and social benefit. The Chicago Board of Education will spend \$800 million over the next five years to renovate and build schools. The project would employ a new energy efficiency protocol designed by the Department of Energy to identify the most energy efficient investments. The EPA would then calculate the air emission reductions that would result from these investments in energy efficiency. These reductions would, once again, create emissions credits for the school system. The Board of Education has apparently agreed to share economic proceeds from avoided energy costs and the sale of the credits with the local neighborhood schools. Therefore, the project would create a new revenue stream to help finance the school reform movement. As indicated, this proposal will soon be submitted to EPA, which must approve it before it can go forward.

Study finds inner city at greatest risk from dioxin

by Ethan Michaeli

Inner-city communities are being exposed to the largest sources of cancer-causing dioxin, a new study has found.

The study is yet another blow to the incineration industry, which suffered a major defeat recently at the hands of state legislators.

The study of dioxin contamination in the Great Lakes region from the New York-based Center for the Biology of Natural Systems discovered that incinerators are the largest producers of dioxin, a highly toxic substance that works its way into the food chain.

Of the total amounts of dioxin in the region, almost one-half is released by incinerators and hos-

Almost one-half released by hospital incinerators

pitals that are frequently located in urban areas. Forty-eight percent of Great Lakes dioxin was released by medical incinerators.

An additional 22 percent of the dioxin was released into the environment by municipal waste incinerators.

"Medical waste incinerators are one of the largest polluters, largest sources of dioxin," said researcher Catherine Hill.

"Because hospitals are located in populated areas, they're where the population is and that's what makes them the most noxious."

The researchers recommended that hospitals in particular use dioxin-free alternative technologies. Up to 85 percent of the hospitals' waste stream is made up of material that could be recycled, the researchers noted. In states that have enacted tough emissions regulations, the researchers noted that many hospitals have already replaced their incinerators.

For environmental activists who have been traditional oppo-

(See DIOXIN, page 10)

(DIOXIN, from page 1)

nents of incineration, the study bolsters the argument that incineration should be replaced with more eco-friendly waste handling industries.

Charlie Cray, a spokesperson for the local chapter of Greenpeace, noted that the Illinois General Assembly's recent decision to eliminate state subsidies for incinerators imperiled at least 20 proposals for new incinerators.

The study creates another rea-

son to replace incinerators with recycling programs.

In urban areas where low-skill jobs are becoming scarcer, especially, Cray said recycling was a more cost-effective and environmentally sound waste disposal option.

"Incineration is a dying breed of technology," Cray said.

"In general for urban areas, alternatives to dioxin-generating incinerators are better for the economy."

Chicago Defender
June 26, 1996

**THE TRIP OF
THE PRESIDENT
TO
CHARLOTTE, NORTH CAROLINA,
TAMPA AND ORLANDO, FLORIDA**

July 10 & 11, 1996

Staff Copy

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Wednesday, July 10, 1996

CHARLOTTE, NORTH CAROLINA

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- Event Memo

- Remarks

~~To be forwarded~~

Photo with the NAACP Board of Directors and Staff

Remarks to Central Piedmont Community College

- Event Memo

- Remarks

To be forwarded

Political Reception

Distributed
Separately

North Carolina Background

- Political Background

Distributed
Separately

- Economic Background

- 1 Pager

- Local Economy

- Local Issues

- Cabinet Affairs Issues

- Crime 1-Pager

- Tobacco Update

- Environmental Issues

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TAMPA, FLORIDA

Remarks to Tampa Community

- | | |
|--------------|-----------------|
| - Event Memo | To be forwarded |
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Political Reception

- | | |
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ORLANDO, FLORIDA

Roundtable

- | | |
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Remarks to the Orlando Community

- | | |
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| - Event Memo | To be forwarded |
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Olympic Event

- | | |
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Florida Background

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- Distributed Separately
- To be forwarded
- Distributed Separately

THE WHITE HOUSE

WASHINGTON

July 9, 1996

APPEARANCE BEFORE THE NAACP CONVENTION

DATE: Wednesday, July 10, 1996
TIME: 12:15 pm
LOCATION: Charlotte Convention Center
FROM: Alexis Herman
Ben Johnson

I. PURPOSE

To give remarks at the NAACP Annual Convention. This is an opportunity to expand on your commitment to national unity and civil rights.

II. BACKGROUND

The NAACP was founded in 1909 and is the oldest civil rights organizations in the nation. It has over 2,200 branches, covering all 50 states. The organization is chaired by Mrs. Myrlie Evers-Williams, the wife of slain civil rights leader Medgar Evers. She was first elected in February 1995, and re-elected early this year. Former Congressman Kwesi Mfume is the organization's president. He was elected to the post in a surprise move in February 1996. You participated in his swearing in ceremony at the Justice Department's Great Hall on February 20, 1996. Together, these two leaders have restored credibility to an organization that had fallen on bad times because of controversy surrounding its past leadership. The theme for this year's 87th Annual Conference is "A New Day Has Begun".

The NAACP has been big supporters of your administration on numerous policy and legislative issues. They are very supportive of your efforts to stem the church fires and have publicly applauded you for the way that you have handled the matter. Your appearance at their convention will present you with an excellent opportunity to expand on your national unity remarks. It will also allow you to express your support for voting rights and other policy initiatives aimed at the poor and disenfranchised. Seated on the Dias when you speak will be Rev. Larry Hill, the Pastor of the Mathews Murkland Presbyterian church in Charlotte. The church was burned on June 6th, and a piece of burned timber will be displayed in front of the stage when you speak. Jesse Jackson is expected to speak on Thursday. Bob Dole was invited to speak on July 9th, but declined the invitation, asking instead if he could send Jack Kemp as a surrogate. The surrogate offer was rejected and Dole was publicly blasted by the NAACP and prominent black talk show hosts for declining the invitation.

The First lady gave a rousing inspirational speech before the organization at last year's convention in Minneapolis. She gave an upbeat unifying message that underscored your commitment to affirmative action and health care. She challenged the NAACP to launch an unprecedented campaign to register African American voters and urged the organization to rally voter turnout in record numbers this fall.

While the NAACP continues to support you on key issues, they strongly urge you to hold the line on affirmative action. Additionally, the organization remains very interested in your views and priorities concerning welfare reform and health care.

III. PARTICIPANTS

7,000 People, including NAACP members, business leaders, and political leaders at the local, state and federal levels.

IV. SEQUENCE OF EVENTS

- o Upon arrival at the Convention Center, you are greeted at curbside by:

GREETERS

- Kwesi Mfume, former Congressman and President, NAACP
- Myrlie Evers-Williams, Chairwoman, NAACP Board
- Hazel Dukes, Chair, Convention Planning Committee, Board Member
- Tom Turner, Co-Chair, Convention Planning Committee, Board Member
- Chelle Luper, Co-Chair, Convention Planning Committee, Board Member

- o Off-stage announcement of you, accompanied by Kwesi Mfume, President, NAACP and Myrlie Evers-Williams, Chairwoman, NAACP.

- o Kwesi Mfume makes brief remarks and introduces you.

- o You make remarks.

- o Upon conclusion of your remarks, you work ropeline and depart.

V. PRESS

Open Press

VI. REMARKS

Speech Writing

THE WHITE HOUSE

WASHINGTON

July 9, 1996

PHOTOS WITH THE NAACP BOARD OF DIRECTORS AND STAFF

DATE: Wednesday, July 10, 1996
TIME: 1:10 pm
LOCATION: NAACP Staff Area
Charlotte Convention Center
FROM: Alexis Herman
Ben Johnson

I. PURPOSE

To take a photo with the NAACP staff and board of directors.

II. BACKGROUND

Immediately following your remarks to the delegates at the NAACP Convention, you will pose for photos with the NAACP staff and board members. The staff members number approximately 40 people. They will pose together for a class photo. The board members number approximately 64 people, however not all are in attendance. (see attached list of board members). They will pose for individual photos with you.

III. PARTICIPANTS

40 NAACP staff members for a group photo.
Approximately 45 NAACP board members for individual photos.

IV. SEQUENCE OF EVENTS

- o You proceed to NAACP general staff area for group photo with staff.
- o You proceed to NAACP president's staff area for individual photos with board members.
- o You depart.

