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FEBRUARY 1998

Divider Title: _____

THE TRIP
of
THE PRESIDENT
to
LOS ALAMOS NATIONAL LABORATORY
and
ALBUQUERQUE, NEW MEXICO

February 3, 1998

Staff Copy

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SCHEDULE OF THE PRESIDENT

FOR

'98 FEB 2 PM9:3'

TUESDAY, FEBRUARY 3, 1998

FINAL SCHEDULE

SCHEDULING DIRECTOR:

STEPHANIE STREETT

HOME: 202-332-5651

OFFICE: 202-456-2823

EVENT COORDINATOR:

LAURA GRAHAM

HOME: 703-212-7642

OFFICE: 202-456-2349

WHCA PAGER: 4809

PRESS DESK:

ANNE EDWARDS

HOME: 301-565-3101

OFFICE: 202-456-2921

WHCA PAGER: 4208

ADVANCE:

(Albuquerque)

MORT ENGELBERG

STAFF OFFICE: 42-220

CELL PHONE: 202-757-9486

WHCA PAGER: 5101

ADVANCE:

(Los Alamos)

SAM MYERS

STAFF OFFICE: 45-220

CELL PHONE: 202-395-1609

WHCA PAGER 5244

WEATHER:

WASHINGTON, D.C.

Mostly cloudy with light rain in the late evening. Wind southeast to northeast at 5 to 10 knots.

Low: 35 to 40. High: 44 to 49.

ALBUQUERQUE

Mostly sunny. Wind west at 8 to 12 knots.

Low 23 to 28. High 53 to 58.

LOS ALAMOS

Variably cloudy, becoming partly cloudy in the afternoon. Wind west at 8 to 12 knots.

Low 17 to 22. High 43 to 48.

**SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, FEBRUARY 3, 1998
FINAL SCHEDULE**

7:05 am **THE PRESIDENT** departs The White House via Marine One en route Andrews Air Force Base
[flight time: 10 minutes]

Note: This departure is closed to staff and guests.

7:15 am **THE PRESIDENT** arrives Andrews Air Force Base

7:30 am EST **THE PRESIDENT** departs Andrews Air Force Base via Air Force One en route Kirtland Air Force Base, Albuquerque, New Mexico
[flight time: 3 hours, 55 minutes]
[time change: -2 hours]

9:25 am MST **THE PRESIDENT** arrives Kirtland Air Force Base, Albuquerque, New Mexico

Greeters: Colonel Dills, Base Commander
General Cliver, Base Commander
General Gideon, Base Commander
Colonel Folkert, Base Commander

9:40 am **THE PRESIDENT** departs Kirtland Air Force Base via Marine One en route Los Alamos Airport
[flight time: 35 minutes]

10:15 am

THE PRESIDENT arrives Los Alamos Airport
OPEN PRESS

Greeters: Attorney General Tom Udall
Jerome P. Block, Chairman, Corporation Commissioners
Eric P. Serna, Corporation Commissioner
Roger Bagley, Acting County Administrator
Lawry Mann, Chair, County Council
Denise Smith, Chair, County Council
Christine Chandler, Vice Chair, County Council
Lewis Muir, County Councilor
Morris Pongratz, County Councilor
James Rickman, County Councilor
Robert Gibson, County Councilor
David Perez, Governor of Nambe
Harvey A. Martinez, Governor of San Ildefonso
Jacob Viarreal, Governor of Pojoaque
Earl Salazar, Governor of San Juan
Walter Dashend, Governor of Santa Clara
Senator Leonard Tsosie, State of New Mexico
Senator Arthur Rodarte, State of New Mexico

10:25 am **THE PRESIDENT** departs Los Alamos Airport via motorcade en route Los Alamos National Laboratory
[drive time: 10 minutes]

10:35 am **THE PRESIDENT** arrives Los Alamos National Laboratory

Greeters: Dr. John Browne, Director, Los Alamos National Laboratory
 Dr. Bruce Tarter, Director, Lawrence Livermore Laboratory

10:40 am- **HOLD**
10:45 am

NOTE: At this time, The President will put on a lavalier.

10:50 am- **VIEW SUPERCOMPUTER DISPLAYS**
11:15 am SUPERCOMPUTER CENTER - 3RD FLOOR
 Los Alamos National Laboratory
 Staff Contact: Thurgood Marshall, Jr., Jack Gibbons
 Event Coordinator: Laura Graham
 POOL PRESS

Note: Senator Jeff Bingaman, Representative Bill Redmond, Eric Serna, Jerome Black, and Attorney General Tom Udall will view the displays on separate monitors in the room.

-- **The President**, accompanied by Secretary Federico Peña and Dr. John Browne, Director, Los Alamos National Laboratory, views two supercomputer displays (Environmental and Transportation).

-- **The President**, Secretary Federico Peña, and Dr. John Browne, are joined by Dr. Paul Robinson and Dr. Bruce Tarter for the final demonstration (Nuclear).

11:20 am **THE PRESIDENT** proceeds to the Administration Building via motorcade
[drive/walk time: 5 minutes]

11:25 am **THE PRESIDENT** arrives Administration Building

THE PRESIDENT proceeds to the Auditorium

11:30 am-
12:20 pm

REMARKS TO WORKERS

AUDITORIUM

Los Alamos National Laboratory

Remarks: Jordan Tamagni

Staff Contact: Thurgood Marshall, Jr., Jack Gibbons

Event Coordinator: Laura Graham

OPEN PRESS

Note: 400 guests in attendance.

- Off-stage announcement of Representative Bill Redmond and Senator Jeff Bingaman.
- Off-stage announcement of **the President** accompanied by Secretary Federico Peña, and Dr. John Browne, Director, Los Alamos National Laboratory.
- Dr. John Browne gives welcoming remarks and introduces Representative Bill Redmond.
- Representative Bill Redmond gives brief remarks and introduces Secretary Federico Peña.
- Secretary Federico Peña gives brief remarks and introduces Senator Jeff Bingaman.
- Senator Jeff Bingaman gives brief remarks and introduces **The President**.
- **The President** gives remarks, works a ropeline, and departs.

12:25 pm-
12:30 pm

DRIVER/VOLUNTEER/POLICE PHOTOGRAPHS

EN ROUTE MOTORCADE

12:35 pm **THE PRESIDENT** departs Los Alamos National Laboratory via
motorcade en route Los Alamos Landing Zone
[drive time: 10 minutes]

12:45 pm **THE PRESIDENT** arrives Los Alamos Landing Zone

12:55 pm **THE PRESIDENT** departs Los Alamos Landing Zone via Marine One
en route Kirtland Air Force Base
[flight time: 35 minutes]

1:30 pm **THE PRESIDENT** arrives Kirtland Air Force Base
OPEN PRESS
OPEN TO BASE PERSONNEL

Greeters: Colonel Dills Base Commander
Michael Montoya, State Treasurer
Robert Vigil, State Auditor
Many Aragon, Senate President Pro Tempore
Eric Serna, Corporation Commissioner
Fred Lujan, Governor of Isleta
Ronald Montoya, Governor of Santa Ana
Mayor Jim Baca
Alan B. Armijo, Council Member
Vincent Griego, Council Member
Adele Hundley, Council Member
Sam Bregman, Council Member
Ruth M. Adams, Council Member
Mike McEntee, Council Member
Michael Brasher, Council Member
Steve Gallegos, Chair, Bernalillo County Commission
Tom Rutherford, County Commissioner
Les Houston, County Commissioner
Ken Sanchez, County Commissioner
Former Governor Bruce King
Mrs. Bruce King
John Kelly, U.S. Attorney

1:55 pm **THE PRESIDENT** departs Kirtland Air Force Base via motorcade en route Hilton Hotel/OTR
[drive time: 15 minutes]

2:10 pm **THE PRESIDENT** arrives Hilton Hotel/LOCATION TBD

2:10 pm-
4:30 pm **DOWN TIME/OTR**
PRESIDENTIAL SUITE/LOCATION TBD
Hilton Hotel

TBD **DRIVER/VOLUNTEER/POLICE PHOTOGRAPHS**
SITE TBD

4:35 pm **THE PRESIDENT** departs Hilton Hotel via motorcade en route Civic Plaza
[drive time: 10 minutes]

4:45 pm **THE PRESIDENT** arrives Civic Plaza

Greeters: Secretary Federico Peña
 Senator Jeff Bingamin
 Mayor Jim Baca
 Evangeline Sandoval Trujillo

4:50 pm-
5:50 pm

REMARKS TO THE PEOPLE OF ALBUQUERQUE
CIVIC PLAZA

Remarks: Jordan Tamagni

Staff Contact: Thurgood Marshall, Jr., Jack Gibbons

Event Coordinator: Laura Graham

OPEN PRESS

Note: There is a musical pre-program.

- Off-stage announcement of **The President** accompanied by Secretary Federico Peña, Senator Jeff Bingaman, Mayor Jim Baca, and Evangeline Sandoval Trujillo, Director (former teacher), MESA (Mathematics, Engineering, Science Association) to "Ruffles and Flourishes" and "Hail to the Chief."
- Presentation of the Colors and the performance of *The National Anthem*.
- Mayor Jim Baca gives brief remarks and introduces Secretary Federico Peña.
- Secretary Federico Peña gives brief remarks and introduces Senator Jeff Bingaman.
- Senator Jeff Bingaman gives brief remarks and introduces Evangeline Sandoval Trujillo.
- Evangeline Sandoval Trujillo gives brief remarks and introduces **The President**.
- **The President** gives remarks, works a ropeline and departs.

5:55 pm **THE PRESIDENT** departs Civic Plaza via motorcade en route
Kirtland Air Force Base
[drive time: 15 minutes]

6:10 pm **THE PRESIDENT** arrives Kirtland Air Force Base

6:25 pm MST **THE PRESIDENT** departs Kirtland Air Force Base via Air Force
One en route Andrews Air Force Base
[flight time: 3 hours, 15 minutes]
[time change: + 2 hours]

11:40 pm EST **THE PRESIDENT** arrives Andrews Air Force Base

11:50 pm **THE PRESIDENT** departs Andrews Air Force Base via Marine One
en route The Reflecting Pool
[flight time: 10 minutes]

12:00 am **THE PRESIDENT** arrives The Reflecting Pool

12:10 am **THE PRESIDENT** departs The Reflecting Pool via motorcade en
route The White House
[drive time: 5 minutes]

12:15 am **THE PRESIDENT** arrives The White House

BC/HRC RON **THE WHITE HOUSE**
WASHINGTON, D.C.

THE WHITE HOUSE

WASHINGTON

February 2, 1998

'98 FEB 2 PM9:31

BRIEFING ON SUPERCOMPUTERS AND CTB AT
LOS ALAMOS NATIONAL LABORATORY (LANL)

DATE: February 3, 1998

LOCATION: Los Alamos National Laboratory

TIME: 10:40 a.m. - 11:10 p.m.

FROM: SAMUEL BERGER 
THURGOOD MARSHALL, JR.I. PURPOSE

To tour the Los Alamos Supercomputer Center and receive a short briefing on the Stockpile Stewardship program at the three nuclear labs that underpins the Comprehensive Test Ban (CTB) treaty.

II. BACKGROUND

The supercomputer now being installed at Los Alamos as part of your Stockpile Stewardship Program's Accelerated Strategic Computing Initiative (ASCI) is at the core of our effort to maintain the safety, reliability and performance of our nuclear weapons without nuclear testing. More broadly, the Stockpile Stewardship program being implemented at LANL, Lawrence Livermore Nuclear Laboratory (LLNL) and Sandia National Laboratory (SNL) is the critical foundation upon which you have built support for the CTB, which you have asked the Senate to approve this year.

Your visit to Los Alamos starts with a tour of the Los Alamos Supercomputer Center (10:40-11:10 a.m.). The tour will begin with a brief (5-minute) overview of the ASCI/Stockpile Stewardship program by the Director of Los Alamos, John Brown. He will be joined by the heads of our other two nuclear laboratories, Paul Robinson (SNL) and Bruce Tarter (LLNL). Their testimony before the Senate in support of stockpile stewardship will be crucial in securing Senate advice and consent to the CTB. Following the overview, you will be shown three computer models (transportation, environment and nuclear test simulation). Following the nuclear test simulation, Director Brown will

present a brief summary of the Stockpile Stewardship facilities and activities at the three labs, and the three lab directors will confirm their confidence that with this program the United States can maintain high confidence in the safety and reliability of its nuclear arsenal absent nuclear testing.

The first demonstration is a three-dimensional simulation of the entire ocean (including most islands and bottom features) to focus on surface temperatures in the Pacific. The ability of scientists to predict a specific El Niño event will increase dramatically as better climate models are developed. Perhaps more importantly, understanding of the regional and local effects of El Niño will increase significantly. The goal is the coupling of global climate prediction to subcontinental and regional effects. This computer program was developed at Los Alamos as part of the Department of Energy's climate prediction and high performance computing programs. For the ocean modeling alone, computers roughly 400 times as powerful as today's will be needed. When combined with representations of the atmosphere, global climate prediction models will require computers of the same size as those required for stockpile stewardship.

Transportation Modeling: TRANSIMS shows cars interacting on a second-by-second basis in the Dallas-Ft. Worth area. Shown is how a recently proposed infrastructure change in the vicinity of two major malls (the Galleria and Valley View) would help to alleviate traffic congestion in the surrounding area. Development of TRANSIMS was begun at the U.S. Department of Transportation in 1994 under Secretary Federico Peña, with sponsorship from Transportation, the Environmental Protection Agency and the Department of Energy. The goal is to provide state and metropolitan transportation planners with advanced simulation-based decision support systems to better evaluate how best to spend infrastructure dollars to reduce pollution and congestion. TRANSIMS will allow for a greater degree of accuracy in planning through use of census and survey data to build very realistic virtual populations down to a high level of detail.

The third demonstration will graphically present on a video screen the computer's simulation of a nuclear test explosion.