V. PRESS

Closed press

VI. REMARKS

None

NAACP Board of Directors

Ben F. Andrews, Jr.	Simsbury, CT
Hon. Fred L. Banks, Jr.	Jackson, MS
Owen Bieber	Detroit, MI
Julian Bond	Washington, DC
Eric E. Boon	Hempsted, NY
Francisco L. Borges	New York, NY
Ayanna Boykins	Omaha, NE
Franklin E. Breckenridge, Esq.	Elkhart, IN
Richard Burton	Allentown, PA
Charles H. Butler, M.D.	Coatesville, PA
Sally G. Carroll	Newark, NJ
Larry W. Carter	Des Moines, IA
William E. Cofield	Frankfort, KY
Carolyn Q. Coleman	Greensboro, NC
Bishop Philip R. Cousin	Philadelphia, PA
Ernest Coverson	Big Rapids, MI
James H. Daniel	Sidney, OH
Hazel N. Dukes	New York, NY
Myrlie Evers-Williams	Bend, OR
Anthony S. Fugett	Baltimore, MD
Erayne N. Gee	Ft. Worth, TX
James E. Ghee, Esq.	Farmville, VA
Bishop William H. Graves	Memphis, TN
Sarah Moore Greene	Knoxville, TN
Evangeline D. Guidry	Carson, CA
Dr. Aaron E. Henry	Jackson, MS
Nancy L. Lane	New York, NY
Ernest Lofton	Detroit, MI
Dr. Henry J. Lyons	St. Petersburg, FL
William Lucy	Washington, DC
Chelle Luper	Dallas, TX
Joesph E. Madison	Gaithersburg, MD
John J. Mance	Granada Hills, CA
Annie B. Martin	New York, NY
Roslyn L. McCallister-Brock	Battle Creek, MI
Sandra McGary	Kennesaw, GA
Enolia P. McMillan	Stevenson, MD
T.H. Poole, Sr.	Eustis, FL
Korey M. Randolph	Little Rock, AR
Mary Ratliff	Columbia, MO
Mrs. Rupert Richardson	Baton Rouge, LA
Isaac Ridley	Midlothian, VA
Franklin Roberts	Richmond, VA

Alfred J. Rucks	Las Cruces, NM
Leon W. Russell	Tampa, FL
Ronald Sailor, Jr.	Atlanta, GA
Rabbi David Saperstien	Washington, DC
Rev. Raymond Scott	Port Arthur, TX
Rev. Morris L. Shearin, Sr.	Washington, DC
Louise A. Simpson	Freeport, NY
Maxine Smith	Memphis, TN
Leonard F. Springs	Charlotte, NC
Robert E. Starr	Ft. Worth, TX
Lacy Steele	Bellevue, WA
Marc Stepp	Detroit, MI
Jesse H. Turner, Jr.	Memphis, TN
Thomas Turner	Detroit, MI
Menola N. Upshaw	Denver, CO
Leroy W. Warren, Jr.	Silver Spring, MD
Thomas E. White	Racine, WI
Charles Whitehead	Russell, KY
Jeanetta Williams	West Valley City, UT
Roy L. Williams	Detroit, MI
Richard G. Womack	Camp Springs, MD
Kimberly C. Weaver	Baltimore, MD

THE WHITE HOUSE

WASHINGTON

July 9, 1996

COMMUNITY COLLEGE EVENT, NORTH CAROLINA

DATE:	July 10, 1996
LOCATION:	Central Piedmont Community College, Charlotte, NC
TIME:	1:50 p.m. - 2:45 p.m.
FROM:	Kitty Higgins

I. PURPOSE

Today you will speak to the students of this community college, a leader in workforce development, to reinforce your commitment to educational opportunity, in particular School-to-Work, and to emphasize your accomplishments in the area of education.

As you know, you recently introduced a proposal for the HOPE Scholarship which will make it possible for everyone to have two years of higher education at the cost of a community college education.

II. BACKGROUND

Central Piedmont Community College is a public two-year comprehensive community college. It is funded by the State (51%), by the county (17%), by tuition (10%), by Federal and other grants (11%), and earned income through contract training and auxiliaries (11%). It has a \$52 million operating budget. The school received \$3,103,845 in federal funding this year. Notably, it receives the least amount of State funding per full-time equivalent student of all public educational entities in North Carolina, but serves the most people.

The school is also significant because it is the result of a merger between an all-black college and a largely white education center. The college serves 60,000+ students, 29,000 curriculum students, 25,000 corporate and continuing education students, and 6,000 literacy students. They come from 125 countries, 31 states, and all 100 NC counties.

III. PARTICIPANTS

YOU

Dr. Tony Zeiss, President, Central Piedmont Community College

Congressman Mel Watt

Tracie Tallant. Tracie, a Charlotte native, is a 1996 graduate of the College's Administrative and General Office Technology programs. She has already received two job offers since her graduation. While attending CPCC, she was active in student government and was named Student Leader of the Year. She is a single parent of a six year old son, Zeke.

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

President Zeiss makes remarks and introduces Congressman Mel Watt.

Congressman Mel Watt makes remarks.

President Zeiss introduces Tracie Tallant.

Tracie Tallant makes remarks and introduces **YOU**.

VI. REMARKS

Provided by Speechwriting.

ECONOMIC PROGRESS IN NORTH CAROLINA 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 North Carolina after the first 40 months of the Clinton Administration:

Improved Economic Conditions in North Carolina:

- The unemployment rate has dropped from 5.5% to 4.3%.
- Over 2 1/2 times as many new jobs **per year** -- 96,300 vs. 38,300 average during the previous 4 years. In 40 months, North Carolina has added 321,000 total jobs, after adding 153,200 during the previous 4 years combined.
- Over 3 times as many new private-sector jobs **per year** -- 81,060 vs. 24,950 average during the previous 4 years. In 40 months, North Carolina has added 270,200 private-sector jobs, after adding 99,800 during the previous 4 years combined.
- 2,740 new manufacturing jobs added in 40 months -- after 28,500 lost during the previous 4 years combined.
- Bankruptcy filings have dropped 25% **per year** -- after increasing 11% **per year** during the previous 4 years.
- Business failures have dropped 9% **per year** -- after increasing 22% **per year** during the previous 4 years.
- Home building has increased 10% **per year**.
- Housing sales have increased 8% **per year**.
- Consumer confidence has increased 65%.

What President Clinton's Accomplishments Have Achieved for the People of North Carolina:

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN NORTH CAROLINA: The national debt will be **more than \$1 trillion** lower over 7 years 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 North Carolina.

21 TIMES MORE NORTH CAROLINA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 524,849 working families in North Carolina will receive a tax cut. This compares to an increase in the income tax rate for only the 25,112 wealthiest taxpayers in North Carolina.

TAX CUT FOR 33,713 SMALL BUSINESSES IN NORTH CAROLINA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 33,713 small businesses in North Carolina are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

1,250,000 NORTH CAROLINA 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 1,250,426 workers in North Carolina, and protects the jobs of 75,119 workers in North Carolina who are likely to use unpaid leave this year alone.

155,100 STUDENTS AND FORMER STUDENTS IN NORTH CAROLINA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 155,100 North Carolina borrowers -- 108,600 current borrowers and 46,500 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

THE WHITE HOUSE
WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Julia Chamovitz
National Economic Council

SUBJECT: Background on Recent Developments in the North Carolina Economy

This memorandum presents background information about current economic conditions in North Carolina.

- ***Three Areas Designated as Enterprise Communities (ECs) in North Carolina*** -- Charlotte was designated an urban EC and was awarded \$3 million in social services block grant funds and tax exempt bond authority. The program will feature three Neighborhood Empowerment Centers for job training, business development and urban renewal as well as low-cost transportation. In addition, Halifax, Edgecombe, and Wilson Counties (a three-way alliance) and Robeson County were designated rural ECs and each awarded \$3 million in social services block grant funds and tax exempt bond authority. (Source: The Community Empowerment Board)
- ***TRP Funds \$ 6.4 Million for Project in Valdese, NC*** -- Saft America, Inc. of Valdese, NC leads a project designed to make rechargeable, high energy-density lithium batteries. These batteries will be lighter, cheaper and longer lasting which is critical for DoD field operations. Commercial uses for these batteries include portable telephones, laptop computers, and compact disc players. (Source: ARPA)
- ***AT&T Opens a \$40 million Global Client Support Center*** -- AT&T opened its new Global Client Support Center in Durham this past April. The center plans to add as many as 560 employees, mostly computer technical support staff. This center, a division of AT&T Solutions which manages corporate clients' computer networks, is the first of many centers that will open around the world. (Source: AT&T)
- ***BellSouth Personal Communications Becomes BellSouth Mobility DCS*** -- BellSouth Personal Communications, Inc. based in Atlanta, announced in June that it would adopt the brand name BellSouth Mobility DCS. BellSouth Mobility DCS, a subsidiary of BellSouth Corporation, a wireless communications leader, is developing its digital network in the Carolinas and Eastern Tennessee. In the Carolinas, BellSouth is working with partners DukeNet, CaroNet and 31 independent telephone companies. Together, BellSouth and its partners are investing approximately \$500 million in the region to build the network and are generating thousands of jobs; 300 of these will be permanent BellSouth jobs, with 150 based in Charlotte. (Source: BellSouth)

- ***West Marine Plans to Double its Charlotte Operations*** -- West Marine Inc., a distributor of boating equipment and apparel, plans to double its Charlotte operation with a \$12 million expansion. The California-based company will add 165 employees, doubling it's work force. (Source: West Marine Inc.)
- ***Alltel Opens Call Center*** -- Alltel, a national provider of cellular and local telephone service opened a customer call center in Charlotte. The center has hired 250 workers over the past five months. (Source: Alltel)
- ***EITC Benefits 525,000 Families*** -- This information comes from 1993 Treasury estimates.

<u>Rep.</u>	<u>EITC Benefits</u>	<u>\$ (millions)</u>	<u>% Families</u>	<u>Higher Taxes</u>
Watt (D)	53,000 families	93.1	37.4	900 families
Myrick (R)	29,700 families	52.2	19.3	4,303 families
STATE	524,800 families	922.3	28.8	25,100 families

- ***Federal Reserve on the Fifth District (Richmond)*** -- Economic activity grew moderately in the District in May, with some firms straining capacity, but others experiencing weaker demand. Retail activity picked up while service-sector activity was mixed. Manufacturing activity continued to grow moderately overall, and some manufacturers indicated that capacity constraints limited further growth. Tourism grew at a faster pace and real estate activity strengthened. Mortgage loan demand weakened, but consumer loan demand strengthened. Markets for inputs, especially labor, tightened. Scattered price pressures were reported; expectations of future price increases were more widespread in manufacturing, but less apparent in the service sector. In agriculture, crop conditions improved. (Source: Federal Reserve Beige Book, 6/19/96)

THE WHITE HOUSE

WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: ANN WALKER
RUSSELL HORWITZ

RE: Local Issues Briefing -- Charlotte

CRIME

Church Fires in North Carolina

Since 1993, there have been 24 church fires in North Carolina that were reported as either suspicious or deliberately set according to an estimate by the state Department of Insurance. Ten of the suspicious fires were set at predominately white churches, 13 were set at predominately black churches and one was set at an interracial church. At least eight cases were solved or have suspects in custody. The 13-year-old girl who pleaded guilty last week for setting a Charlotte church on fire last month was reported as harboring anti-black and anti-Christian views. Other motives included robbery and personal grievances against church members.

WELFARE

New Welfare Law Limits Family Benefits and Stresses Work

As of July 1, North Carolina placed a two year limit on cash benefits to families with school-age children, a restriction that will effect one-third of North Carolinians on welfare. The new law, which is part of the Work First program initiated by Governor Jim Hunt last year, also requires that adults on welfare find a job, paid or unpaid, within 12 weeks of receiving benefits. Critics of the new law, including the Greensboro Commission on the Status of Women, fear that the new program does not have enough job-related training or support services to help make recipients self-sufficient.

Newspaper To Help Homeless in Charlotte

Last week, a nonprofit paper called *Word on the Street* made its debut to help the homeless in Charlotte. Homeless people throughout the city can buy the paper at homeless shelters for 25 cents and then sell it for a dollar, keeping the profits for themselves. The paper's creator, Michel Manuel was once homeless himself, and got the idea from similar newspapers in Seattle and Chicago. *Word on the Street* will run stories on issues of concern to homeless people, such as affordable housing.

ADOPTION

New Law Helps Speed Adoption Process

In a new law that took effect July 1st, North Carolinians now face quicker, easier adoption processes. The law reduces the time frame in the adoption process, helps avoid disputes with birth parents and allows birth parents to receive more money for birth-related costs. Experts say the new provisions should increase the number of adoptions in North Carolina each year.

REDISTRICTING

North Carolina Federal Judges To Decide Fate of Minority District

Monday marked the official start of a case that will decide whether the controversial black-majority 12th District, which runs from Charlotte to Durham along Interstate 85, should be changed immediately or should stand until after this year's elections. Earlier this month, the U.S. Supreme Court found Rep. Mel Watt's 12th congressional district to be unconstitutional. Though prosecutors want the district changed before the next election, state attorneys argue that there is not enough time to change the district and still complete the entire elections process. Based on the results of the 12th district decision, a group of 10 plaintiffs, led by Republican activists, filed a separate lawsuit to challenge multiple state and congressional districts that are allegedly organized around racial districts. This new lawsuit began on July 3rd.

AIDS

Study Finds Way to Reduce Level of HIV in Men

Aggressive treatment of other sexually transmitted diseases can significantly reduce the level of HIV in men, according to a study presented on Monday by the University of North Carolina, Chapel Hill. The study found that men who have HIV and other venereal diseases can have as much as five times the amount of AIDS virus in their semen as men without the other diseases. By treating these men for their other diseases, the amount of HIV in their system was cut back by 50 percent. The study focused on 82 HIV-positive men from Malawi, Africa who also had urethritis, gonorrhea or both.

YOUTH DATA

Kids Count Shows North Carolina Among Worst in Two Areas

According to a study released earlier this month by the Annie E. Casey Foundation, North Carolina has the third highest infant mortality rate and the seventh highest percentage of low birth-weight babies. Between 1985 and 1993, the infant mortality rate decreased by 11% and the percentage of low birth-weight babies decreased by nine percent.

THE WHITE HOUSE
WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: HOT ISSUES -- CHARLOTTE, NORTH CAROLINA

ACF Youth Programs: The Administration for Children and Families' Family and Youth Services Bureau sent notifications to 191 grantees advising them that, due to budget cuts by Congress, there are no resources to provide continuation funding for their programs. These grantees are recipients of funds through the Youth Gang Drug Prevention Program, the Community Schools Program and the Drug Abuse Prevention Program for Runaway and Homeless Youth. \$200,000 in grants to NC have been cut.

Collection of Overpayment from Physicians and Beneficiaries: During 1991 and 1992, approximately 600 beneficiaries and 275 physicians were paid too much for chemotherapy drugs. While the amounts being paid were corrected in 1992, no action was taken to collect the overpaid amounts which totaled approximately \$1.5 million until 1996. On July 5, at HCFA's request, CIGNA sent letters to the beneficiaries indicating that they did not have to repay these overpayments as they were not "at fault." However, the physicians were advised that they may be liable for the amounts they were overpaid. The physicians have protested and both the American Urological Association and the NC Medical Association have met with HCFA. (HHS)

Medicare Choices Demonstration: On April 15, HCFA announced its selection of 25 candidates for Medicare Choice Demonstration awards, including Qual Choice of NC. Sites may enroll Medicare beneficiaries only after negotiating a payment method and other issues, fulfilling a certification process, and meeting any special conditions related to demonstration participation. Site enrollments may occur as early as August 1996. (HHS)

Burlington Industries: On June 1, *The Charlotte Observer* reported that Burlington Industries will close its main knitted fabrics business in NC. The closure will mean the loss of more than 1,000 jobs. The textile maker will close its Wake Forest plant, which employs 730 people, and its Denton plant, which employs 370, in the next two or three months. (DOL)

Hog Waste: One of the most pressing environmental problems facing the State is the management and containment of animal waste lagoons, primarily from swine operations. NC is the number two pork producing state in the country, with approximately 7.5 million hogs. Animal waste lagoons have produced several major spills, threatening water quality and public health. Governor Hunt last year appointed a Blue Ribbon Commission to address the problem of animal waste, and this year, the NC General Assembly passed legislation to tighten regulations and certify operators. EPA is generally supportive of the legislation but continues to work with the State to assess progress in addressing this environmental and public health risk. (EPA)

COPS Grants: Charlotte has been granted \$5.35 million for 204 officers. (DOJ)

Crime Victims: A percentage of criminal fines paid in Federal cases is distributed back to the state in which the case was brought under the Victims of Crime Act (VOCA). DOJ administers these funds and will be returning \$4.8 million to NC for crime victim programs in FY96. These funds are particularly important in light of your recent announcement of your support for a Constitutional amendment conferring certain rights on crime victims. These grants will likely be used to fund the bulk of state programs created as the result of such an amendment. It is particularly important to note that these grants do not expend any taxpayer funds. Rather, the grant source is the fines collected from criminals in Federal courts. Thus, criminals fund services for crime victims. (DOJ)

Budget Shortfalls on National Parks: The following parks in NC have reduced visitor service operations:

Cape Hatteras National Seashore: Orientation and Interpretive programs eliminated during off-season;

Cape Lookout National Seashore: Eliminated Transportation of Children Program;

Guilford Courthouse National Military Park: Youth Conservation Corps program eliminated. (DOI)

Crime and Law Enforcement Report

Charlotte, NC

For Internal Use Only

Relevant Crime Rates: City of Charlotte

	<u>1994</u>	<u>1995</u>	<u>Percent Change</u>
Murder -	87	89	+2%
Sexual Assault-	350	368	+2%
Robbery-	2,713	2,949	+5%
Total Crime-	51,057	52,112	+2%

COPS:

- * Overall, North Carolina has been awarded \$44.9 million in COPS funding to hire or redeploy 903 police officers.
- * The city of Charlotte has been awarded \$5.2 million in COPS funding to hire or redeploy 204 officers.

Curfews:

- * Charlotte has had a curfew since May 15, 1995.
- * The program runs from 11 pm to 6 am on weekdays and midnight to 6 am on weekends. for all kids under 17 years of age.
- * Over the past year there were 428 violations of the curfew.

Police Chief:

- * Chief Dennis E. Nowicki was appointed Charlotte Chief of Police in April 1994.
- * Prior to his appointment in Charlotte, Nowicki served almost 30 years in the Chicago and Joliet, Illinois police departments.
- * Chief Nowicki has won over 100 awards for outstanding police service in the Chicago area.