III. PARTICIPANTS

The President
Federico Pena, Secretary of Energy
John Brown, Director, LANL
Paul Robinson, Director, SNL
Bruce Tarter, Director, LLNL
Senator Bingaman
Congressman Redmond
Robert Bell (NSC)

IV. PRESS PLAN

Open Press

V. SEQUENCE

- Upon arrival by motorcade at the LANL Supercomputer Facility, Director Brown will present a brief overview of the ASCI Stewardship program.
- You will then view three computer simulations (transportation, environment and nuclear testing).
- Director Brown, joined by Tarter and Robinson, will brief you on the broader CTB Stockpile Stewardship program at the three nuclear labs.
- You will then proceed to the Los Alamos auditorium for remarks to workers.

THE WHITE HOUSE

WASHINGTON

February 2, 1998

REMARKS TO WORKERS AT LOS ALAMOS

DATE:	Tuesday, Feb. 3, 1998
LOCATION:	Los Alamos National Laboratory Auditorium Los Alamos, New Mexico
TIME:	11:15 a.m. - 12:05 p.m.
FROM:	Thurgood Marshall, Jr. <i>TM</i> Kris Balderston

I. PURPOSE

To speak to the employees of the Los Alamos National Laboratory (LANL) and their families about the Administration's commitment to increase science and technology funding.

II. BACKGROUND

This is an opportunity for you to amplify the proposals in your State of the Union and budget submission to 250 laboratory workers and their families. After the tour of the Los Alamos Supercomputer Center, you will discuss the Administration's support for the civilian research budget and the Stockpile Stewardship Program's Accelerated Strategic Computing Initiative. You visited the Los Alamos National Laboratory in 1993.

III. PARTICIPANTS

You
Secretary Federico Peña
U.S. Senator Jeff Bingaman
Dr. John Brown, Director, LANL
U.S. Representative Bill Redmond

IV. PRESS PLAN

Open press

V. SEQUENCE OF EVENTS

- You are announced off-stage, accompanied by Secretary Federico Peña, Dr. John Browne, Director, Los Alamos National Laboratory, Representative Bill Redmond, and Senator Jeff Bingaman.
- Dr. John Browne gives welcoming remarks and introduces Representative Bill Redman.
- Representative Bill Redmond gives brief remarks and introduces Secretary Federico Peña.
- Secretary Federico Peña gives brief remarks and introduces Senator Jeff Bingaman.
- Senator Jeff Bingaman gives brief remarks and introduces you.
- You give remarks, work a ropeline, and depart.

VI. REMARKS

To be provided by speech writing.

**THE REMARKS
FOR THE LOS ALAMOS EVENT
WILL BE FORWARDED**

THE WHITE HOUSE

WASHINGTON

February 2, 1998

REMARKS TO THE PEOPLE OF ALBUQUERQUE

DATE: Tuesday, Feb. 3, 1998
LOCATION: Civic Plaza
Albuquerque, New Mexico
TIME: 4:50 p.m. - 5:50 p.m.
FROM: Thurgood Marshall, Jr. 
Kris Balderston

I. PURPOSE

To highlight the FY99 balanced budget and highlight the Administration's budget priorities.

II. BACKGROUND

Like the events last week in Illinois and Wisconsin, the Albuquerque speech provides you with an opportunity for you to highlight your FY99 balanced budget and talk directly to Americans about your ideas for leading this country into the next century. The audience will consist of approximately 7,000 people. You will build upon the themes you highlighted in Los Alamos -- balancing the budget, increasing the nation's science and technology budget, and expanding our investments in education.

III. PARTICIPANTS

You
Secretary Federico Peña
Senator Jeff Bingaman
Mayor Jim Baca
Attorney General Tom Udall
Secretary of State Stephanie Gonzalez
Evangeline Sandoval-Trujillo, Director, University of New Mexico's Mentoring Engineering
Science Achievement (MESA) Program

IV. PRESS PLAN

Open press

V. SEQUENCE OF EVENTS

- You are announced off-stage, accompanied by Secretary Federico Peña, Senator Jeff Bingaman, Mayor Jim Baca, and Evangeline Sandoval-Trujillo to “Ruffles and Flourishes” and “Hail to the Chief.”
- Mayor Jim Baca gives brief remarks and introduces Secretary Federico Peña.
- Secretary Federico Peña gives brief remarks and introduces Senator Jeff Bingaman.
- Senator Jeff Bingaman gives brief remarks and introduces Evangeline Sandoval-Trujillo.
- Evangeline Sandoval-Trujillo gives brief remarks and introduces you.
- You give remarks, work a ropeline and depart.

VI. REMARKS

To be provided by speech writing.

**THE REMARKS
FOR THE ALBUQUERQUE EVENT
WILL BE FORWARDED**

February 2, 1998

MEMORANDUM FOR THE PRESIDENT**FROM:** Craig T. Smith and Mona Pasquil**RE:** New Mexico Political Briefing**PRESIDENTIAL ELECTION RESULTS****1992**

Clinton/Gore	261,617	46%
Bush/Quayle	212,824	37%
Perot/Stockdale	91,895	16%

1996

Clinton/Gore	273,495	49%
Dole/Kemp	232,751	42%
Perot/Choate	32,271	6%

MOST RECENT PRINCIPAL TRAVEL

YOU were in Las Cruces, New Mexico, on November 1, 1996, for a rally at New Mexico State University.

The Vice President was in Albuquerque, New Mexico, on October 29, 1996, for a rally at the University of New Mexico.

POLITICAL CLIMATE

The most apparent thing about the political climate in New Mexico is the contentious atmosphere that exists between conservative Governor Gary Johnson (R) and the entrenched, Democratic-controlled legislature, led by Senate President Pro Tem Manny Aragon (D) and House Speaker Raymond Sanchez (D).

Rep. Bill Redmond's (R-03) defeat of state Corporation Commissioner Eric Serna (D) last year for the seat vacated by Bill Richardson (D), in the solidly Democratic district, was a "wake-up" call for Democrats. Unfortunately, what they awoke to strikes some as a bad dream: a party rife with factional strife and one that has seen whole blocs of traditional voters drift to the Green Party (whose candidate received 17% of the vote and handed Redmond his victory). It is also a party outmaneuvered in what some leaders call the "public relations battle" by an energized and well-financed Republican Party on one side, and a party burdened by what has come to be known as the "damaged goods" problem, on the other side. Some feel that the public's fairly favorable opinion of the governor stems from their dislike and distrust of the legislature.

Circumstances are so bad that Democratic activist John Pound took the lead in declaring publicly, what many have grouched about privately, that Manny Aragon (D) should step down as Senate President Pro Tem. Pound claims that "there is so much smoke around Manny that I think it would be service to the party if he were to relinquish his post." Many have labeled Aragon as a "tyrant" and a classic tax-and-spend liberal who can't say no to any government program. Not surprisingly, this has caused a serious rift among party leaders. But nearly all

Democrats agree that Aragon's style has created a backlash among the voters who view the legislature with grave distrust. As a result, Governor Johnson is able to continue to define himself by who he is not and his campaign slogan is essentially, "Vote for me! I'm all that stands between you and them." Johnson had never held elected office prior to his run for governor in 1994.

1998 OPEN CONGRESSIONAL RACE

First Congressional District

Rep. Steve Schiff (R-01) announced last week that, due to his recurring battle with skin cancer, he will not seek a sixth term. His announcement has thrown the race wide-open. Both parties expect the field of candidates to grow significantly in the coming weeks. So far, first-term state Senator Phil Maloof (D) is the front-runner. Maloof comes from a wealthy Albuquerque family who has businesses in banking, Nevada and Colorado casinos, professional sports teams and a beer distributorship. Party insiders like his chances, citing the resources available to him to mount an aggressive campaign. There is speculation that House Speaker Ray Sanchez (D) might leave his coveted position and run for the seat.

Several names have been mentioned as possible Republican candidates, including state Senator Ramsay Gorham (R), a popular state senator whose husband, Frank, is the chair of the Bernalillo County (Albuquerque) Republican Party; Robin Dozier Otten (R), the superintendent of the state Regulation and Licensing Department, who unsuccessfully ran for the Republican nomination for U.S. Senate in 1994; Darren White (R), state Public Safety Director who runs the State Police and is viewed as a law and order type who has done a commendable job according to Democratic insiders; and ultra-conservative state Sen. William Davis (R), who unsuccessfully ran for state Supreme Court several years ago.

Regardless of the candidates, this race will prove to be very tightly contested. The filing deadline for prospective candidates is February 10. The primary will be held on June 2.

The First Congressional District encompasses the City of Albuquerque and its suburbs, and is 38% Hispanic. Schiff, who was first elected in 1988, was very popular with the voters (75% favorable rating), despite the fact that Democratic voters make up 49% of the district while Republicans make up 37%. Nevertheless, the district has been represented by Republicans since it was created in time for the 1968 election.

Schiff has gone through two surgeries and three dozen radiation treatments to cure his skin cancer, but this has not stopped his cancer from spreading. He has been working out of his Albuquerque office for the past 10 months and will continue to do so until his successor is sworn in on January 3, 1999.

THIRD CONGRESSIONAL DISTRICT

No race in the state will attract as much attention as the race in the 3rd congressional district. Rep. Bill Redmond's (R-03) shocking defeat of state Corporation Commissioner Eric Serna (D) in this strongly Democratic district, has led to nine Democratic candidates announcing their intentions to run.

Unfortunately, Eric Serna (D) was tied to a dying breed of American politics: the old machine politics that hand-picked its candidates and pretty much had its way. While that machine still had some remnants in northern New Mexico, it did play not well throughout the rest of the state. During the campaign, allegations of cronyism, shady deals, operating in the margins of law and a perceived arrogance on the part of Serna significantly contributed to the party's liberal wing defecting to the Green Party. As a result, the Green Party candidate, Carol Miller, received more than 17,000 votes (17%), though actual Green Party registration was only 3,000.

Compounding these problems were a terribly run campaign by the Serna team, and some last minute attack ads and newspaper articles (which Serna failed to respond to) that focused on allegations of corruption which put the final nail in his coffin. Ultimately, Redmond's 43 percent was enough to carry himself to victory over Serna (40 percent) and Miller (17 percent).

Of the nine Democratic candidates for the seat, the front-runners appear to be state Attorney General Tom Udall (D), and Eric Serna (D), who has decided, once again, to run for the seat. Udall, son of Stewart Udall, President Kennedy's Secretary of the Interior, and nephew of Maurice "Mo" Udall (D), the former congressman from Arizona, has been raising money, opened a Udall-for-Congress office, and has talked to many groups, but has not officially declared himself a candidate. This has caused other candidates, as well as newspapers, to cry foul as Udall continues to appear on public-service announcements as the consumer-concerned public official. Nevertheless, he is all but certain to challenge Redmond.

Serna has the distinct advantage of automatically attracting at least 25% of the vote due to his loyal Hispanic support. Though, others wonder how Serna's loss last year to Redmond will affect his chances. However, what Udall and Serna have in common is their experience in statewide campaigning and that should prove to be quite an advantage.

Also expected to challenge is Carol Cloer (D) from Bloomfield, a former school administrator now in the hay business. Previously, she ran for the Democratic nomination for Lt. governor and finished a strong second. Party leaders believe that she can affect this race due to her ability to raise money, her strong work ethic, and her attractive and articulate demeanor. However, if she affects the race, it is likely to come at the expense of Udall, as they will likely share the Anglo vote.

Others who have announced their candidacies are state Senator Roman Maes (D), former state Supreme Court justice Tony Scarborough (D), Santa Fe lawyer Eric Treisman (D), Patricia Lundstrom (D), director of a multi-county government agency, tax attorney Francesca Lobato

(D) and John Fermin (D), who recently moved from Albuquerque to Santa Fe to live in the 3rd District.

It remains to be seen what role the Green Party will play in this election. Most believe that since Udall is much stronger than Serna on environmental issues, he is more likely to stop the "hemorrhaging" to the Green Party and thus beat Redmond in a general election matchup. Unfortunately, the Greens are emboldened by their recent successes and plan to run another spirited campaign.

1998 GUBERNATORIAL RACE

Governor Gary Johnson (R) will run for reelection and faces no primary opponent. The strongest front-runner on the Democratic side is former Albuquerque Mayor Martin Chavez (D). Chavez is known for elevating Albuquerque's mayorship to prominence with a very active agenda during his three and half years in office. However, Chavez has been embroiled in his own personal scandals and this may prove difficult to overcome during a general election matchup with a popular governor.

Recently throwing his hat into the ring is state Rep. Gary King (D), son of former Gov. Bruce King (D), and the only member of the politically prominent family still holding office. King, a Ph.D. chemist and lawyer, will have a strong fundraising base and name recognition. He is regarded as a respected public figure and his father is still very popular among New Mexicans.

Other announced candidates for the Democratic nomination include former Governor Jerry Apodaca (D), former state court of appeals judge Ben Chavez (D), Auditor Robert Vigil (D) and attorney Reese Fullerton (D). This large number of announced candidates could cause a very divisive primary in which the winner might emerge heavily damaged and low on financial resources.

On the Republican side, the tenure of Gov. Gary Johnson (R) has been a volatile one, and his relationship with the leaders of the legislature could not be worse. Johnson has vetoed more than 200 bills in the past three years and not one has been overridden. An example of this problem is the welfare issue. New Mexico is one of just four states that has not remodeled its welfare laws in response to new federal rules, and is more than a year behind most other states in welfare reform. Welfare experts have noted that New Mexico stands out, in part, "because the level of collaboration between the Legislature and the governor has been the lowest of any state." As a result, the state faces losing federal grant money this year if 30 percent of the state's welfare recipients are not enrolled in some kind of work program by this October. Presently, none exist.

Johnson has been attempting to conduct business without the help of the legislature, and his unilateral edicts have required the courts intervene on several occasions, slapping him with charges of disregarding the constitutional system of the separation of powers and checks and balances. Specifically, Johnson has been reprimanded for entering into Indian gaming deals he had no authority to sign, single-handedly rewriting a budget approved by the legislature, and

unilaterally imposing a revised welfare system without legislative action. The latter resulted in the state Supreme Court sanctioning him for contempt.