Safe & Drug Free Schools Program:

- * The state of North Carolina will receive approximately \$9.3 million for the Safe and Drug Free Schools Program.
- * Roughly 40 million students benefit from this program in 97% of America's school districts.

Violence Against Women Act:

In FY95 under the S.T.O.P (Services *Training *Officers * Prosecutors) Violence Against Women Act, the state of North Carolina received \$426,346, as did every other state and territory. This represents the first step in helping restructure the criminal justice system's response to crime of violence against women.

In FY96, North Carolina has been allocated \$3 million in VAWA grants. The goal is to award the funds during August.

Victims of Crime:

In FY96, the Justice Department will return 4.8 million to North Carolina for crime victim programs. These funds represent a percentage of criminal fines paid in Federal cases brought in the state of North Carolina.

BACKGROUND AND STATUS

CLINTON ADMINISTRATION'S YOUTH TOBACCO INITIATIVE

THE FDA PROPOSAL

To combat this public health crisis, the President proposed a regulation last August that focuses on two goals. First, the proposal would minimize the easy access that children have to tobacco products, by significantly restricting the way cigarettes may be purchased, essentially permitting sales only by a face-to-face transaction. Second, the proposal would seek to lessen the appeal that tobacco products exert on children as a result of the more than \$6 billion annually spent by the tobacco industry on advertising and promotion. The regulation would, for example, prohibit the placement of tobacco billboards near schools and playgrounds and restrict all other outdoor advertising and advertising in publications with a significant youth readership to black-and-white text-only format.

The FDA is reviewing and considering more than 700,000 comments to the docket. However we do not yet know when the FDA will finish the process.

SYNAR REGULATION

In January 1996, Administration issued the so-called Synar regulation, an important component of the effort to reduce tobacco use among youth, which requires the states to have in place and to enforce laws prohibiting the sale of tobacco products to individuals under the age of 18. If a State fails to enact such a statute, it is ineligible for Federal assistance under the Substance Abuse Prevention and Treatment Block Grant. If a State fails to adequately enforce its tobacco control statute, the Secretary is required to reduce its Block Grant allotment. Our goal is for states to have a compliance rate (in terms of preventing sales to minors) of 80 percent.

In fiscal year 1996, HHS, with the assistance of the Centers for Disease Control Office of Smoking and Health, and others, is providing States with direct Federal review and support of plans and methods which aim to ensure compliance with the Synar amendment. Additionally, resource materials are being written and delivered to the States as they are developed. States are responsible for: developing a list of all outlets that sell tobacco, developing a method to measure the percent of outlets in a state that sell tobacco to minors, and developing a baseline violation rate (i.e., conducting inspections in such a way as to actually measure the violation rate).

Although both the Synar regulation and the proposed FDA regulation both are designed to reduce youth tobacco use, they address different conduct. While the Synar regulation deals with state enforcement, the FDA proposed regulation would restrict the manner by which manufacturers, retailers, and distributors sell and promote their products. Working in conjunction, the two regulations would increase the effectiveness of the other. State enforcement would be considerably easier under the FDA's proposed restrictions on how

tobacco is sold and promoted, and the President's goal of a 50 percent reduction in smoking by children under 18 would be more easily attained if the states aggressively enforce their already-existing youth tobacco laws.

OTHER EFFORTS

To complement its regulatory actions, the Administration has created unique partnerships with non-governmental entities composed of parents, health professionals, teachers, community leaders, and athletes that focus on education and enforcement. For example, the Department of Health and Human Services is working with the National PTA to distribute a video public health education program -- call "Stop the Sale -- Prevent the Addiction" -- to the PTA's 27,000 local PTA chapters. "Stop the Sale" is designed to educate various audiences about the issues surrounding youth access to tobacco. Another example is the "Smoke-Free Kids and Soccer" campaign, a partnership between the Administration and the U.S. Women's National Soccer Team, and U.S. Soccer. With a focus on adolescent girls, the campaign's purpose is to highlight the smoke-free lifestyle of the national team members -- who will be participating in this summer's Olympic games -- and to promote participation in soccer as a means to resist the pressures to smoke.

PHILIP MORRIS/US TOBACCO PROPOSED LEGISLATIVE SOLUTION

Last May, Philip Morris and US Tobacco announced a proposal to support federal legislation to reduce youth tobacco use. The President has made clear that he would welcome a legislative solution that is as effective and meaningful as the measures he proposed last August. However, the Philip Morris/US Tobacco proposal falls short of that mark. First and most importantly, under their proposal, the Marlboro Man and Joe Camel would be alive and well, appearing in magazine ads, billboards, and advertisements at virtually all points of sale in stores. And secondly, young people will still have easy access to tobacco products from self-service displays.



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

From: Katie McGinty
Subject: Environmental issues in North Carolina

ENVIRONMENTAL JUSTICE

This issue might come up at the NAACP gathering; it had been a priority for Benjamin Chavis: In the first year of your Administration, you issued an executive order that directed all federal agencies make environmental justice a part of their mission. Under the executive order, each Federal agency must review its programs, policies, and activities to address disproportionate and adverse effects on low-income or minority communities. Pursuant to this order, each agency has developed its own environmental justice strategy, and must consider impacts on minority and low-income communities when preparing environmental impact statements. EPA has taken the lead in working with low income and minority communities on a range of environmental justice issues, from regulatory standards to brownfields redevelopment. The executive order was well received in the community, but there is a general feeling among EJ activists that we have not made this a high enough priority. (Some also may feel that they were promised a White House summit with you on the subject. This was something of a misunderstanding.)

BEACH RESTORATION

For many years the Army Corps of Engineers has funded projects to repair beach erosion, typically by dredging sand from offshore and using it to build up beaches. These projects can be very expensive and ongoing, since they are fighting the natural erosion process. The Corps' current position is that, given Congressional budget cuts and the need to prioritize existing funds, it will honor all existing commitments (including those that involve ongoing periodic replenishment of beaches) but will not typically consider new projects. The Corps notes that new projects to create or enhance recreational or tourist destinations should not be a high federal priority, since the economic benefits of such areas to the state and local economy typically justify funding such work with state and local funds. However, the Corps takes no position on the propriety of beach restoration generally, and emphasizes that each state has the authority to maintain its shoreline as it sees fit.

This is a highly-charged issue in coastal states including North Carolina and Florida.

Both Democrat and Republican officials, including Gov. Chiles of Florida, insist that the federal funding of new projects must continue. They argue that federal funding is justified to enhance economic growth through tourism, as well as to protect inland areas from more costly storm damage. Senators Mack and Bradley have introduced legislation directing Corps policy in the area, and other pending legislation earmarks funds for particular restoration projects.

While supporting current Corps policy, you should emphasize that this policy encompasses a willingness and desire to work with state and local officials, and to continue substantial federal expenditures for this purpose. In FY 1997 the Corps expects to obligate \$83 million for shoreline projects, the largest annual expenditure to date. In addition, there is flexibility in the current policy. Each new proposal will be considered on its merits, and limited exceptions can be made to allow new projects to protect permanent existing residential, commercial or industrial areas. We would expect to work closely with state and local officials to determine these needs, and meetings with OMB and state officials on these issues already have taken place and will continue as necessary. **Do not commit yourself to any specific project or to changing Corps policy. But, leave room for that possibility.** (I am concerned that this may blow up in key states.)

HOG WASTE

There was recently a major spill of hog waste into the Neuse River, in Eastern North Carolina. This spill resulted from lax management of facilities regulated by Clean Water Act permits, and was the most recent of several spills that have raised concerns about the adequacy of regulation of hog waste and agricultural pollution sources generally. Although the relevant permits for these hog wastes are issued under Federal law, the permits are issued and overseen by the state of North Carolina, so it is largely a state issue. EPA, though, has been working with the state to improve permit oversight. Note too that these spills reinforce the importance of your stand against the House "Dirty Water Bill" and the Dole Regulatory Reform bill, either of which would have made it almost impossible to regulate pollution sources like these. This issue is important enough that the Raleigh News and Observer won a Pulitzer Prize for a series on the subject.

OFFSHORE OIL DRILLING

As you know, the Administration has long supported the moratorium on new offshore oil drilling in sensitive areas. This annual moratorium was extended with the Omnibus Appropriations bill. However, the Outer Banks Protection Act -- which essentially made the moratorium permanent -- was repealed in the same bill. Governor Hunt opposed the repeal and supports the moratorium; both Senators took the opposite position. Repeal of the OBPA was not particularly controversial because the one-year moratorium was still in place and because no sales are proposed by DOI for the planning period that runs through 2002.