Nevertheless, Johnson remains popular in the state and his State of the State was well received. He even extended an olive branch to the hostile Democratic legislature. Fortunately for Johnson, the state expects an additional revenue windfall of about \$130 million, as personal income taxes are expected to grow by nearly 7% and gross receipt tax collections - the state's largest revenue source - is expected to grow by more than 5%. Johnson has proposed several popular initiatives: across-the-board reduction in income tax rates, an increase in spending on public education, and the hiring of more state police.

Where Johnson may prove vulnerable is the slowdown of the New Mexico economy. While income tax revenue has grown, personal income growth has slowed down. Job growth, which had been as high as 5 percent a year for the state and 7 percent for Albuquerque, has dropped to about 2 percent. New Mexico's average annual income in 1996 was \$18,803, more than 23 percent below the national average of \$24,426, and its unemployment rate of 6.4 percent is well above the U.S. rate of 4.9 percent. Also, the state's poverty rate, at 24 percent, is the highest in the nation. At this point, Johnson is the favorite, but if Chavez wins the nomination without an ugly primary fight, this race will be hotly contested and very tight.

Lieutenant Governor

Secretary of State Stephanie Gonzales (D) and Albuquerque businesswoman Diane Denish (D) are organizing their campaigns for Lt. Governor. In New Mexico, the Lt. Governor candidates run in the primary and then become a ticket with the chosen gubernatorial candidate.

STATE LEGISLATURE

Democrats control the state House by a 42-28 margin. They also control the state Senate 25-17. The Speaker of the House is Raymond G. Sanchez (D), the Majority Leader is Michael Olguin (D), and the Minority Leader is Kip Nicely (R). The Senate Pro Tem is Manny M. Aragon (D), the Majority Leader is Timothy Z. Jennings (D), and the Minority Leader is Raymond L. Kysar (R).

HOT ISSUES

WIPP

In an issue likely to be raised with **YOU** by state Corporation Commissioner and congressional candidate, Eric Serna (D), upon your arrival in Los Alamos, is the planned opening of the Waste Isolation Pilot Plant (WIPP) near Carlsbad, New Mexico. The underground dump would permanently store hundreds of thousands of barrels of plutonium-contaminated waste. The U.S. Department of Energy made it clear that it does not believe it needs a permit from the state to open the facility, which is expected in April. However, Secretary Pena will decide whether to open the plant without a state permit this spring when the U.S. Environmental Protection Agency is expected to issue its license.

The issue has angered many environmentalists, since all waste will have to be trucked to the plant on public highways. Though the courts have litigated this issue, some expect a last minute lawsuit to stall the plant's opening. There is also speculation that state Attorney General Tom Udall (D), who is also challenging Rep. Bill Redmond (R-03) for his congressional seat, along with Serna, will side with the environmentalists and file suit.

Attached is the press release issued by Eric Serna this afternoon. Please see the memo from Cabinet Affairs on this subject.

Budget - Opening of Legislative Session

The New Mexico Legislature opened its 30-day session on January 20, with the State of the State speech by Governor Johnson (R). In his address, Johnson submitted his \$3.1 billion budget, promising to cut personal taxes by \$20 million, increase spending for public education by \$80 million, give public employees a 3 percent pay raise, provide funding for new state police and provide pay increases to those already serving, increase spending on child care, proposed funding a new initiative for charter schools, and provide money to the Department of Corrections for a controversial proposal to rent 1,700 inmate beds at private prisons throughout the state.

The budget was fairly well received by Democratic lawmakers, with most expressing the sentiment that although differences exist, it was well designed. For the most part, the differences involved the magnitude of the initiatives, not the initiatives themselves. Surprisingly, the Governor and legislative leaders have already reached tentative consensus on overhauling the welfare system.

The annual legislative session meets in regular sessions for 60 days in odd-numbered years, and for 30 days in even-numbered years, like this one. In the 30 day session, known as "short sessions," the state constitution restricts the agenda primarily to budget matters and measures called for by the governor. About 1,500 bills are expected to be introduced during the session, though only about 10% will actually pass both the House and Senate.

Welfare Reform

The state House and Senate passed bills last week to overhaul the states's welfare system, and the Governor said he supports both bills as they are now drafted. The bills are modeled after the federal welfare requirements, much of it word-for-word. Rapid passage of the bill, and the governor's signature, would end an ugly year of legal and political battling over reform. Governor Johnson (R) vetoed a Democrat-backed bill passed last year, then proceeded with a much stricter reform plan by changing welfare regulations administratively.

On December 10, Governor Johnson and Human Services Secretary Bill Johnson were found in contempt of court by the state Supreme Court for not complying with an earlier court order to stop implementing the administration's program, called PROGRESS, and ordered the administration to return to the state's old AFDC program. The court had ruled in September that Governor Johnson had overstepped his authority in enacting the changes. As a result, as many as

12,000 families lost benefits or were denied benefits under PROGRESS rules. About 17,000 families receive welfare benefits in New Mexico.

Under last week's agreement, the reform bill would provide a 60 month lifetime limit on benefits, welfare recipients will have to work a minimum of 24 hours a week as soon as they are deemed ready to work (though there are some automatic exemptions to this rule) and recipients will receive child-care services. A compromise was also reached last week to provide retroactive benefits to recipients who were denied or lost benefits under the PROGRESS program.

Indian Gaming

For the third straight year, the Associated Press voted tribal gambling as New Mexico's top story in 1997. Last year, the state Legislature legalized Las Vegas-style gambling on tribal lands and legalized off-reservation slot machines at horse racing tracks and fraternal and veterans' clubs. However, recently, both the state Supreme Court and the U.S. 10th Circuit Court of Appeals ruled that the compact entered into between the Governor and tribal leaders to be illegal as the Governor approved the compact without consulting with the legislature.

The agreement required the tribes to give the state 16 percent of everything slot machines take after prizes are paid out. Courts had previously ruled this clause to be illegal, but the 11 tribes continued to operate the casinos while the case was on appeal, though many were refusing to make their regular payments to the state.

Nevertheless, last week the Legislature passed a bill to pay for a five-member Gaming Control Board to regulate casino gaming. The board would appoint a state gaming representative to monitor the 12 casinos operated by the 11 Indian tribes and pueblos. The tribes and pueblos, which already have authority to operate gambling casinos, are otherwise self-regulated. The state expected to receive an estimated \$50 million to \$60 million as its share of revenues under the compact, but the Governor said that there are too many legal questions about the payments to include them in the state budget. Many expect negotiations will take place between the state and the tribal leaders in hopes of reaching compromise on the revenue-sharing issue.

Albuquerque Budget Cuts

Last week, Albuquerque Mayor Jim Baca announced cuts in the city's budget to make up for a \$11 million shortfall in the budget due to a drop in sales tax revenue. Every city department, except the convention center, is expected to experience cuts in funding. Hit especially hard by the cuts is the police department, whose budget is being reduced by \$1.9 million. Among the suggestions for saving money is the postponement of the opening of a new police substation, which has angered residents.

Proposed cuts in other areas include delaying the opening of some community and child care centers, postponing the opening of a new library, cutting back on security at park facilities and killing a plan for additional downtown lighting.

Los Alamos Racial Issues

In December, Los Alamos National Laboratory agreed to pay \$625,000 to about 100 laid-off Hispanic employees, rehire 24 of them, and make a good-faith effort to reinstate more. The U.S. Department of Labor's Office of Federal Contract Compliance Programs decreed last year that the Lab's November 1995 layoff of 250 workers discriminated against Hispanic employees. They were laid off at twice the rate of Anglo workers.

Of continuing concern to the Los Alamos community at this time is the lack of minority representation in upper lab management, which has declined from 9 percent in 1993 to 6 percent in 1995. The local press may ask for reaction to this issue. Presently, the matter is still pending in the courts.

Indian Sovereignty

Navajo Nation President Albert Hale and other Indian officials will meet next month to discuss giving drivers in Arizona and New Mexico a lesson in tribal sovereignty by blocking traffic in and out of the reservation for a day. Hale floated the idea of highway blockades last week at a meeting of the American Congress of American Indians in Washington, D.C.

The Navajo reservation, 25,000 square miles that extend into three states, includes about 20 miles of Interstate 40 in western Arizona. Another six U.S. highways and about a dozen state roads crisscross the reservation. On some routes, travelers would have to detour hundreds of miles to avoid the huge reservation.

Despite its right to regulate its own affairs, New Mexico Public Safety Director Darren White said the Navajo tribe does not retain jurisdiction over traffic flow through the reservation because of easement agreements it has made with federal, state and county officials.

POLITICAL DATA

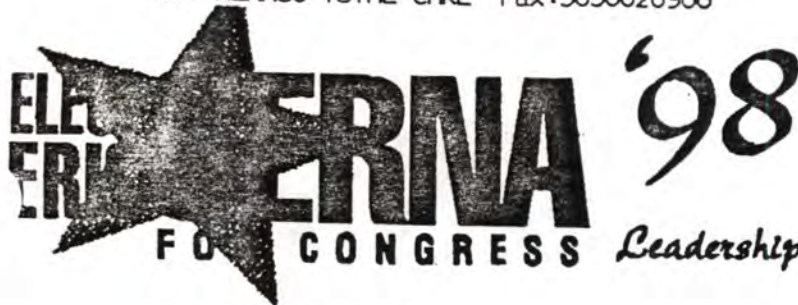
Governor:	Gary E. Johnson (R)	49% in 1994
U.S. Senate:	Pete V. Domenici (R)	64% in 1996
	Jeff Bingaman (D)	54% in 1994
U.S. House:	Steven Schiff (R)	57% in 1996
	Joe Skeen (R)	56% in 1996
	Bill Redmond (R)	43% in 1997
Electoral Votes:	5	

STATEWIDE OFFICERS

Governor:	Gary Johnson (R)
Lt. Governor:	Walter D. Bradley (R)
Secretary of State:	Stephanie Gonzales (D)
Attorney General:	Tom Udall (D)
Treasurer:	Michael A. Montoya (D)
Auditor:	Robert E. Vigil (D)

NEW MEXICO AT A GLANCE

- ▶ The 1996 estimated population was 1,713,000.
- ▶ The population is 50.4% White, 38% Hispanic, 8.5% American Indian, 1.8% Black, and 1% Asian.
- ▶ 11% of New Mexicans are 65 or older.
- ▶ 56% of New Mexico households are married couples, and 29% with children.
- ▶ Median household income is \$24,087.
- ▶ 46% of New Mexicans have a college education.
- ▶ 55% of registered voters in 1996 were Democrats, and 34% were Republicans.

**NEWS RELEASE****SERNA TO ASK PRESIDENT FOR STATE REVIEW BEFORE WIPP OPENS***Congressional Candidate calls SF City Council action bold, reasonable***DATE: FEBRUARY 1, 1998****CONTACT: DAVID ROYBAL, 992-1700, 351-4053, (cell) 751-6293**

SANTA FE - Democratic congressional candidate Eric Serna today said he will call upon President Clinton for support in assuring that the New Mexico Environment Department be included among agencies that determine when the Waste Isolation Pilot Plant opens.

Serna said he will raise the issue orally and in a letter he will give to the president Tuesday when he visits Los Alamos and Albuquerque.

"I think it is only logical that our country pursue options, like WIPP, that allow us to remove the tons of radioactive waste that sits largely exposed in Los Alamos County," Serna said. "But if good sense and fair play are to be our guides, then we must assure that New Mexico is not locked out of the role it was promised in determining when WIPP opens."

Serna said the state Environment Department should have veto power in the final decision affecting WIPP's opening. The agency's role should include thorough review of factors related to waste transportation safety, he said.

"Such requirements are entirely reasonable, considering that New Mexico would be the host state for radioactive waste arriving from around the country," Serna said. "As for waste that would be transported from Los Alamos through Santa Fe, I think the Santa Fe City Council was both bold and reasonable when it adopted an ordinance late last year that would restrict WIPP transports through town to early morning hours before 5 a.m."

"Throughout the past decade, government leaders have assured the public that WIPP will not open until all designated agencies agree that the repository is safe," Serna said. "The state Environment Department has long figured into those assurances. If the time comes that those agencies - all of those agencies - determine that WIPP is safe, then let it open. And let the rest of us remain vigilant in assuring that all necessary precautions are taken with handling and transportation of waste passing through our state."

Serna said the recent discovery that tritium apparently has migrated from contaminated canyon bottoms in the Los Alamos area toward a deep aquifer from which Los Alamos and White Rock draw their drinking water fortifies conclusions that the waste must be removed from the base of the Jemez Mountains.

"Those mountains are sacred to Pueblo Indians, who also are concerned about contamination," Serna said. "As of now, there is no known immediate threat to the public's health and safety, but for many reasons current storage conditions are unacceptable."

"Finally, even if WIPP is certified to be safe before next summer as some would like, we all should aggressively remind decision-makers in Washington that WIPP was planned and designed as a repository for low-level radioactive waste," Serna said. "I, for one, would vigorously fight any attempt to expand its mission to accept higher-grade waste."

- 30 -

Paid for by: Friends of Eric Serna ★ John Pound, Treasurer

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Produced by FDR Services

ECONOMIC PROGRESS IN NEW MEXICO 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 New Mexico after the first 58 months of the Clinton Administration:

Improved Economic Conditions in New Mexico during the Clinton Administration:

- The unemployment rate has dropped from 7.5% to 6.1%.
- New Mexico has added 98,900 new jobs, or 20,462 **per year** -- compared to 14,475 **per year** during the previous administration.
- New Mexico has added 80,500 new private-sector jobs, or 16,655 **per year** -- compared to 10,675 **per year** during the previous administration.
- New Mexico has added 9,500 new construction jobs, or 1,966 **per year**, compared to 425 **per year** during the previous administration.
- Business lending has **INCREASED** 1.4 percent **per year** -- after **DECREASING** 11.7% **per year** during the previous administration.
- Bank lending has **INCREASED** 1.5% **per year** -- after **DECREASING** 1.6% **per year** during the previous administration.
- The Help Wanted Index has increased 65.8%.
- Consumer Confidence has increased 80.8%.

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

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN NEW MEXICO: 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 New Mexico.

32 TIMES MORE NEW MEXICO FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 133,845 working families in New Mexico will receive a tax cut. This compares to an increase in the income tax rate for only the 4,136 wealthiest taxpayers in New Mexico.

TAX CUT FOR 8,405 SMALL BUSINESSES IN NEW MEXICO: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 8,405 small businesses in New Mexico are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

176,000 NEW MEXICO 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 175,760 workers in New Mexico, and protects the jobs of 10,559 workers in New Mexico who are likely to use unpaid leave this year alone.

75,800 STUDENTS AND FORMER STUDENTS IN NEW MEXICO WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 75,800 New Mexico borrowers -- 53,100 current borrowers and 22,700 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.



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

98 FEB 2 PM 8:45

February 2, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. McGINTY *MNT for KAM*
RE: NEW MEXICO ENVIRONMENTAL ISSUES

New Mexico Conservation Land Acquisitions

The Administration's proposed priorities for land acquisition from the FY98 and FY99 Land and Water Conservation Fund (LWCF) contain very good news for New Mexicans. The priority list (which must receive the blessing of the Appropriations Committee before the money can be spent) includes a significant down payment on acquisition of a large parcel known as the Baca Ranch, as well as funding to move toward completion of several smaller projects. All projects involve purchases from willing sellers and will go to either the U.S. Forest Service, Bureau of Land Management, Fish and Wildlife Service or the National Park Service. Total spending on New Mexico acquisitions is \$33.7 million in FY98 and \$23.0 million in FY99.

Of particular importance on that list is a total of \$40 million for Forest Service acquisition of the Baca Ranch, a parcel of almost 100,000 acres located near the Santa Fe National Forest and Bandelier National Monument, about 20 miles from Los Alamos. The land, in private hands since the Spanish Land Grants and inaccessible to the public, has recently become available from a willing seller. It is home to one of the largest elk herds in North America as well as bear, wild turkey and mountain lion and 17 species of endangered or threatened plants and animals.

Senator Bingaman is a vocal supporter and has introduced legislation to facilitate this acquisition. The acquisition also has the support of all major environmental groups, Attorney General Tom Udall, the Los Alamos County Chamber of Commerce, and other officials of surrounding counties. Senator Domenici has not taken a position on the Baca Ranch acquisition, but has written to you expressing some concerns and indicating that the acquisition should not delay completion of other New Mexico projects.

The FY98 and FY99 priorities also include funding for these other projects as follows: \$3 million for Petroglyph National Monument; \$0.6 million for Pecos National Historical Park; \$0.6 million for Aztec Ruins National Monument; \$1 million for El Malpais National Monument; \$3 million for La Cienega cultural resources; \$4.5 million for Lechuquilla Cave oil and gas rights; \$2 million for acquisitions within the New Mexico forests; and \$2 million for additions to Bandelier National Park

If asked, you should say that you are proud to be submitting a list to Congress that protects more of our natural and historic treasures. The preservation of these resources such as the Baca Ranch is a big win for the citizens of New Mexico and the country.

Southwest Natural Resource Issues

For a number of years, a quiet crisis has been building up in the Southwest over compliance by land management agencies with the Endangered Species Act and other environmental laws. To respond to this, Secretary Glickman, Secretary Babbitt and a representative from the Department of Defense met with the top regional officials of all of the involved agencies in late October to launch a joint Secretarial initiative for natural resources issues in the Southwest.

Over the years, agencies have been able to renew grazing permits and continue other types of resource development without much controversy or challenge. Recently that profile has changed dramatically, with highly aggressive environmental plaintiffs filing lawsuits and obtaining a number of injunctions that have halted grazing and logging because of agency compliance with ESA and other laws.

The joint Secretarial initiative, partly modeled after our work in the Pacific Northwest, stresses interagency collaboration, improving resource conditions, streamlining the regulatory process, and reaching out to state and local governments and the public. It will take time for us to work out the current problems, but the agencies in the Southwest have been quite enthusiastic about getting the backing of their headquarters for solving these problems. Early reports are quite positive.

If asked, you should say that the Departments of Interior, Agriculture, and Defense are working on these problems at the highest levels, and that we will work closely with all of the stakeholders to craft a solution.

Waste Isolation Pilot Plant (WIPP)

A separate memo is being sent to you regarding the current political situation concerning WIPP.



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

98 FEB 2 PM 10:37

February 2, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. McGINTY *MT for KAM*
RE: WASTE ISOLATION PILOT PLANT (WIPP)

Yesterday Eric Serna, a Hispanic Democratic congressional candidate, issued a press release saying that he will ask for your support in assuring that the New Mexico Environmental Department has veto power in the final decision affecting the opening of the Waste Isolation Pilot Plant (WIPP). The project, located at Carlsbad, New Mexico, is the nation's first repository for defense-generated transuranic nuclear wastes. When operational it will receive waste from Los Alamos as well as other former nuclear production sites from around the country.

The Administration does not support granting the state veto power, which is not permitted under current law. However, under RCRA, it is up to the state to issue a mixed waste (hazardous waste mixed with transuranic waste) permit for the facility. The state has started a hearing process with public input to draft a permit. Until the final permit is issued later this year, DOE would ship unmixed transuranic waste only. DOE must also receive certification from EPA to open the facility, and public comment is now being accepted on the rule. Depending on the outcome of these processes, waste could be accepted at the facility later this year.

The project is publicly supported by Governor Johnson and Senator Domenici, who sponsored the original legislation facilitating the opening of the plant. Senator Bingaman has not taken a visible public position on the issue. The project is opposed by Democratic Attorney General Tom Udall. Environmental groups, including the Natural Resources Defense Council, have filed a lawsuit challenging compliance with the NEPA process.

The Hispanic community is split on the issue. A Hispanic community near Los Alamos would like to see waste from that site shipped and stored at the WIPP site as soon as possible, while a Hispanic neighborhood in Santa Fe, through which waste would be shipped, has expressed concern for its safety.

TALKING POINT:

If asked whether you agree that we should give the state veto power, you should say no, you do not believe that the state should have a right to veto matters of national importance such as the safety of nuclear facilities around the country. However, you should say that you do not believe in diminishing the state's authority to regulate mixed waste, and that we will work closely with the state in a consulting process on the subject.

THE WHITE HOUSE
WASHINGTON

February 2, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. *TM*
JON P. JENNINGS *JPJ*

SUBJECT: HOT ISSUES--LOS ALAMOS, NEW MEXICO

Salton Sea Research Efforts: Los Alamos National lab has been providing advice to various Congressional members, including the late Sonny Bono, who have been interested in saving the Salton Sea in California. Secretary Babbitt has set up a coordinated research approach that will seek to centralize all research efforts involving the Salton Sea. Congress is expected to endorse this approach as part of the Sonny Bono-commemorative legislation. Consequently, the Los Alamos Lab may continue to have an opportunity to participate in Salton Sea activities, but via the new cooperative research approach that Secretary Babbitt has established. (DOI)

Surplus Land: Los Alamos National Laboratory is disposing of some surplus lands that were formerly part of Bandelier National Monument and contain valuable archeological sites. The lands will go to the county and Pueblo San Ildefonso. NPS has asked DOE to ensure that the transfer includes a covenant protecting archaeological sites on the lands. (DOI)

THE WHITE HOUSE

WASHINGTON

February 2, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. TM
JON P. JENNINGS JPS

SUBJECT: HOT ISSUES--ALBUQUERQUE, NEW MEXICO

Paseo del Norte Highway: The extension of Paseo del Norte through Petroglyph National Monument is backed by the Albuquerque City Council, but opposed by the newly elected Mayor, Jim Baca. Baca was a political appointee under Secretary Bruce Babbitt. Opponents fear a dangerous precedent for national parks, asserting that the extension desecrates Native American religious symbols, and noting that the highway extension simply promotes urban/suburban sprawl. (DOI)

American Heritage River Nominations: Congressman Redmond wrote Katie McGinty expressing his strong opposition to the designation of the entire San Juan River as well as the Rio Grande as American Heritage Rivers. Redmond's communication is in response to McGinty's assurance to Congress that no river would be designated over the objection of a local member of Congress. (DOI)

Gaming Compacts: Several Indian Tribes and Pueblos in New Mexico that engage in Class III (casino-type) gaming have contacted DOI about the onerous terms of the Tribal-State Class III gaming compacts that the Tribes feel they were forced to sign. The agreements call for the Tribes to pay 16 percent of their gross take to the state as well as specific fees for each table or gambling machine in the tribal casinos. (DOI)

Proposed Indian Gaming Rule: On January 22, the Bureau of Indian Affairs published a proposed rule setting forth the circumstances under which the department would adopt gaming procedures to permit Class III Indian gaming. The proposal was prompted by a Supreme Court ruling that Congress does not have power under the Commerce Clause to waive the states' 11th Amendment immunity. The proposal sets out the determination that the department has legal authority to adopt Class III procedures and proposed rules under which such procedures would be adopted. (DOI)

Navajo Nation Traffic Access: Navajo Nation President Albert Hale and other Indian officials will meet in the coming weeks to discuss taking action against drivers in New Mexico and Arizona. The goal of such action, which would last one day, would be to educate the public about tribal sovereignty. (DOI)

Mexican Gray Wolf: On January 26, Secretary Babbitt and Fish and Wildlife Service Director, Jamie Clark, released three Mexican wolves in the Apache National Forest along the Arizona-New Mexico border. These wolves will be among the first to exist in the wild in the United States since 1970, when the last Mexican wolves disappeared from the southwestern United States. Unlike the gray wolf reintroduction in Yellowstone and Idaho, there are no known naturally migrating Mexican wolves in the Southwest. (DOI)

Welfare Reform: On January 20, the New Mexico Legislature began its 30-day session. One of the first items of business was the consideration of welfare reform legislation to replace Governor Johnson's PROGRESS plan, which was declared unconstitutional by the New Mexico Supreme Court. The House has passed a welfare reform bill that was a bipartisan bill that has work requirements but has a larger work-related expenses exemption than the previous PROGRESS plan. The new bill also has a 5-year time limits for cash assistance rather than the previous 3-year limit in the PROGRESS plan. (HHS)

Defense Contracts: In late January, the Albuquerque Office of Science Applications International Corporation received a \$24.1 million contract to help determine the response of our space system to current and future threats. Phillips Laboratory at Kirtland AFB is the DoD contracting authority. (DoD)

THE WHITE HOUSE
WASHINGTON

February 2, 1998

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: Dorothy Robyn, NEC *DR*

SUBJ: Community Adjustment Pilot in Roswell, NM

You recently announced a Community and Economic Adjustment Initiative that would provide communities in which a factory closes with the same "special help" we provide when a military base closes. We are piloting this initiative in Roswell, NM, and Sen. Bingaman will probably raise it with you tomorrow.

Background

In early November, Levi Strauss announced plans to close 11 plants (one-third of its U.S. workforce), including two in New Mexico -- in Albuquerque and Roswell. The Roswell closure will affect about 600 workers, most of them Hispanic women with little education. Roswell's population is about 40,000, and Levi Strauss is the town's second largest employer. To its credit, Levi Strauss is providing every worker with a generous package of benefits, including a \$6,000 stipend for training, relocation or other designated purposes.

In late November, Sen. Bingaman convened a meeting of community, state and federal officials to address the closure. At that meeting, I announced that the Administration would pilot our new community adjustment initiative in Roswell, and EDA officials announced a \$40,000 planning grant. DoD subsequently detailed one of its community adjustment experts to the Commerce Department, which in turn assigned him to manage the Roswell project. He has already made several trips to Roswell and is actively working with local officials. In response to his efforts, the community has set up a single, broadly representative development organization (previously, organizational schisms had impeded progress); and it will soon contract with an outside firm to help develop a strategic plan. Here in Washington, I have convened a senior-level interagency working group, so that the Administration can provide targeted support to Roswell in a coordinated way.

As you know, your FY99 budget requests an additional \$50 million a year for EDA in order to carry out the Community and Economic Adjustment Initiative. In addition to Roswell, we will undertake a second pilot project in El Paso in the next few weeks.

THE WHITE HOUSE
WASHINGTON

January 30, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN H. GIBBONS 

SUBJECT: Possible misleading news story concerning anthrax vaccines

Summary

During your visit to New Mexico on February 3, the *New York Times* plans to run a story on a new technique developed at Los Alamos for the rapid identification of disease-producing organisms. This story could stimulate a variety of questions, including some related to the Biological Weapons Convention that you addressed in your State of the Union speech. However, the Los Alamos press release leading to the *Times* story, embargoed for February 3, contains the assertion that a mixture of anthrax strains "might overcome vaccines against anthrax." Based on OSTP and NSC conversations with DoD experts, I have determined that as a general statement, this assertion is not scientifically supported, and it explicitly does not apply to the licensed vaccine we will be giving our troops. I understand that Los Alamos will issue a clarification before your visit. Nevertheless, the erroneous statement may be included in that day's *New York Times* article and come up during your visit.

This technology of rapid identification could contribute to the new Biological Weapons Convention inspection regime that you called for in your State of the Union address. In particular, it could facilitate efforts to determine whether a disease outbreak has a natural origin or is the result of a hostile act.

Background

In their press release, Los Alamos researchers announce that they have developed a new and exceedingly sensitive technique to identify not only which type of biological organism is present in a sample but also which strain. By identifying the particular strain involved, this approach may be able to determine whether an organism responsible for a disease outbreak is naturally found in the area, or has been introduced from elsewhere, or is a manmade version not found in nature. However, this technique can only identify strains it has been programmed to detect.