THE BRIEFING PAPER FOR THE REMARKS TO THE
TAMPA COMMUNITY WILL BE FORWARDED

THE BRIEFING PAPER FOR THE ROUNDTABLE
WILL BE FORWARDED

THE BRIEFING PAPER FOR THE REMARKS TO THE
ORLANDO COMMUNITY WILL BE FORWARDED

THE WHITE HOUSE

WASHINGTON

July 9, 1996

VISIT WITH U.S. WOMEN'S OLYMPIC BASKETBALL TEAM

DATE:	July 11, 1996
LOCATION:	Disney Institute, Orlando, FL
TIME:	4:30pm - 5:30pm
FROM:	Janet Abrams

I. PURPOSE

To wish the U.S. Women's Olympic Basketball Team "good luck" as they head to Atlanta.

II. BACKGROUND

In just 8 days, you will declare the Centennial Olympic Games "open" in Atlanta, GA. Final selections for the United States Olympic Team were made last week – A total of 654 athletes (378 men & 276 women) will represent America in more than 30 sports.

The 12 members of the U.S. Women's Olympic Basketball Team are making their final preparations for the Games at the Disney Institute. This new resort, which opened in February, represents Michael Eisner's vision of "adult camp," where guests can swim, play golf, frolic with Mickey & Minnie, and take classes in subjects ranging from vegetarian cooking to animation. (There is a chance Mr. Eisner will join you in greeting the athletes.)

The U.S. Women have been playing together for the past year, traveling over 100,000 miles through nine countries. They are currently undefeated, with a record of 51-0, including a win over the University of Arkansas this past December. (101-53).

All of the team members, except for two who just graduated from college last year, have played in professional leagues overseas, in Europe & Japan. There is presently a movement to start two professional leagues in the U.S. – the American Basketball League, which will be launched this fall, and the Women's National Basketball Association, to begin next summer. Many of the Olympic players have already affiliated with one of the leagues.

You have had a good deal of contact with the Team – You jogged with 9 of the players last December, and the Team's Center, Carla McGhee, carried the Olympic Torch at the White House in June.

This weekend, the U.S. Women travel to Indianapolis to play the Italian Olympic team. They will return to Orlando on Monday for a final 3 days of practice. Before leaving for Atlanta, they will be joined by the U.S. Men's Team in a parade at Epcot Center.

III. PARTICIPANTS

- The President
- 12 members of the U.S. Olympic Women's Basketball Team
- Team Officials:
 - Head Coach Tara VanDerveer – on leave from Stanford
 - Assistant Coaches Ceal Barry, Nancy Darsch, & Marian Washington
 - National Team Director Carol Callan
- 50 underprivileged young women from the Orlando area
- Disney Corporation Executives
- Members of a local men's recreational basketball league

IV. PRESS PLAN

Pool press

V. SEQUENCE OF EVENTS

- You will arrive at the Sports & Fitness Center of the Disney Institute and be greeted by Coach Tara VanDerveer and Disney representatives. You will pose outside for an official photo with the Team.
- You will proceed into the gymnasium.
- You will be announced off-stage and will walk out onto center-court with the players.
- A member of the Team will introduce you. You will make brief remarks.
- You will then move off the court, and the players will begin a scrimmage. During the 30 minutes of play, you might sit on the bench with members of the Team, stand up and chat with the coaches, and/or sit with the group of young people in the audience.

VI. REMARKS

To be provided by Speechwriting.

VII. ATTACHMENTS

- Background on U.S. Women's Olympic Basketball Team

U.S. WOMEN'S BASKETBALL TEAM ROSTER

<u>Athlete</u>	<u>Age</u>	<u>Hometown</u>	<u>School</u>	<u>Ht.</u>	<u>Wt.</u>	<u>Position</u>
Jennifer Azzi	27	Oak Ridge, TN	Stanford '90	5-8	140	guard
Ruthie Bolton	29	McClain, MS	Auburn '90	5-8	150	guard
Teresa Edwards	31	Smyrna, GA	Georgia '86	5-11	155	guard
Venus Lacey	29	Chattanooga, TN	La. Tech '90	6-4	190	center
Lisa Leslie	24	Inglewood, CA	USC '94	6-5	170	center
Rebecca Lobo	22	Southwick, MA	Connecticut '95	6-4	187	forward/cent.
Katrina McClain	30	Charleston, SC	Georgia '87	6-2	180	forward
Nikki McCray	24	Memphis, TN	Tennessee '95	5-11	158	guard
Carla McGhee	28	Peoria, IL	Tennessee '90	6-2	165	forward/cent.
Dawn Staley	26	Philadelphia, PA	Virginia '92	5-6	128	guard
Katy Steding	28	Lake Oswego, OR	Stanford '90	6-0	160	forward
Sheryl Swoopes	25	Brownfield, TX	Texas Tech '93	6-0	145	guard/forw.

Below, please find short biographies of a number of the women on the team you will watch on Thursday.

Carla McGhee: McGhee ran the Olympic torch from the South Lawn of the White House on June 21. She was briefly comatose after a 1987 car accident, but has recovered remarkably. If the U.S. women's team takes the gold medal, Ms. McGhee plans to display it in a community center in her hometown of Peoria to inspire local youths. She also has played professionally in Europe.

Venus Lacey: Venus was forced to wear braces on her legs from the age of two until the fourth grade. As the eighth child of ten, Lacey and her siblings shared the attention and resources of their parents, and did not have the luxury of doctors and physical therapists. When she finally had the braces removed, Lacey pursued basketball after being cut from the volleyball team, eventually leading Louisiana Tech University to the national championship in 1988.

Ruthie Bolton: The daughter of Rev. Linwood Bolton and the later Leona Bolton, she sees her family as one of her greatest assets in life. A lieutenant and transportation specialist in the Army Reserves, Bolton is part of a family that includes 20 children and 67 nieces and nephews. She has played professionally in Italy, Hungary and Sweden. Also, in Italy, she was lead singer in a band called "Antidum Tarantula."

Dawn Staley: Staley was introduced to basketball through police athletic leagues. She grew up in inner-city Philadelphia, and went to the University of Virginia.

Rebecca Lobo: Lobo led UConn to an undefeated national championship in 1995, and has been jogging with you.

Sheryl Swoopes: Swoopes may be the best-known of the women's team players, having played one-on-one against Michael Jordan and having a Nike sneaker named after her.

Teresa Edwards: Edwards will become the first U.S. basketball player - men's or women's - to participate in four Olympics. She turns 32 on July 19, the day of the Opening Ceremonies. Edwards has played pro ball in Italy, Japan, Spain and France.

Lisa Leslie: Leslie, 6 feet 5, was taller than her teacher in the second grade and was 6 feet tall in the sixth grade. Some consider her the best player in the world. Leslie, who has played in Europe, is also a model and will be featured in an upcoming issue of "Vogue" magazine.

Katrina McClain: McClain turned down a reported \$300,000 offer to play in Europe last season so she could travel with the US team. This will be her third Olympics.

ECONOMIC PROGRESS IN FLORIDA 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 Florida after 40 months of the Clinton Administration:

Improved Economic Conditions in Florida:

- The unemployment rate has dropped from 7.3% to 5.1%.
- Nearly 3 times as many new jobs **per year** -- 205,860 vs. 70,775 average during the previous 4 years. In 40 months, Florida has added 686,200 total jobs, after adding 283,100 during the previous 4 years combined.
- Over 3 1/2 times as many new private sector jobs **per year** -- 184,860 vs. 49,000 average during the previous 4 years. In 40 months, Florida has added 616,200 private sector jobs, after adding 196,000 during the previous 4 years combined.
- 4,900 manufacturing jobs **LOST** in 40 months -- after 55,200 lost during the previous 4 years combined.
- New business incorporations have increased 5% **per year**.
- Bankruptcy filings have dropped 4% **per year** -- after increasing 24% **per year** during the previous 4 years.
- Business failures have dropped 17% **per year** -- after increasing 28% **per year** during the previous 12 years.
- Consumer confidence has increased 65%.
- Home building has increased 5% **per year** and home sales have increased 7% **per year**.
- Bank lending has increased by \$16.4 billion -- after dropping by \$4.5 billion during the previous 4 years.

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

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN FLORIDA: The national debt will be **more than \$1 trillion** lower over 7 years 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 Florida.

10 TIMES MORE FLORIDA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 895,441 working families in Florida will receive a tax cut. This compares to an increase in the income tax rate for only the 87,826 wealthiest taxpayers in Florida.

TAX CUT FOR 71,456 SMALL BUSINESSES IN FLORIDA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 71,456 small businesses in Florida are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

2,004,000 FLORIDA WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 2,004,330 workers in Florida, and protects the jobs of 120,409 workers in Florida who are likely to use unpaid leave this year alone.

502,100 STUDENTS AND FORMER STUDENTS IN FLORIDA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 502,100 Florida borrowers -- 351,500 current borrowers and 150,600 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

THE WHITE HOUSE

WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Julia Chamovitz
National Economic Council

SUBJECT: Background on Recent Developments in the Florida Economy

This memorandum presents background information about economic conditions in Florida.