Anthrax vaccinations

The Los Alamos press release says that this technique has been used to show that the 1979 anthrax outbreak in the Russian city of Sverdlosk (now Yekaterinburg) was due to a combination of anthrax strains and hence was not of natural origin (a natural

outbreak resulting from a livestock infection would have involved only a single strain). The press release goes on to state that "a mixture of strains used as a weapon might overcome vaccines against anthrax." However, Department of Defense experts assert that there is no evidence that would indicate that our licensed anthrax vaccine will fail to protect our troops against any anthrax strain or combination of strains. These experts have asked Los Alamos to clarify the press release, and I expect that Los Alamos will do so prior to your arrival.

**Q'S AND A'S REGARDING LOS ALAMOS RESEARCH ON
IDENTIFYING PATHOGENS**

Q: Do these new research results from Los Alamos on identifying biological organisms change your views on the advisability of a strong inspection regime for the Biological Weapons Convention?

A: If this new approach is as powerful as it is purported to be, I would certainly hope that it can contribute to strengthening the Biological Weapons Convention inspection and enforcement regime. Whether it will or not, though, depends on the details of the inspection regime, which remain to be worked out.

Q: *[FYI: the Times article may state or imply that a mixture of anthrax strains, similar to the mixture found to be responsible for the 1979 anthrax outbreak in Sverdlosk, might overcome vaccines against anthrax.]*

Why should we give our troops anthrax vaccines that might not work against mixtures of anthrax strains?

A: Let me refer you to the Department of Defense for details, but my understanding is that there is no evidence that would indicate that our licensed anthrax vaccine will fail to protect our troops against any anthrax strain or combination of strains.

**PRESIDENT CLINTON AND VICE PRESIDENT GORE'S
ACCOMPLISHMENTS: NEW MEXICO**

- **Unemployment Down to 6.1%:** The unemployment rate in New Mexico has declined from 7.5% to 6.1% since 1993.
- **98,900 New Jobs:** 98,900 new jobs have been created in New Mexico since 1993 -- an average of 20,462 jobs per year -- compared to an average of just 14,475 jobs per year during the previous administration.
- **83,000 Have Received a Raise:** Approximately 35,000 New Mexico workers benefited from an increase in the minimum wage -- from \$4.25 to \$4.75 -- on October 1, 1996. They, along with about 48,000 more received an additional raise -- from \$4.75 to \$5.15 -- on September 1, 1997.
- **A \$500 Child Tax Credit to Help Families Raising Children:** To help make it easier for families to raise their children, the balanced budget includes a \$500 per-child tax credit for children under 17. **Thanks to President Clinton, the Balanced Budget delivers a child tax credit to 177,000 families in New Mexico.**
- **Home Building Up 8%:** New home building has increased an average of 8% per year since 1993.
- **Over \$40,000 of Reduced Federal Debt for Every Family of Four:** The national debt will be more than \$2.5 trillion lower in 2002 than was projected before the passage of President Clinton's economic plan. That's over \$40,000 of reduced federal debt for each family of four in New Mexico.

EXPANDING ACCESS TO EDUCATION:

- **\$34 Million in Head Start Funding:** In FY97, New Mexico received \$31.1 million in Head Start funding. This year, New Mexico will receive \$34.1 million, an increase of \$3 million over 1997.
- **\$3.5 Million in Goals 2000 Funding:** This year [FY98], New Mexico receives \$3.5 million in Goals 2000 funding. This money is used to raise academic achievement by raising academic standards, increasing parental and community involvement in education, expanding the use of computers and technology in classrooms, and supporting high-quality teacher professional development.
- **\$3.5 Million for Technology Literacy:** This year [FY98], New Mexico receives \$3.5 million for the Technology Literacy Challenge Fund which helps communities and the private sector ensure that every student is equipped with the computer literacy skills needed for the 21st century.
- **\$63 Million for Students Most in Need:** New Mexico will receive \$63 million in Title I grants (to Local Educational Agencies) providing extra help in the basics for students most in need, particularly communities and schools with high concentrations of children in low-income families [FY98].
- **Over \$61 Million in Pell Grants:** New Mexico received over \$49 million last year in Pell Grant funding, which helps New Mexico's low-income students go to college [FY97]. This year, New Mexico will receive \$61.3 million, an additional \$11.9 million [FY98], benefitting 1,800 more students than the previous year.
- **Over 400 Have Served in New Mexico through AmeriCorps:** Last year, 55 AmeriCorps participants are serving their communities while earning money for college by working in New Mexico's schools, hospitals, neighborhoods or parks. Since the National Service program began in 1993, over 400 members have served New Mexico in 66 different programs.
- **Tuition Tax Credits in Balanced Budget Open the Doors of College and Promote Lifelong Learning:** The balanced budget includes both President Clinton's \$1,500 HOPE Scholarship to help make the first two years of college as universal as a high school diploma and a Lifetime Learning Tax Credit for college juniors, seniors, graduate students and working Americans pursuing lifelong learning to upgrade their skills. This 20% tax credit will be applied to the first \$5,000 of tuition and fees through 2002 and to the first \$10,000 thereafter. **40,000 students in New Mexico will receive a HOPE Scholarship tax credit of up to \$1,500. 49,000 students in New Mexico will receive the Lifetime Learning Tax Credit.**

FIGHTING CRIME AND VIOLENCE:

- **403 More Police:** The President's 1994 Crime Bill has funded 403 new police officers to date in communities across New Mexico [through 1/98].

- **Nearly \$1.2 Million to Combat Domestic Violence:** Through the Violence Against Women Act, New Mexico used nearly \$1.2 million in federal funds last year [FY97] to establish more women's shelters and bolster law enforcement, prosecution, and victims' services. New Mexico received nearly \$1.1 million under VAWA in FY96.
- **\$400,000 in Grants for Battered Women:** In 1998, New Mexico will receive an estimated \$400,000 in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse.
- **\$4 Million to Keep Drugs & Violence Out of New Mexico's Schools:** New Mexico receives \$4 million in FY97

MOVING NEW MEXICO RESIDENTS FROM WELFARE TO WORK:

- **33,401 Fewer People on Welfare:** There are 33,401 fewer people on welfare in New Mexico now than there were when President Clinton took office -- a 35% decrease. [through 8/97].
- **Child Support Collections Up 41%:** Child support collections have increased by nearly \$8 million -- or 41% -- in New Mexico since FY92 [through FY96].
- **New Mexico Receives \$9.8 Million in Welfare-to-Work Grants:** In FY98, New Mexico will receive \$9.8 million in welfare-to-work state formula grants, helping New Mexico prepare welfare recipients for work and to place them in jobs. Part of the President's comprehensive efforts to move recipients from welfare to work, this funding is included in the \$3 billion Welfare-to-Work Jobs Challenge Fund signed into law in the 1997 balanced budget.

INVESTING IN NEW MEXICO'S HEALTH:

- **Health Care for Uninsured Children:** The balanced budget includes the largest single investment in health care for children since the passage of Medicaid in 1965 -- an unprecedented \$24 billion over five years to cover as many as five million children throughout the nation. This investment guarantees the full range of benefits -- from checkups to surgery -- that children need to grow up strong and healthy. It ensures that prescription drugs, vision, hearing, and mental health coverage now offered at the state level are extended to millions of uninsured children. To expand health coverage to more uninsured children in New Mexico the balanced budget provides \$57.7 million in 1998. This compares to the 1995 Republican plan vetoed by President Clinton that would have denied health care coverage to 6,800 children in New Mexico.
- **Helping New Mexico Women and Children with WIC:** The Clinton Administration is committed to full funding in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). Last year in New Mexico, 3,460 more women and children in need received health and food assistance than in 1994.
- **More Toddlers Are Being Immunized:** As a result of the President's 1993 Childhood Immunization Initiative, childhood immunization rates have reached an historic high. According to the CDC, 90% or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines -- surpassing the President's 1993 goal. In New Mexico in 1996, 95% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 92% received the vaccine for polio; 92% received the vaccine for measles, and 93% received the vaccine for *Haemophilus influenzae* B, the bacteria causing a form of meningitis.

PROTECTING THE ENVIRONMENT:

- **4 Toxic Waste Sites Cleaned Up:** Since 1993, the EPA has completed 4 Superfund toxic waste clean-ups in New Mexico, in Lemitar, Grants, Prewitt, and Albuquerque [through 1/98]. There were only two sites cleaned up in New Mexico during the previous twelve years combined.

SPEARHEADING URBAN AND RURAL RENEWAL EFFORTS:

- **\$6 Million to Areas Across New Mexico:** Albuquerque and Mora were designated as Enterprise Communities in December, 1994 and awarded \$3 million each to create more jobs, housing, and economic opportunity for city residents.

THE TRIP
of
THE PRESIDENT
to
PHILADELPHIA, PENNSYLVANIA

February 13, 1998

Staff Copy

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Friday, February 13, 1998

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- Event Memo
- Remarks

To Be Forwarded

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- Political Background (including Hot Issues)
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**SCHEDULE OF THE PRESIDENT
FOR
FRIDAY, FEBRUARY 13, 1998**

Final Schedule

SCHEDULING DIRECTOR:

STEPHANIE STREETT

HOME: 202-332-5651

OFFICE: 202-456-2823

EVENT COORDINATOR:

AVIVA STEINBERG

HOME: 202-362-1813

OFFICE: 202-456-2920

WHCA PAGER: 4022

PRESS DESK:

ANNE EDWARDS

HOME: 301-565-3101

OFFICE: 202-456-2921

WHCA PAGER: 4208

PRESS DESK:

JEREMY GAINES

HOME: 202-362-5475

OFFICE: 202-456-5771

WHCA PAGER: 4194

ADVANCE:

CHER STOCKHAM

STAFF OFFICE: 39-220

CELL PHONE: 202-395-2102

WHCA PAGER: 4143

WEATHER:

WASHINGTON, D.C.

Variably cloudy. Winds northwest at 10 to 15 knots.

Low 33 to 38. High 46 to 51.

SCHEDULE OF THE PRESIDENT
FOR
FRIDAY, FEBRUARY 13, 1998
Final Schedule

9:00 am-
9:15 am

MEETING
OVAL OFFICE
Staff Contact: Erskine Bowles

9:15 am-
9:40 am

BRIEFING
OVAL OFFICE
Staff Contact: Thurgood Marshall, Jr., Bob Nash

9:40 am-
10:05 am

SURGEON GENERAL SWEARING-IN-CEREMONY
OVAL OFFICE
Staff Contact: Thurgood Marshall, Jr., Bob Nash

- The Vice President gives welcoming remarks and introduces **The President**.
- **The President** gives remarks.
- The Vice President swears in Surgeon General Designate, Dr. David Satcher and invites him to give remarks.
- Surgeon General Dr. David Satcher gives remarks.
- **The President** and The Vice President depart.

10:10 am-
10:25 am

COMBINED BRIEFING
OVAL OFFICE
Staff Contact: Sandy Berger

10:30 am

THE PRESIDENT proceeds to the South Lawn

10:35 am

THE PRESIDENT departs The White House via Marine One en route Andrews Air Force Base
[flight time: 10 minutes]

10:45 am

THE PRESIDENT arrives Andrews Air Force Base

11:00 am **THE PRESIDENT** departs Andrews Air Force Base via Air Force One en route Philadelphia International Airport, Philadelphia, Pennsylvania
[flight time: 40 minutes]

11:40 am **THE PRESIDENT** arrives Airport, Philadelphia, Pennsylvania

Greeters: Representative Chaka Fattah
 Matthew Ryan, Speaker of the House, The State of Pennsylvania
 Reverend James Alan

11:55 am **THE PRESIDENT** departs Airport via motorcade en route Marriott Hotel
[drive time: 20 minutes]

12:15 pm **THE PRESIDENT** arrives Marriott Hotel

Greeters: Shonda Johnson, Resident Manager
 Tom Robertson, Director of Food and Beverage

THE PRESIDENT proceeds to Salon I

Greeters: Dr. Mildred Dresselhaus, President, AAAS
 Dr. Jane Lubchenco, Chair, AAAS
 Dr. MRC Greenword, President-Elect, AAAS

12:25 pm- **PHOTO RECEIVING LINE WITH AMERICAN ASSOCIATION FOR**
12:35 pm **THE ADVANCEMENT OF SCIENCE BOARD MEMBERS**

SALON I

Marriott Hotel

Staff Contact: Jack Gibbons, Bruce Reed

Event Coordinator: Aviva Steinberg

CLOSED PRESS

-- Dr. Jane Lubchenco, Chair, American Association for the Advancement of Science will introduce board members to **The President**.

-- **The President** departs.

Note: There will be approximately 30 people in attendance.

12:40 pm-
1:30 pm

**REMARKS TO THE AMERICAN ASSOCIATION FOR THE
ADVANCEMENT OF SCIENCE**
GRAND BALLROOM
Marriott Hotel
Remarks: Lowell Weiss
Staff Contact: Jack Gibbons, Bruce Reed
Event Coordinator: Aviva Steinberg
OPEN PRESS

- Off-stage announcement of **the President** accompanied by Dr. Mildred Dresselhaus, President, American Association for the Advancement of Science, and Jack Gibbons to "Ruffles and Flourishes" and "Hail to the Chief."
- Dr. Mildred Dresselhaus makes welcoming remarks and introduces Jack Gibbons.
- Jack Gibbons gives remarks and introduces **The President**.
- **The President** gives remarks, works a ropeline and departs.

Note: Mayor Rendell will arrive to the Marriott at 1:30 pm.

1:35 pm-
1:40 pm

POLICE/DRIVER PHOTOGRAPHS
BASEMENT CORRIDOR
Marriott Hotel

1:45 pm

THE PRESIDENT departs The Marriott Hotel via motorcade en route Wyndham Franklin Hotel
[drive time: 5 minutes]

1:50 pm

THE PRESIDENT arrives Wyndham Franklin Hotel

Greeters: Tore Nordal, General Manager
 Jerry Curtola, Employee of the Year
 Iovonnie Negron, Manager of the Year
 Kelly Soliman, Sales Manager
 Helen DeVaux, Meeting Service Manager
 Robn Schultz, Room Service Manager

1:50 pm-
4:40 pm

DOWN

4:40 pm-
4:55 pm

BRIEFING
PRESIDENTIAL SUITE
Wyndham Franklin Hotel
Staff Contact: Ann Lewis, Barry McCaffrey

4:55 pm-
5:10 pm

TAPE THE RADIO ADDRESS
PRESIDENTIAL SUITE
Wyndham Franklin Hotel
Staff Contact: Ann Lewis, Barry McCaffrey
OFFICIAL PHOTO

5:25 pm

THE PRESIDENT departs Wyndham Franklin Hotel via motorcade en route
Private Residence
[drive time: 5 minutes]

5:30 pm

THE PRESIDENT arrive Private Residence and proceeds to the elevator

Greeter: David Benton, Vice President and General Manager Ritterhouse
Condominium and Apartments

THE PRESIDENT proceeds via elevator to the Residence

Greeters: Ms. Diane Weiss
Allison Weiss
Mayor Ed Rendell
Congressman Martin Frost

5:35 pm-
6:45 pm

DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE
PRIVATE RESIDENCE
Ritterhouse Hotel and Condominiums
Remarks: Paul Tuchmann
Staff Contact: Craig Smith
Event Coordinator: Aviva Steinberg
PRINT POOL ONLY (REMARKS ONLY)

Note: There will be approximately 40 guests in attendance.

- The President mixes and mingles with guests (approximately 30 minutes).
- Congressman Martin Frost makes brief remarks and introduces Mayor Ed Rendell.
- Mayor Ed Rendell makes brief remarks and introduces **The President**.
- **The President** makes brief remarks and departs.

6:50 pm

THE PRESIDENT departs Private Residence via motorcade en route
Airport
[drive time: 15 minutes]

7:10 pm

THE PRESIDENT departs Airport, Philadelphia, Pennsylvania via Air Force
One en route Andrews Air Force Base
[flight time: 40 minutes]

7:50 pm

THE PRESIDENT arrives Andrews Air Force Base

8:05 pm

THE PRESIDENT departs Andrews Air Force Base via Marine One en Route
Camp David, Camp David, Maryland
[flight time: 40 minutes]

8:45 pm

THE PRESIDENT arrive Camp David

BC/HRC RON

CAMP DAVID
CAMP DAVID, MARYLAND

'98 FEB 12 PM 13

THE WHITE HOUSE

WASHINGTON

February 12, 1998

The Sesquicentennial Meeting of the American Association for the Advancement of Sciences (AAAS)

Date: Friday, February 13, 1998
Location: Marriot Hotel, Philadelphia, Pennsylvania
Time: 12:30 p.m. - 1:30 p.m.

I. PURPOSE

Highlight the Administration's support of Federal investments in science, engineering and technology as a key means to ensure our economic progress, environmental and health protection, and global leadership in the 21st century.

The AAAS's 150th anniversary affords you a unique opportunity to set forth your science and technology vision for the 21st century. The concrete example of your leadership and commitment is exemplified by your FY99 budget -- the largest investment in civilian R&D in history -- and sets the stage for you to take clear leadership of this issue before a broad audience of scientists and engineers.

II. BACKGROUND

Founded in Philadelphia in 1848, the AAAS (the "Triple-A-S") is the largest scientific and engineering society in America with more than 150,000 members and over 280 affiliated societies. Its major publication, *Science* magazine, was founded by Thomas Edison and is today considered the premier scientific journal.

Fifty years ago, President Harry Truman addressed the AAAS Centennial anniversary in Washington. He espoused a new vision of partnering between the Federal Government and the scientific establishment that has propelled the United States into a position of international leadership in science, technology and engineering. He called for early establishment of a National Science Foundation and urged greater support of scientific research as essential to the nation's security and world leadership. That event presaged the enormous, productive economic growth driven by technology over the ensuing half century. Truman's address also included a courageous defense of the scientific community against the relentless witch-hunting attacks of the House Un-American Activities Committee.

The meeting is in Philadelphia, a fitting location to link your commitment and intentions in the support of research and higher education with those of Franklin and Jefferson.

In your remarks, you will be announcing new figures that indicate that the comprehensive tobacco legislation that you have called for would keep 1.4 to 1.7 million children from smoking in the year 2003. These figures are based on a new Treasury Department analysis of your proposed price increase of cigarettes of \$1.50 per pack -- coupled with the sales and advertising restrictions. This is an opportunity to reiterate your call for Congressional action on tobacco legislation that meets your five goals. You will generally applaud Senator Conrad's efforts in introducing comprehensive tobacco legislation and state your desire to work with other Members as they pass legislation that meets your goals.

Your remarks will also highlight your proposed Research Fund which makes crucial investments in some of the most promising biomedical and scientific research. The Fund contains a \$1.5 billion increase in the FY 1999 budget for NIH -- nearly a 50 percent increase over five years at NIH, and a 65 percent increase in cancer research funding over the next five years. The Fund also supports increases in the National Science Foundation, the National Aeronautics and Space Administration (NASA), the Department of Energy, and the Department of Commerce.

III. PARTICIPANTS

The President

John H. Gibbons, Assistant to the President for Science and Technology

Neal Lane, Director, National Science Foundation

Harold Varmus, Director, National Institutes of Health

Mildred Dresselhaus, President, AAAS

MRC Greenwood, President-elect, AAAS -- "Marcy" was your former Associate Director of OSTP's Science Division.

Richard Nicholson, Executive Officer, AAAS

AAAS Board of Directors (Jane Lubchenco, Chair)

Audience: 5,000 Members of AAAS

IV. SEQUENCE OF EVENTS

- **YOU** arrive at the Marriot Hotel and hold briefly.
- **YOU** proceed to Salon I where you will be greeted by Mildred Dresselhaus, M.R.C. Greenwood, and Jane Lubchenco. Lubchenco will introduce you to about 25 AAAS Board Members. At the end of the line will be Neal Lane, whom you intend to nominate for Assistant for Science and Technology, and Director of OSTP; and Rita Colwell, whom you intend to nominate for Director, National Science Foundation. **YOU** proceed backstage.
- Jack Gibbons, Mildred Dresselhaus, and **YOU** will be announced off-stage.
- Mildred Dresselhaus makes brief remarks and introduces Jack Gibbons.
- Jack Gibbons makes brief remarks and introduces **YOU**.
- **YOU** make remarks.
- Upon conclusion of remarks, **YOU** work a 50 foot ropeline and depart.

V. PRESS

Open Press -- The AAAS convention typically attracts over 600 members of the national and international press.

VI. REMARKS

Prepared by Speechwriting (Lowell Weiss)

Draft 2/12/98 6:45pm

**PRESIDENT WILLIAM J. CLINTON
REMARKS TO AAAS ANNUAL MEETING
PHILADELPHIA, PA
February 13, 1998**

Before I begin, I just want to tell you how jealous Vice President Gore is that I got to come to your meeting this year. I mean, this is a guy who gets very excited about the Spallation Neutron Source. But we arm-wrestled for it, and I won.

The Vice President did, however, have a great honor this morning: He swore in a caring physician and a world-renowned public-health leader as America's new Surgeon General -- Dr. David Satcher.

[Other personnel announcements and acknowledgments here]

I also want to salute your Board of Directors. Yesterday, they approved a resolution urging the Senate to provide its advice and consent as soon as possible for ratification of the Comprehensive Test Ban Treaty. Thank you. I hope that, together, we can secure ratification this year.

Fifty years ago, Harry Truman had the honor of addressing your 100th anniversary meeting. He praised, as I do today, the "unflinching passion for knowledge" that characterizes your work. And he called upon the nation to help fuel that passion by significantly increasing our investments in your research.

Today, at the dawn of the new millennium, at a sunlit moment of prosperity for our nation, we must now expand our commitment to science and technology more than ever before. Science and technology are vital to almost every single one of our national goals -- from helping us seize the opportunities of our increasingly global economy to helping us head off the challenge of climate change to helping us expand learning throughout a lifetime. So even as we shrink the size of our government, we must greatly expand our commitment to science and technology. Even as we balance the budget, the balance of human history demands that we make science and technology a priority of the first degree.

Fifty years ago, when President Truman addressed this group, Bardeen and Brattain [BRAT-ton] had just created the first transistor, sparking the electronics revolution. Here in Philadelphia, Mauchly [MOCK-lee] and Eckert had recently flipped the switch on their enormous ENIAC [EE-nee-yak], giving birth to the computer age. Pauling was developing the techniques that would help Watson, Crick, and Franklin unravel the mystery of our helical DNA. For the past 50 years all of these insights and many others have yielded astronomical returns.

Today, humankind is poised to make even larger gains. By the year 2048, when a future President of the United States addresses your bicentennial meeting, fusion and solar power may yield abundant energy, without emitting pollution or greenhouse gases. Telephones may translate foreign languages in real time. Schools may be so smart that all our children will be

able to experience the wonder of science by conversing with a realistic simulation of Galileo or Einstein. We may have crash-proof sports cars that weigh 100 pounds. We may have a permanent space station on the surface of Mars.

And of course, some of the greatest achievements of the next 50 years will be in the field of biomedicine. Thanks to the work of so many people from so many scientific disciplines, we are already at the verge of miraculous breakthroughs in the prevention, detection, treatment, and cure of human disease. As you will hear in greater detail from Dr. Varmus later today, we are just a few years away from the completion of the Human Genome Project, which has already produced a trove of data and insights that will change the face of medicine forever; in the past year alone, scientists have discovered genes involved in Parkinson's Disease, a deadly bone marrow disease, a leading cause of blindness, and a fatal childhood neurological disorder. Sophisticated new AIDS therapies have given HIV-positive men and women a new lease on life -- and if your remarkable progress continues, I believe we will have an effective AIDS vaccine within a decade. New treatments are slowing the development of Alzheimer's and lifting our people from the dark depths of depression. Researchers have begun to regenerate functioning nerve cells, raising the prospect that victims of spinal cord injuries will be able to walk again.

To catalyze these biomedical developments -- and to seize this moment of unlimited promise in all of the increasingly intertwined disciplines of science -- I have proposed a 21st Century Research Fund to create, for the first time, a strong, stable, multi-year source of funding for research that will enable you to engage in long-term planning like never before.

This commitment represents the largest funding increase in history for the National Science Foundation and the National Institutes of Health. It will provide substantial budget increases for basic and applied research at NASA and at the Departments of Energy and Agriculture. It will spur technological innovations that will help us combat global climate change -- a growing threat the journal SCIENCE warned us about more than thirty years ago.

It will also help us win the war on cancer. For the first time in history, cancer death rates have begun to fall. The 21st Century Research Fund will capitalize on this progress. It will help build on your promising results with new classes of "smart" drugs that target specific molecules found in cancer cells. It will help you discover, within the decade, every single gene and protein that contributes to the conversion of a normal cell to a cancer cell. It will create new opportunities for prevention and new technologies for earlier and more accurate diagnosis. Today, we can cure 80% of the cases of some cancers. If Congress provides us with the historic 65% increase in cancer funding that I have proposed, will you join me in committing to the American people that within one generation we will be able to cure 80% of all cancers?

We can take one major leap forward right away. We have an historic opportunity to curtail the deadly epidemic of teen smoking, which is linked in a deadly chain not only with lung cancer, but also emphysema, heart disease, and strokes. More than three decades ago, responsible, peer-reviewed journals including SCIENCE presented our society with a stark conclusion: Smoking causes cancer. For years, our efforts to reduce smoking have been outmatched by billion dollar industry ad campaigns targeted at our children. But now, we have the opportunity to save millions of our children from a life of addiction and a premature,

preventable death.

I have called on Congress to enact comprehensive legislation that raises the price of cigarettes by up to \$1.50 a pack over the next ten years, gives the FDA full authority to regulate tobacco products, changes forever the way tobacco companies do business, furthers public-health research and goals -- and also protects tobacco farmers and their communities.

Today, the Treasury Department will release a study analyzing the probable effects of this comprehensive approach. The study demonstrates that price increases as well as the restrictions we have proposed will cut teen smoking nearly in half. That means that if we act this year, we would save more than two million children from smoking over the next five years. We must not let this opportunity go up in smoke. And we must not proceed in only a piecemeal way.

On Wednesday, Sen. Conrad introduced a strong bill in Congress that meets my objectives, and I look forward to working with him and members of Congress from both sides of the aisle to enact comprehensive legislation. I ask for your support as well. The scientific community speaks with a loud voice. Let it speak loudly for our children.

For all of the extraordinary promise of science and technology, we must never forget the extraordinary responsibilities that promise imposes on us. It is incumbent upon us, both scientists and public servants, to ensure that science always serves humanity, never the other way around. Last month, like most Americans, I learned the profoundly troubling news that a member of the scientific community is laying plans to clone a human being. Personally, I believe that human cloning raises deep concerns, given our cherished concepts of faith and humanity. Beyond that, however, we know there is virtually unanimous consensus in the scientific and medical communities that attempting to use these cloning techniques to actually create a human being is untested and unsafe and morally unacceptable.

We must continue to maintain our deep commitment to scientific research and technological development. But when it comes to a discovery like cloning, we must move with caution, care and deep concern about the impact of our actions.

Two days ago, the Senate voted to take the time necessary to carefully craft a bill that will ban the cloning of human beings while preserving our ability to use the morally and medically acceptable applications of cloning technology. I thank you for already providing a sound scientific foundation for this debate, and I urge you to continue to play an important role.

Our nation was founded by men and women who firmly believed in the power of science to transform their world for the better. Benjamin Franklin, the father of America's scientific revolution, wrote that "the progress of human knowledge will be rapid and discoveries made of which we have at present no conception. I begin to be almost sorry I was born so soon, since I cannot have the happiness of knowing what will be known [the years] hence."