- ***TRP Funds \$25 Million for a Project in West Palm Beach*** --TRP plans to fund a project led by Pratt & Whitney that focuses on advanced engine designs that have the potential for increasing performance and fuel efficiency of both military and commercial aircraft. If successful, this effort will enhance U.S. competitiveness in aircraft production, as well as preserve a critical capability for DoD weapons systems. (Source: ARPA)
- ***Three Urban Enterprise Communities (ECs) Designated for Florida*** -- Dade County/Miami and Tampa have been designated as Urban ECs and Jackson has been designated as a Rural EC. Each of the three ECs received \$3 million in flexible social services block grant funding and tax exempt bonding authority. In Tampa, they are developing a community development corporation which will create jobs and promote business opportunities. In Jackson, they are building and staffing a community center that will provide a sense of ownership and responsibility. (Source: CEB)
- ***Fingerhut Hires 850 people for Two Customer Service Centers*** -- Minnesota-based Fingerhut Companies, Inc., a direct customer marketing company selling products and services through catalogs, television and other media, announced in April that it is opening two facilities in Tampa which will house the company's new subsidiary, Customer Communications Center, Inc. The telephone center scheduled to open August 5th, and the account services center which opens this month will hire a total of 850 people. Some of the new employees will consist of transfers from Fingerhut's Plymouth and Minneapolis facilities. (Source: Fingerhut Companies, Inc.)
- ***Beneficial Corporation to Add 850 Jobs*** -- Beneficial Corporation, a Delaware-based financial services company, announced in May, plans for expansion that will generate up to 850 new jobs in Tampa. Beneficial National Bank USA, the private-label credit-card banking subsidiary of Beneficial Corporation, will open a new Customer Service Center. The company will initially hire 400 people and an additional 450 by 1998. (Source: Beneficial Corporation)

- **Promus Hotel Corporation to Open Reservations Center in Tampa** -- Memphis, Tennessee-based Promus Hotel Corporation announced in March, plans to open a reservations center in Tampa that will be fully operational by January 1997. The center will initially have 200 agents reserving hotel rooms for guests at one of their 700 plus hotels which consist of Homewood Suites, Embassy Suites, Hampton Inn and Hampton Inn and Suites. Eventually the number of agents working at the reservation center will grow to more than 350. (Source: Promus Hotel Corporation)
- **MetLife's Expansion Will Add 300 New Jobs** -- Metropolitan Life, an insurance company headquartered in New York, announced in May that it had chosen Tampa to house a facility which will consolidate the internal accounting service functions for MetLife. This expansion will add 300 high-paying, high-skilled positions by the end of 1997. (Source: Metropolitan Life)
- **USF&G Opens National Claims Reception Center in Tampa** -- USF&G, one of the nation's largest property/casualty insurers headquartered in Baltimore, Maryland, announced in January that the company would locate its new National Claims Reception Center in Tampa, Florida. This center which will begin service in September will create 340 jobs over an initial two year period; this could eventually expand to as many as 500 new jobs. (Source: USF&G)
- **EITC Benefits Almost 900,000 families in Florida** -- This information comes from 1993 Treasury estimates.

<u>Rep.</u>	<u>EITC Benefits</u>	<u>\$ (millions)</u>	<u>% Families</u>	<u>Higher Taxes</u>
Brown	55,200 families	96.3	39.8	917 taxpayers
Meek	48,300 families	84.2	36.8	900 taxpayers
Fowler	33,000 families	57.6	21.4	4,975 taxpayers
Stearns	38,500 families	67.1	23.6	1,451 taxpayers
STATE	895,400 families	1,561.4	25.3	87,800 taxpayers

- **Federal Reserve on the Sixth District (Atlanta)** -- Reports from the District suggest that the Southeast economy continued to grow at a moderate pace during May. Retail sales largely met retailers expectations, with real sales apparently exceeding year-ago levels. Overall, manufacturing performance was mixed in May, although the outlook among manufacturers improved. Tourism and business travel continue to grow vigorously throughout the District, and this summer is expected to be especially strong. District realtors report single-family home sales beat year-ago levels in May, while reports on home building compared to a year ago were mixed. Commercial and multifamily construction continued to increase. Bankers characterized overall loan demand as flat to slightly up. Wage pressures were reported in several parts of the region, especially for entry-level, low skilled jobs. Some industries report higher materials and product prices. (Source: Federal Reserve Beige Book 6/19/96)

THE WHITE HOUSE

WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: ANN WALKER
RUSSELL HORWITZ

RE: Local Issues Briefing -- Tampa

CRIME

Stricter Curfew Penalties

Tampa Police are lobbying for stricter laws that make violating curfew punishable by fines or prison time. Tampa already has a curfew prohibiting minors under age 17 from being out unsupervised between midnight and 6 am on weekends and 11 pm and 6 am during the week. However, police say the new penalties are needed to effectively deter juvenile criminals. A public hearing will be held July 18 and, if approved by the city council, the law will take effect immediately.

Federal Grants to Fight Domestic Violence

Tampa police received more than \$184,000 in federal grants to combat domestic violence. The money comes as part of the \$400,000 in Justice Department grants given to Hillsborough County for its success in combating domestic violence. According to the County Sheriff's office, the number of murders in the county associated with domestic violence have decreased from 32 in 1994, to 20 in 1995 and only four have occurred this year.

Camp Focuses on Drugs and Youth Crime

City youngsters will get the chance to participate in a summer camp that stresses ways to have fun without getting involved in drugs or gangs. The Fort Meade Police Department received a grant through the Florida Department of Law Enforcement to hold the DARE Summer Camps. The free two-week camp for youths entering grades six through eight began last Monday in Fort Meade. The camp will address anger management and gang resistance and include recreational activities.

Church Burnings

The State Fire Marshal's office reported that 85 church fires were arson-related from 1990 through June 1996. In Tampa, there was one church fire in 1990 and another in 1992. In Orlando, there was one church fire in 1993 and another in 1994. This year there have been five church fires in Florida.

HOUSING

"One Strike-And-You're-Out"

This fall, the Tampa Housing Authority will begin to enforce the federal housing "One Strike-And-You're-Out" mandate. While most officials and residents see the need for the policy, some fear the policy will establish a pattern of "rushing justice."

THE WHITE HOUSE

WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: ANN WALKER
RUSSELL HORWITZ

RE: Local Issues Briefing -- Orlando

CRIME

State to Build Second Law Investigative Center

A computerized information center to help law enforcement agencies solve crimes and spot trends will be built in Northeast Florida. The new center will serve federal, state, county and municipal agencies in 18 counties, providing faster access to information on criminals and crime analysis. The center will be the second of its kind in Florida but will be much smaller than the South Florida Investigative Support Center. In the past 18 months, the South Florida Center has provided information on 2,700 cases that resulted in 569 arrests and the seizure of about 3,000 pounds of cocaine, 2,800 pounds of marijuana and \$42 million in currency. The exact site of the investigative center has not yet been determined.

DRUGS

Butane Inhaling Explains Death of Orlando Man

Inhaling butane, also known as "huffing," most likely killed Justin Hammock, 23, of Orlando, two weeks ago. The Orange County's chief medical examiner, is awaiting final results from the autopsy, but said last Friday, the circumstances show all the signs of death caused by inhaling butane. Deaths are rare, but the National Institute on Drug Abuse reported in 1991 that about 20 percent of American high school teenagers try huffing at least once. The most likely to abuse inhalants are males between 14 and 24 years old.

AIRPORTS

Proposal to Ban City Control of Airport

City commissioners will be asked for a second time this month to relinquish control of operations at the Orlando Sanford Airport for the next 35 years. The city first voted on the issue last December, but commissioners rejected the proposal, citing that the city had not interfered in airport operations in 23 years. The measure was proposed to ease bond-buyers' concerns that the city may change airport policy at any time and also part of the Sanford Airport Authority's recently approved lease agreement.

ELECTIONS

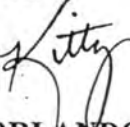
Hispanic Lawmakers Reject Bid to Eliminate Bilingual Ballots

A bill before the U.S. House that would repeal a 21-year old federal law that requires communities with large numbers of non-English speakers to provide bilingual ballots is receiving extensive criticism from Florida Hispanic lawmakers in both parties. The bill's proponents say ballots in other languages encourage people not to learn English, promotes fragmentation in American society and burdens counties with needless costs. The measure's opponents say that eliminating the federal requirement would limit immigrants' voting rights and shut many out of participating in the democratic process. Under the proposed bill, state and local authorities may continue the use of bilingual ballots, but would not be required to do so. The Bilingual Voting Requirements Repeal Act was approved by the Constitution subcommittee in May and the Judiciary Committee is expected to consider the bill later this summer.

THE WHITE HOUSE
WASHINGTON

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS 
SUBJECT: HOT ISSUES -- ORLANDO AND TAMPA, FLORIDA

Embargo Until July 11, 1996:

State Hospital Investigation: On July 11, DOJ will file a motion to intervene in Johnson v. Kurtz, a class action involving care and treatment at G. Pierce Wood, a 450 bed state operated psychiatric hospital in Arcadia, FL, near Tampa. Based upon reports of widespread dangerous conditions, DOJ initiated an investigation of the facility last year under the Civil Rights of Institutionalized Persons Act. Despite repeated efforts to obtain State cooperation, the State refused to grant the DOJ access to tour the facility or review pertinent documents. On several occasions, Assistant Attorney General Patrick met with and called State officials to encourage their cooperation. Similar efforts by the Attorney General's Chief of Staff Hogan were similarly unsuccessful. (DOJ)

COPS Grants: Orlando has been funded for \$3 million and Tampa has been funded for \$9.8 million. (DOJ)

Crime Victims - A percentage of criminal fines paid in Federal cases is distributed back to the state in which the case was brought under the Victims of Crime Act (VOCA). DOJ administers these funds and will be returning \$10.9 million to Florida for crime victim programs in FY96. These funds are particularly important in light of the your recent announcement of your support for a Constitutional amendment conferring certain rights on crime victims. These grants will likely be used to fund the bulk of state programs created as the result of such an amendment. It is particularly important to note that these grants do not expend any taxpayer funds. Rather, the grant source is the fines collected from criminals in Federal courts. (DOJ)

School Prayer: The school prayer bill that was passed by the 1996 Florida Legislature and later vetoed by Gov. Chiles continues as an issue since conservative groups are well organized and plan to insist that legislators consider provisions on school prayer in the 1997 legislative session. (DoEd)

Youth Programs: The Administration for Children and Families' Family and Youth Services Bureau sent notifications to 191 grantees advising them that, due to budget cuts by Congress, there are no resources to provide continuation funding for their programs. These grantees are recipients of funds through the Youth Gang Drug Prevention Program, the Community Schools Program and the Drug Abuse Prevention Program for Runaway and Homeless Youth. Over \$1 million in FL grants were cut. (HHS)

HCFA Approves Exemptions of 75/25 Requirement for Four Health Plans: The Health Care Financing Administration (HCFA) is approving Florida's request to amend its section 1115 demonstration to grant exemptions of the 75/25 enrollment composition requirement to four health plans. The four plans--Health Care USA, Ultra Medix, Physicians Health Care, and United Health Care--were reaching the end of their 3-year one-time-only 75/25 exemption and had not met the 25 percent commercial enrollment requirement. HCFA is approving exemptions until July 1, 1997, and will consider requests for partial-year exemptions for other plans that score above 90 percent in the State's annual review. (HHS)

Medicare Choices Demonstration: On April 15, HCFA announced its selection of 25 candidates for Medicare Choice Demonstration awards, including two in Florida: Florida Health Hospital Health Care System in Orlando, and HealthCare USA in Jacksonville. Sites may enroll Medicare beneficiaries only after negotiating a payment method and other issues, fulfilling a certification process, and meeting any special terms and conditions related to demonstration participation. Some site enrollments may occur as early as August. (HHS)

Pending Tobacco Litigation: Several states have sued American tobacco manufacturers to recoup Medicaid costs of tobacco-related illnesses. The Liggett Group Tobacco Company has agreed to settle with 5 of those states (MA, WV, FL, MI and LA) with payments extending over 25 years. HCFA will work with states to ensure that the Federal government is credited with its share of these recoveries (and that the Federal government participates appropriately in the administrative and legal costs of the recoveries). A private class action suit is pending, although on May 22, an adverse ruling denied class action status. DOJ is monitoring these cases to ensure that Federal interests are being protected. (HHS)

Medicaid Lawsuit: On April 8, the Florida's Agency for Health Care Administration was sued over its reimbursement policies for Qualified Medicare Beneficiaries. The suit alleges that Florida's practice of capping payments to physicians at the Medicaid rate instead of paying 20 percent of the Medicare determined rate is a violation of Federal law. It cites previous cases in AL, PA, and NY that upheld the petitioner's claim. (HHS)

Medicare Fraud Convictions: Jack and Margie Mills, the owner/operators of First American Home Health Services were sentenced last week on Medicare fraud convictions. First American operates several home health agencies in Florida and other states. Mr. Mills was sentenced to 7½ years in prison and fined \$10 million dollars. Mrs. Mills was sentenced to 30 months. HCFA is in consultation with the Office of General Counsel regarding whether pending applications to become Medicare providers should be denied because principals of the prospective provider were convicted of fraud. (HHS)

Long Term Care Enforcement: FL has a rating system for long term care providers that increases reimbursement for facilities rated as "superior." With the July 1 implementation of a new enforcement system, which changes the definition of several long term care survey terms, the number of facilities with a "superior" rating decreased significantly with a resulting decrease in Medicaid reimbursement. Facilities are very unhappy with this result. (HHS)

Mental Retardation/Developmental Disability Service: In June, the State passed legislation making significant changes to the health care delivery system serving individuals with mental retardation and other developmental disabilities. Under the legislation, effective July 1, the State will no longer license private Intermediate Care Facilities for the Mentally Retarded (ICFs/MR). Thus, these facilities will be unable to obtain certification to participate in the Medicaid program, and concerns exist about ICFs/MR patients' choice of services. (HHS)

ITC Decision Against Florida Tomato & Bell Pepper Producers: On July 2, efforts by Florida tomato and bell pepper producers to seek relief from Mexican imports were dealt a serious blow when the International Trade Commission determined (4-1) that imports from Mexico were not a "substantial cause of serious injury" to the domestic tomato industry, thus ending the industry's petition for relief in the 201 investigation. Ambassador Barshefsky and Secretary Kantor issued a joint statement expressing serious concerns about the ITC decision. In their statement, they expressed continued support for Senator Graham's legislation to strengthen safeguard protections to support the FL industry. (USDA)

Agriculture and the Everglades: USDA has come under scrutiny in the Everglades as drainage waters from agricultural operations are a major concern. The Everglades Agricultural Area (EAA) consists of about 700,000 acres, much of which is in sugarcane, vegetable, and sod production. The EAA supports about 15,600 jobs principally in agricultural production, but also in sugarcane milling and wholesale, retail, and service trades. The Federal Agricultural Improvement Reform Act of 1996 provides the DOI with \$200 million, and a possible additional \$100 million, to be spent on Everglades restoration by December 31, 1999. A federal task force, with USDA participation, has begun to prioritize how to spend the \$200 million, most likely for purchasing land. This issue has had wide media coverage. (USDA)

Food Stamp Concerns: At 13.59 percent, FL's FY94 food stamp error rate remains well above the national average and the state faces a sanction of more than \$13.7 million. (USDA)

Escambia Treating Company Superfund Site: Escambia Treating Company is an abandoned wood preserving facility in Pensacola which began its activities in 1942 and continued for 40 years. Soil contaminants on site include dioxin, benzopyrene, arsenic and lead. Community residents and environmental justice advocates have called for the relocation of 360 households in the area, due to increased cancer and illness rates. EPA has proposed relocating 66 households and is doing further site evaluation to determine whether

the remaining households should be relocated. This issue has received significant media and public attention. (EPA)

Peak Oil Superfund Site: This Superfund site in Tampa is a former waste oil recycling facility with 2,700 potentially responsible parties (PRPs) -- companies potentially responsible for the pollution. This is a controversial site, in part because many of the PRPs are small service stations that sent oil to the site to be recycled. Approximately 350 PRPs accepted a 1994 settlement, giving EPA \$5.3 million towards clean-up costs. A second round of settlement offers was issued to approximately 600 PRPs in May. Major parties at the site will begin cleanup this fall. Congressmen Gibbons and Canady are upset with the liability scheme in the Superfund Law and its effects on the small businesses in their districts, and have heard complaints from a number of small business PRPs at this site. (EPA)

Cuban American Flotilla: The Cuban American flotilla commemorating the sinking of the Cuban tug Trece De Marzo remains scheduled for July 13. Mr. Ramon Saul Sanchez appears to be the central organizing figure and there is concern about his desire to create a provocative situation with the Cuban border authorities. Mr. Sanchez has stated that Eight Cuban American Pilots Association (CAPA) aircraft will participate in the July 13 event. The NSC is directing policy actions, and the USCG is expected to be the primary operating agency on the scene. (DOT)

Indian Gaming: On May 9, the Senate Indian Affairs Committee held a hearing on the consequences of the Supreme Court decision in Seminole Tribe of Florida v. Florida. The Court ruled that Congress lacks the power to authorize suits by Indian tribes against states in federal court when the tribe alleges that a state is not bargaining in good faith. The ruling has the potential for scuttling the dispute resolution mechanism that is an important tool for enabling tribes and states to negotiate the terms under which casino Indian gaming will be conducted on Indian lands. The key issue facing the Department is whether the Secretary has the authority to set procedures authorizing Indian gaming when a state refuses to negotiate in good faith and enter into a compact. In response to the ruling, DOI issued an advance notice of proposed rulemaking calling for comments from all interested parties on the appropriate response to the ruling. (DOI)

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Crime and Law Enforcement Report

Tampa, FL

For Internal Use Only

Relevant Crime Rates:

	<u>1994</u>	<u>1995</u>	<u>Percent Change</u>
Murder -	62	47	- 20%
Total Crime-	51,510	41,086	-20%

*Source: UCR preliminary report

COPS:

- * Overall, Florida has been awarded \$127.8 million in COPS funding to hire 2209 police officers.
- * The city of Tampa been awarded \$9.65 million in COPS funding to hire or redeploy 132 officers.
- * As part of the COPS program, the Tampa police received \$185,000 to develop their domestic violence response training program.