I'm sure all of us share that lament. But while we cannot see the future, let us not underestimate our ability to invent it. In the year 2048, I want the AAAS to convene in a world

where the number of nuclear weapons is zero, a world where climatic disruption has been halted, where the wars on cancer and AIDS have long since been won, where the noble career of science is pursued and then advanced by children of every race and background. With the benefit of our new investments in science and technology -- and the guidance of our oldest values -- I believe we can do all these things and more. We have it in our power to create a brighter, healthier future for all our people for generations to come.

**PHOTO RECEIVING LINE WITH AMERICAN ASSOCIATION
FOR THE ADVANCEMENT OF SCIENCE BOARD MEMBERS**

12:25 - 12:35 pm, February 13, 1998

Salon I

Marriott Hotel, Philadelphia

Dr. Mildred Dresselhaus (President of AAAS, Professor, Massachusetts Institute of Technology) and Dr. Gene Dresselhaus
(escort) Dr. Jane Lubchenco (Chair of AAAS Board, Professor, Oregon State University)
Dr. MRC Greenwood (AAAS President-Elect, Chancellor, UC Santa Cruz) and
Dr. Joyce B. Justus (Special Assistant to the Chancellor)
Ms. Nancy Broadbent (Director of Communications, AAAS)
Mr. William T. Golden (AAAS Treasurer)
Dr. Richard S. Nicholson (AAAS Executive Officer) and Lois Nicholson
Dr. Neena Schwartz, Northwestern University
Dr. Alice Huang (AAAS Board Member)
Dr. Sheila Jasanoff (AAAS Board Member)
Dr. Simon A. Levin (AAAS Board Member)
Dr. Marcia Linn (AAAS Board Member) and Dr. Bruce Tartar, Director of Lawrence
Livermore National Laboratory
Dr. Michael Novacek (AAAS Board Member) and Mrs. Vera Novacek
Dr. Anna Roosevelt (AAAS Board Member)
Dr. Jean Taylor (AAAS Board Member)
Dr. Robert Almgren and Karen Almgren
Michael Spinella, (Director of Membership and Meetings) and Catherine Spinella
Dr. F. James Rutherford, AAAS Education Advisor
Dr. Philip Abelson, AAAS Science Advisor
Mr. Philip Blair, AAAS Chief Financial and Administrative Officer
Shirley Malcom (AAAS Directorate of Education and Human Resources)
Albert Teich (AAAS Directorate of Science and Policy Programs) and Jill Pace
Richard Getzinger (AAAS Directorate of International Programs) and Carole Getzinger
Dr. Floyd Bloom, Editor in Chief, *Science* magazine
George Nelson, AAAS Director, Project 2061
Joseph Miller, Dupont (local co-chair)
Peter Liacouras, President, Temple University (local co-chair)

Prominent Scientists likely to be in audience
President Clinton's Address
Philadelphia, Feb. 13. 1998

revised Feb 11 4:00 pm

Current AAAS Officers:

Name	Affiliation	Additional Notes
Jane Lubchenco	Oregon State University	AAAS Chair, <i>NSB member</i>
Mildred Dresselhaus	MIT	AAAS President
MRC Greenwood	Chancellor, UC Santa Cruz	AAAS President-Elect
Richard S. Nicholson	AAAS Executive Officer	former Associate Director, NSF

Nobellists and other highly decorated scientists:

Name	Affiliations	Awards
Philip H. Abelson	AAAS Science Advisor; former editor Science magazine	National Medal of Science; Vannevar Bush Award (1985)
Steven Chu	Dept of Physics, Stanford	Nobel in Physics; Nat'l Medal of Science
Dudley Herschbach	Dept of Chemistry, Harvard	Nobel in Chemistry
Leon Lederman	Director Emeritus, Fermi National Accelerator Lab; Past Pres., AAAS	Nobel in Physics
Charles H. Townes	Dept of Physics, UC Berkeley	Nobel in Physics

Other Prominent Scientists likely to be in audience:

Name	Affiliation	Additional Notes
Francisco Ayala	Dept Biology, UC Irvine	member PCAST; Past Pres., AAAS
D. James Baker	Undersec'y of NOAA/DOC	
Floyd E. Bloom	Editor-in-Chief, Science magazine Scripps Research Institute	
D. Allen Bromley	Dean, School of Engineering, Yale	Science advisor to President Bush
E. Margaret Burbidge	Ctr for Astrophysics & Space Sci, UC, San Diego	Past Pres., AAAS
Rita Colwell	Incoming Deputy Director, NSF	Past Pres., AAAS
Mary L. Good	former Undersec'y of Commerce	
David Hamburg	former Pres. Carnegie Corp. of NY; former Pres. Inst of Medicine, <i>Member PCAST</i>	Past Pres., AAAS
Neal Lane	Director, NSF	
Alan Leshner	Director, Nat'l Inst. on Drug Abuse/NIH	
Honorable Mike McCormack	former WA state congressman	
Shirley Malcom	AAAS, Director of Education Programs	member PCAST & Nat'l Science Board
Anne C. Petersen	Pres. WK Kellogg Foundation	former Deputy Director, NSF
Alvin and Heidi Toffler		
Alvin Trivelpiece	Director, Oak Ridge Nat'l Lab	Past Exec. Director of AAAS
Harold Varmus	Director, NIH	

Prominent Non-US Scientists in Attendance:

Name	Affiliation	Additional Notes
Ian Wilmut	Roslin Institute	cloned adult sheep - Dolly
Ceferino Sanchez	Science Minister of Panama	
High-level delegations from Beijing and Shanghai, China		
High-level delegation from Canada		
High-level delegation from Hungary		

THE WHITE HOUSE

WASHINGTON

February 12, 1998

TAPED WEEKLY RADIO ADDRESS

DATE: February 13, 1998
LOCATION: Presidential Suite,
Wyndham Franklin Hotel,
Philadelphia, PA
TIME: 4:50 PM ET
FROM: Megan Moloney

I. PURPOSE

You will discuss the 1998 National Drug Control Strategy and announce the findings of a new Justice Department study on the federal prison drug testing program.

II. BACKGROUND

The 1998 Strategy is the first-ever, comprehensive ten year plan to reduce drug use and its consequences by one half. You will highlight the Strategy's five goals: to educate and enable America's youth to reject illegal drugs as well as alcohol and tobacco; to increase the safety of America's citizens by substantially reducing drug-related crime and violence; to reduce health and social costs to the public of illegal drug use; to shield America's air, land and sea frontiers from the drug threat; and to break foreign and domestic sources of supply.

The Justice Department is releasing a new study based on the drug treatment initiative included in your 1994 Crime Bill. The study shows that federal prisoners who submitted to voluntary drug tests and treatment were seventy-three percent less likely to be rearrested and forty percent less likely to use drugs again once released from prison.

III. PARTICIPANTS

The President
Darby Stott or Joi Hilton
White House Communications Agency (WHCA) staff
White House Television (WHTV)
White House photographer

IV. PRESS PLAN

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

V. SEQUENCE OF EVENTS

Briefing
Tape Radio Address

VI. REMARKS

To be forwarded by the Office of Speechwriting.

THE REMARKS
FOR THE WEEKLY RADIO ADDRESS
WILL BE FORWARDED

February 13, 1998

**DEMOCRATIC CONGRESSIONAL CAMPAIGN COMMITTEE
SPEAKERS' TRUST PHILADELPHIA EVENT**

LOCATION: Home of Diane Weiss
Rittenhouse Hotel & Condominiums
210 W. Rittenhouse Square, Apartment 3006
Philadelphia, Pennsylvania

TIME: 5:30 p.m. - 6:30 p.m.

FROM: Craig T. Smith and Nick Baldick

I. PURPOSE

The purpose of this Speakers' Trust dinner is to raise funds for the Democratic Congressional Campaign Committee (DCCC). The funds will be used to support Democratic candidates in the 1998 elections.

II. BACKGROUND

The Speakers' Trust program is the DCCC's major donor program. The donors have contributed \$10,000 per person to attend. The host of the dinner, Diane Weiss, has been very generous to the Committee by agreeing to host this event in her home.

III. PARTICIPANTS

Please see the attached guest list.

IV. PRESS PLAN

This event is not open to the large press pool due to the size of the location (an apartment). One pool reporter will be present and **YOUR** remarks will be fed to the filing center.

V. SEQUENCE OF EVENTS

- **YOU** arrive at Dianne Weiss' apartment at 5:30 p.m.
- **YOU** are greeted by host Dianne Weiss, DCCC Chair Rep. Martin Frost, and Mayor Ed Rendell.
- **YOU** mix and mingle with approximately 30-40 guests. Candid photos are taken with guests.
- DCCC Chair Martin Frost delivers remarks.
- Mayor Ed Rendell delivers remarks and introduces **YOU**.
- **YOU** deliver remarks.
- **YOU** depart upon conclusion of **YOUR** remarks.

VI. REMARKS

- To be provided by speechwriting.

VII. ATTACHMENTS

- A list of guests expected to attend the meet and greet.

Acknowledge: Hostess Diane Weiss; Rep. Frost; Mayor Rendell; Rep. Klink; Rep. Fattah; Rep. Holden & Gwen Holden; House candidates Joe Hoeffel (Huffle) & Pat Casey (son of Gov. Bob Casey).

- **Less than 700 days to 21st Century, time to build America within reach, strengthen Nation for 21st Century:** Nearly 15M new jobs; Unemp 4.7% -- 24 yr low; core inflat. lowest in 30 yrs; crime $\searrow$ 5 yrs in a row, welfare rolls 27 yr low; fam. income $\nearrow$ \$2,200; real wages $\nearrow$; mid. class taxes lowest in 20 yrs; record homeownership.

- **An Economy that offers Opportunity:** 1st Bal Bud 30 yrs; Save Soc. Sec. 1st; min wage. Edu: Last yr: you can go to college - - HOPE, Pell, Ed IRA's, loans. Now: Avg class size 18 with 100k new teachers; school modernization; standards, Ed Emp Zones, no social promotion. Trade: 1/3 growth, record exports; training dislocated; fast track; IMF.

- **A Society Rooted in Responsibility:** Hlth Care BOR, Medicare Buy-in. Tobacco; FMLA; Child Care: Quality, Safety, Affordability; Juv. Crime; drugs, welfare.

- **A Nation that lives by Community:** CFR/Free TV; IRS; Clean Water, food safety, climate change; One America.

- **The Future:** 21st Century Research Fund.

February 11, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Craig Smith and Nick Baldick

'98 FEB 11 PM 3:43

SUBJECT: Pennsylvania Political Briefing

PRESIDENTIAL ELECTION RESULTS

1992			1996		
Clinton/Gore	45%	2,239,164	Clinton/Gore	49%	2,215,819
Bush/Quayle	36%	1,791,841	Dole/Kemp	40%	1,801,169
Perot/Stockdale	18%	902,667	Perot/Choate	10%	430,984

MOST RECENT PRINCIPAL TRAVEL

YOU were in Philadelphia on October 8, 1997, for three DNC fundraisers.

YOU were in Pittsburgh on September 24, 1997, for the AFL-CIO convention.

YOU were in Pittsburgh on July 17, 1997, to address the NAACP convention.

The Vice President was in Philadelphia on December 5, 1997, for a Labor Department job training grant announcement at the Naval Shipyard.

The First Lady was in Philadelphia on October 22, 1997, when she delivered the keynote address to the Trustee's Council of Penn Women at the University of Pennsylvania.

1998 GUBERNATORIAL RACE

Governor Tom Ridge (R) is seeking reelection in 1998. Currently he faces no Republican primary challenger, has already raised more than \$5 million, and is enjoying a favorability rating over 50%.

In what is considered a safe, election-year budget, Governor Ridge is relishing a year-end surplus approaching \$1 billion. Ridge's \$17.8 billion budget, which was presented to the legislature last week, includes a \$121 million increase in basic education, a \$54 million tax cut for the "working poor" (so that a family of four earning \$25,000 would pay no tax - a \$700 annual saving), \$60 million in business tax cuts, and more spending for child care, special education, food banks, people with disabilities, and victims of domestic violence. Also, for the first time since he took office, Ridge did not propose cutting anyone's cash or medical-assistance benefits, and has even enrolled 122,000 more low-income children in the Child Health Insurance Program for families that do not qualify for medical assistance.

Unfortunately, the spending is not as generous for the City of Philadelphia, as the governor failed

to address the \$140 million shortfall in funding for the City's public schools and the \$160 million needed to run the city courts. Nevertheless, even Ridge's staunchest Democratic rivals concede that the budget will pass easily and on time.

Ridge may face a challenge from the conservative right in the general election. Marguerite "Peg" Luksik, an anti-choice activist who ran against Ridge in 1994 as an Independent and won 13 percent of the vote, more than any minor-party candidate in modern state history, likely will challenge him again. Luksik has formed a small campaign staff and Republicans are concerned that she will take votes from Ridge. She has indicated that she will run as the candidate of the Constitutional Party, which she leads.

A Keystone Poll of registered voters conducted October 7-30, 1997, shows that Ridge remains popular.

<u>Fav/Unfav</u>			<u>Job Performance</u>			<u>Re-Elect</u>	
10/97	53%/19%		<u>10/97</u>	<u>6/96</u>	<u>9/95</u>	Deserves It	50%
7/96	35%/26%	Excellent	14%	6%	11%	Time For Change	36%
4/96	36%/25%	Good	43%	41%	50%	Don't Know	14%
9/95	45%/ 7%	Fair	28%	31%	27%		
		Poor	12%	15%	3%		

Unfortunately, unless the Democratic party finds a formidable candidate, Ridge is a lock for reelection. So far, the only Democrats who have stepped forward to challenge Ridge are state House Minority Whip Ivan Itkin (D) and attorney Phil Berg (D). While Itkin has received the support of most Democratic party leaders, state Democratic Party Chair Mark Singel was quoted in a December *Wall Street Journal* article as saying that Itkin had "a virtually impossible chance" of beating Ridge. Despite speculation, Montgomery County lawyer Phil Berg, the self-styled "maverick" who lost primaries for governor in 1990 and lieutenant governor in 1994, says he will not seek a third-party candidacy and is running only for the Democratic nomination.