Curfews:

A new curfew ordinance was passed by the Tampa City Council on June 27. It applies to persons under the age of 17 and takes effect after 11:00 PM on weekdays and 12:00 AM on the weekend. The ordinance is not yet enforced. A curfew ordinance was first enacted in 1994, but the curfew was repeatedly challenged in court and never seriously enforced.

Police Chief:

Tampa Police Chief Bennie R. Holder was appointed in 1993. He has served in the Tampa police department for over 20 years.

Boot Camps/Drug Courts:

- * Hillsborough County operates one boot camp. There is also a boot camp in Manatee County (to the immediate south) to which Tampa sends some of its inmates.
- * There are currently no drug courts in Tampa, though the issue is under consideration.

Safe & Drug Free Schools Program:

The state of Florida will receive approximately \$18.4 million in FY96 for the Safe & Drug Free Schools Program. Roughly 40 million students benefit from this program in 97% of America's school districts.

Violence Against Women Act:

In FY95 under the S.T.O.P (Services *Training *Officers * Prosecutors) Violence Against Women Act, the state of Florida received \$426,346, as did every other state and territory. This represents the first step in helping restructure the criminal justice system's response to crime of violence against women. In FY96, Florida will receive \$5.4 million in VAWA grants. The goal is to award the funds during August.

Victims of Crime Act:

In FY96, the Justice Department will return \$10.9 million to Florida for crime victim programs. These funds represent a percentage of criminal fines paid in Federal cases brought in the state Florida.

Other Issues:

Auto Theft -- Using a state grant, the Tampa Police Department has targeted juvenile auto theft. This program reduced auto thefts from 11,000+ in 1994 to 5,868 in 1996. The program works by coordinating with the prosecutor's office to target repeat juvenile offenders and increase their penalties. Not only have auto theft rates been reduced, but juvenile crime rates have fallen in all areas (murders by over 20%).

Federal Grants -- Tampa received over \$1.4 million in the last two years for the Weed and Seed Program.

Crime and Law Enforcement Report
Orlando, FL
For Internal Use Only

Relevant Crime Rates: City of Orlando

	<u>1994</u>	<u>1995</u>	<u>Percent Change</u>
Murder -	17	19	+12%
Rape-	144	142	- 1%
Robbery-	1,095	1,048	- 1%
Total Crime-	21,836	20,732	- 5%

*Source: UCR preliminary report

COPS:

- * Overall, Florida has been awarded \$127.8 million in COPS funding to hire or redeploy 2209 police officers.
- * The city of Orlando has been awarded \$3 million in COPS funding to hire or redeploy 41 officers.

Curfews:

- * The city of Orlando has had a Youth Protection Ordinance (curfew) in effect since June 1994.
- * The curfew applies only to the downtown entertainment district of Orlando (a 12 block area).
- * Juveniles are initially given a non-criminal trespass warning, failure to leave the restricted area then results in arrest.

Police Chief:

- * Chief Bill Kennedy was appointed in October, 1995. He is a 24 year veteran of the Orlando PD.

Boot Camps:

- * A boot camp in the Orlando area is scheduled to open in January/ February of 1997.
- * The camp will hold male juveniles 14-18 years old who have committed a felony offense.
- * The 90-200 inmates expected each year in this facility must stay a minimum of 120 days.

Safe & Drug Free Schools Program:

- * The state of Florida will receive approximately \$18.4 million in FY96 for the Safe & Drug Free Schools Program.
- * Roughly 40 million students benefit from this program in 97% of America's school districts.

Violence Against Women Act:

- * In FY95 under the S.T.O.P (Services *Training *Officers * Prosecutors) Violence Against Women Act, the state of Florida received \$426,346, as did every other state and territory. This represents the first step in helping restructure the criminal justice system's response to crime of violence against women.
- * In FY96, Florida will receive \$5.4 million in VAWA grants.

Victims of Crime Act:

- * In FY96, the Justice Department will return \$10.9 million to Florida for crime victim programs. These

THE BACKGROUND ON FLORIDA TOMATOES
WILL BE FORWARDED



EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON ENVIRONMENTAL QUALITY
WASHINGTON, D.C. 20503

July 9, 1996

MEMORANDUM FOR THE PRESIDENT

From: Katie McGinty 
Subject: Environmental issues in Florida

BEACH RESTORATION

For many years the Army Corps of Engineers has funded projects to repair beach erosion, typically by dredging sand from offshore and using it to build up beaches. These projects can be very expensive and ongoing, since they are fighting the natural erosion process. The Corps' current position is that, given Congressional budget cuts and the need to prioritize existing funds, it will honor all existing commitments (including those that involve ongoing periodic replenishment of beaches) but will not typically consider new projects. The Corps notes that new projects to create or enhance recreational or tourist destinations should not be a high federal priority, since the economic benefits of such areas to the state and local economy typically justify funding such work with state and local funds. However, the Corps takes no position on the propriety of beach restoration generally, and emphasizes that each state has the authority to maintain its shoreline as it sees fit.

This is an emotional issue in coastal states including North Carolina and Florida. Both Democrat and Republican officials, including Gov. Chiles of Florida, insist that the federal funding of new projects must continue. They argue that federal funding is justified to enhance economic growth through tourism, as well as to protect inland areas from more costly storm damage. Senators Mack and Bradley have introduced legislation directing Corps policy in the area, and other pending legislation earmarks funds for particular restoration projects.

While supporting current Corps policy, you should emphasize that this policy encompasses a willingness and desire to work with state and local officials, and to continue substantial federal expenditures for this purpose. In FY 1997 the Corps expects to obligate \$83 million for shoreline projects, the largest annual expenditure to date. In addition, there is flexibility in the current policy. Each new proposal will be considered on its merits, and limited exceptions can be made to allow new projects to protect permanent existing residential, commercial or industrial areas. We would expect to work closely with state and local officials to determine these needs, and meetings with OMB and state officials on these issues already have taken place and will continue as necessary. **Do not commit yourself to any specific project or to changing Corps policy. But, leave room for that possibility.** (I am concerned that this may blow up in key states.)

PEAK OIL SUPERFUND SITE, TAMPA

This Superfund site is among the most notorious because of the large number of small waste contributors who were brought into litigation about the site. The site is a former waste oil facility, where many gas stations and other contributors of small amounts of used oil were sued or threatened with suits by private parties. Your Superfund proposals, in both this Congress and the last, would have taken nearly all of these small waste contributors out of the Superfund liability net entirely. Bob Dole stopped your bill in the 103d Congress and the Republican caucus has been unable to produce a bill at all.

EVERGLADES

Your 1997 budget contains a call for \$235 million for the Everglades, including \$100 million for land acquisition, plus a measure to require the sugar industry to pay their fair share. Congress appropriated \$200 million in the farm bill with support from you, the delegation, Newt Gingrich and Bob Dole. However, some Republicans in Congress would play a shell game with that money by counting the \$200 million from the Farm Bill against your budget request and regular program funding.

OZONE LEVELS IN TAMPA

Recently, air quality -- specifically ground-level ozone and smog -- has been something of an issue in the Tampa-St. Petersburg area media. Ozone levels violated clean air health standards once in 1995 and once this year, and there have been other days with relatively bad air quality. If an area violates the standard three times in one year, it is considered "out of attainment" and subject to special clean air requirements. However, you should know that Tampa is one of several areas around the country that have *cleaner* air than when you took office. EPA designated it an "attainment" area meeting air safety standards in January 1996.

METHYL BROMIDE

We have been accused by environmentalists of planning to delay the move to phase out the pesticide methyl bromide in order to stop ozone depletion. You have been accused by agriculture interests of phasing it out before other countries and putting American farmers at a competitive disadvantage. The issue is most salient in Florida and California.

In fact, we have not planned to delay the phaseout past the 2001 deadline under the Clean Air Act. However, we did convince developing countries to freeze their use of the chemical and convince developed-world countries to phase out their production -- although on a slightly slower schedule than the U.S. We have every reason to believe that good substitutes will be available by 2001, as they were for other chemicals that have been phased out. If that is not the case, we have testified that we could support legislation to extend the phaseout of methyl bromide uses for which there are not acceptable substitutes.

OFFSHORE OIL DRILLING IN FLORIDA

Gov. Chiles, most of the delegation and the people of Florida support your position of opposing new oil and gas drilling off environmentally-sensitive coastlines. You should know, however, that not all Florida coastline is considered environmentally-sensitive and that the Administration does support leasing in the Eastern Gulf of Mexico, for example.

SEA LIONS AT SEA WORLD, ORLANDO

The sea lions from Washington arrived in Orlando in late May and were ushered into the park's two acre pool over the weekend.