State Superior Court Judge Kate Ford Elliot (D) and former Rep. Marjorie Margolies Mezvinsky (D) also have been mentioned as possible candidates, but seem unlikely to challenge the popular and well-funded governor. At year's end, Ridge had more than \$5 million on hand, compared to \$90,000 for Ivan Itkin (D). Phil Berg (D) has not yet begun to raise money. At this point, Ridge seems a solid favorite for reelection as no first tier, or wealthy, Democratic candidate has emerged.

1998 SENATE RACE

Senator Arlen Specter (R) is seeking election to a fourth term in 1998. No Pennsylvania senator has ever been elected four times. In 1992, Specter narrowly defeated Lynn Yeakel (D), 49% to 46%, despite outspending her 2-1. After running as a moderate in the 1996 presidential primary, the pro-choice, Democrat-turned-Republican Specter has made strong efforts to placate conservatives in order to scare off or defeat any possible primary challenges from the right wing

of the Republican Party. Pennsylvania's Republican leadership -- including Governor Ridge (R), Senator Rick Santorum (R), and Pennsylvania Republican Party Chair Alan Novack (R) -- have been publicly united behind Specter since early 1997. However, Specter is being challenged in the primary by anti-choice activist Larry Murphy (R), who is African American and a research scientist.

Specter also has garnered Democratic support. Most notably, Philadelphia Mayor Ed Rendell (D) appeared at a fundraiser for Specter earlier this month. Specter and Rendell have long had something of a truce in the political wars, dating back to the relationship they formed when Specter was Philadelphia district attorney and Rendell was a city prosecutor.

Most recently, however, Specter has found himself in the center of the controversy surrounding the nomination of Common Pleas Judge Frederica Massiah-Jackson to the federal bench (see separate briefing from White House legal counsel). Massiah-Jackson's detractors claim she is too lenient on criminals, and Specter, her principal sponsor, said that further hearings would be appropriate to address the critics. The state's junior Senator, Rick Santorum (R), has announced that he is leaning against the nomination.

Critics also point to the fact that Specter last year voted against his party, and against conservative positions, more often than any other senate Republican -- fully half the time. Moreover, Specter voted 71 percent of the time in support of positions taken by **YOU**. According to the *Philadelphia Inquirer*, only four other Senate Republicans sided with **YOU** more often.

A Keystone Poll of registered voters conducted October 7-30, 1997, shows Specter with a favorability and job approval rating over 50%.

<u>Fav/Unfav</u>			<u>Job Performance</u>			<u>Re-Elect</u>	
10/97	52%/20%		10/97	4/92	10/91	Deserves It	49%
4/95	32%/31%	Excellent	12%	5%	11%	Time For Change	40%
10/92	34%/30%	Good	41%	33%	39%	Don't Know	11%
4/92	55%/28%	Fair	33%	44%	41%		
		Poor	6%	12%	9%		

On the Democratic side, no formidable opposition exists. Three Democrats have announced their bids for the seat, but they have raised little enthusiasm and even less money. State Rep. Bill Lloyd (D), a well-respected legislator, is viewed as Specter's strongest opponent. Lloyd's only statewide run was a 1996 third-place finish in a primary race for state Auditor General. Perennial candidate, Richard Orloski (D), an Allentown lawyer who unsuccessfully has run for office ten previous times, and Richard Cusick (D), an Allentown physician, are also running. Unlike Specter, all three challengers are anti-choice.

Former state Secretary of Aging Linda Rhodes (D), state Senator Allison Schwartz (D) and

businesswoman Bettye Martin Mushem (D), were considered contenders, but all three announced they will not challenge Specter.

In terms of fundraising, Specter had \$3.4 million on-hand at year's end, whereas challenger Richard Orloski (D) had \$108,050, which included a \$100,000 personal loan to his campaign. No reports were filed for state Rep. Bill Lloyd (D) and Richard Cusick (D).

As in the governor's race, Specter seems a solid favorite for reelection because no viable first tier Democratic candidate has emerged.

PHILADELPHIA CONGRESSIONAL SPECIAL ELECTION

With former Rep. Tom Foglietta's (D-01) confirmation by the Senate as the Ambassador to Italy, Governor Ridge (R) announced a special election to fill Foglietta's seat. On May 19, 1998, two elections will be held -- one a special election to fill the remaining seven months of Foglietta's term, the other a primary election to select nominees for the November general election for the next term. Philadelphia Democratic Chairman Bob Brady (D), who is white, is considered the prohibitive favorite for the seat representing the majority African American district.

In an impressive show of unity, Brady announced his candidacy alongside Philadelphia Mayor Ed Rendell (D), key members of the African American community, state legislators, city council members, the district attorney, labor leaders and former Rep. Lucien Blackwell (D), who many had expected to challenge Brady for the seat. This huge demonstration of support makes Brady the clear favorite. Insiders noted that the display was likely a message directed at former Common Pleas Judge John Braxton (D) and state Rep. Andrew Carn (D), a longtime Foglietta aide, who are thinking about joining the race. Additionally, former U.S. Rep. Lucien Blackwell (D), an African American who represented the 2nd district from 1991-1994, announced his candidacy for this seat last year, but earlier this month surprised many with his retirement from elective politics. This cleared the path for Brady, his good friend, to enter the race.

Political observers fear the election in one of the nation's poorest districts will largely hinge on racial issues, and the fact that Brady does not live in the district. Moreover, Brady acknowledged in an interview last week that he has "no position" on abortion, has yet to study the Social Security issue, and has no interest in foreign policy.

Republicans considering running include state Revenue Department Clerk Linda Bateman (R), state Rep. John Taylor (R), and state Athletic Commissioner George Boshetto (R). The seat is almost certain to stay in Democratic hands.

1998 CONTESTED PENNSYLVANIA CONGRESSIONAL RACES

Tenth Congressional District

Rep. Joseph McDade (R-10) announced in December that he would not seek reelection after 18 terms. His retirement will provide Democrats a legitimate opportunity to pick up this seat in a district where Democrats have a slight registration advantage, and McDade typically had won with the support of Democrats.

The district is centered in Scranton and includes most of the northeast corner of the state. Historically, the outlying areas are very Republican, while Scranton's strong Democratic base has resulted in a fairly balanced district. In 1996, **YOU** won the district by two points, but lost it in 1992 by three points.

On the Republican side, 1996 candidate Errol Flynn (R) has announced plans to seek the nomination. Flynn stunned McDade in the 1996 Republican primary by receiving 47 percent of the vote. Other challengers include former Lt. Gov. William Scranton (R), whose father held the seat for one term before McDade was elected in 1962, Scranton Mayor James Connors (R), and Lackawanna County District Attorney Michael Barrasse (R).

The announced Democratic candidates are Patrick Casey (D), the 32-year old son of former Governor Bob Casey (D) and brother of state Auditor General Bob Casey, Jr. (D), and '96 nominee Joe Cullen (D). Casey jumped into the race this week and plans are already underway for a Washington, D.C. fundraiser hosted by House Minority Leader Richard Gephardt (D) and Rep. John Murtha (D-12). Casey says he was encouraged by a recent poll showing him with a better than 3-1 lead over Cullen, and defeating all likely Republican challengers in potential general election matchups. Cullen lost to McDade in 1996 by a margin of 60 percent to 36 percent.

Other candidates who have expressed interest in running include Monroe County Commissioner Jim Cadue (D), state Senate Minority Leader Robert Mellow (D), former Scranton Mayor James McNulty (D), and Lackawanna County lawyer Todd O'Malley (D).

Thirteenth Congressional District

In a district known for hard-fought and expensive battles, with its outcomes determined by slim margins, no less is expected for the 1998 election, where Rep. Jon Fox (R-13) is hoping to be reelected to a third term. Fox likely will have a rematch of his 1996 race against Joseph Hoeffel (D), whom he defeated by a mere 84 votes.

Fox is expected to encounter fierce opposition from several well-financed challengers in the Republican primary. Under fire from a conservative watchdog group, the National Legal and Policy Center, for allegedly circumventing FEC laws in 1992 by accepting a \$25,000 personal loan, Fox is already losing support from party leaders. Long-time Fox supporter and Plymouth Republican Committee member Joseph D'Annunzio already has broken ranks and endorsed Bryn Mawr attorney Jonathan Newman (R). The wealthy Newman already has the endorsement of 28

Republican officials and leaders, and has vowed to spend up to \$1 million of his own money to secure the seat. So far, he has loaned himself \$350,000 of the \$500,000 in his campaign coffers.

Also seeking the nomination is Melissa Brown (R), an ophthalmologist, who has already raised \$285,000, of which \$215,000 is her own money. Anti-choice activist Michael McMonagle (R) also has joined the race and has raised \$54,000 of his \$300,000 goal so far. For his part, Fox has raised \$413,000 in the past year.

Whoever wins the Republican nomination will likely face the 1996 Democratic nominee, Democratic County Commissioner Joseph Hoeffel. The Democrats have so far shown a united front for Hoeffel, their best hope for recapturing the seat. **YOU** won this district in 1992 by 5 points, and in 1996 by 9 points.

Fifteenth Congressional District

The race to replace retiring Rep. Paul McHale (D-15) is already in full-swing. Six Republicans and two Democrats have already announced bids to replace the three-term congressman in this Allentown/Lehigh Valley district which has had only four representatives since 1933 - three Democrats and one Republican. **YOU** won this district in 1992 by 4 points, and in 1996 by 5 points.

The announced Democratic candidates are state Sen. Roy Afflerbach (D) and former Women's Commission Executive Director and former teacher Janice McElroy (D). A January poll of likely primary voters, commissioned by Afflerbach, showed that he would easily defeat McElroy, 59 percent to 38 percent. On the fundraising side, McElroy raised \$26,924 in just one month, but relied heavily on people living outside of the 15th district. Afflerbach has yet to begin raising money.

The Republican race for the seat has turned out six challengers. Party leaders consider state Sen. Joe Uliana (R), '96 nominee and real estate agent Bob Kilbanks (R), and Allentown businessman Pat Toomey (R) the frontrunners. Also running are attorney Nicholas Sabatine, III (R), physician Joseph Pascuzzo (R) and systems engineer Lawrence Grello (R). At year's end, Toomey led all Republicans in fundraising with \$112,673.

Lehigh County Executive Jane Baker (R) had given serious thought to entering the race, and likely would have been the prohibitive favorite (as 60 percent of all Republicans live in Lehigh County), but she decided against it several weeks ago because she felt that she would be more effective as the county executive than as a freshman congresswoman.

Analysis of the Congressional Races

These three congressional races provide a real opportunity for the Democrats to pick up one or two seats, as Casey appears to be a slight favorite in the 10th district, and the 13th and 15th districts appear to be toss-ups. The only problem is the fallout that might occur from the expected statewide routs by Specter and Ridge.

1999 PHILADELPHIA MAYORAL RACE

Mayor Ed Rendell (D) is term-limited and therefore will not be running for reelection in 1999. Although the election is nearly two years away, already there is a lot of activity among would-be candidates.

So far, three African American candidates have officially announced: City Council President John Street (D), state Rep. Dwight Evans (D), and former Executive Director of the Philadelphia Housing Authority John White (D). Street has a strong partnership with Rendell, especially on economic issues, and is generally regarded as the early front-runner for the Democratic nomination. Evans lost to Mark Singel in the 1994 Democratic gubernatorial primary. White, who has been in government for some time, represented Philadelphia at the White House during the Get Tough America Conference, which was held in June 1997.

The two announced white candidates are District Attorney Lynn Abraham (D) and City Comptroller Jonathan Sidel (D). Abraham has angered many African Americans for her continued opposition of the nomination of Common Pleas Judge Frederica Massiah-Jackson to the federal bench (see separate briefing provided by White House legal counsel). However, if she then runs for mayor, she will be a viable threat because of her name recognition and her law-and-order reputation. Sidel just won the Democratic Primary in his bid for re-election as City Comptroller, but has recently been rocked by a scandal. His former campaign treasurer and alleged girlfriend, Diana Roca, wrote herself a \$36,000 check from his campaign account. Hispanic City Councilwoman, Happy Fernandez (D), is also a possible challenger.

Powerful state Senator Vincent Fumo (D), announced this week that he, along with David Cohen, Mayor Rendell's former chief of staff, plans to raise \$1 million for a mayoral candidate "to be named later." While some have accused Fumo's effort as a search for a "white guy" who can win, Fumo claims that he is just looking for a good candidate to support. Among those mentioned as a possible candidate is Tom Leonard (D), former City Controller, and a partner with the Philadelphia law firm of Obermayer, Rebmann, Maxwell & Hippell.

The Republicans considering running for mayor include City Councilman Frank Rizzo, Jr. (R), Sam Katz (R), and Ben Paul (R). Rizzo is the son of the infamous former Philadelphia mayor Frank Rizzo. Katz is a wealthy investor and businessman who helped mastermind the construction of the Core States Center, where Philadelphia is hoping to host one of the major party conventions in 2000. Katz also ran against former mayor Frank Rizzo in the 1991 Republican mayoral primary. Paul is seen as a fringe candidate.

On the fundraising side, the Democratic candidates are off to an impressive start. At year's end, Street led his opponents with \$664,000 on-hand, followed by Evans with \$260,000, Abraham with \$253,000 and Fernandez with \$210,000. White has yet to start raising money, but formed a campaign finance committee on January 16. In contrast, the Republicans are off to a shaky start. Katz filed a report last month showing hefty leftover debts from previous runs for governor and mayor. Rizzo and Paul have not begun fundraising.

HOT ISSUES

Crime - Philadelphia

With headlines touting declining homicide and crime rates in most of the nation's largest cities, some local politicians and residents are wondering why Philadelphia has not seen the same results. *The Washington Post* reported on February 7 that Philadelphia has been unable to match the drops in the homicide rates of Boston (30 percent), Washington, D.C. (25 percent), New York City (22 percent), and Los Angeles (20 percent). Philadelphia shares with Houston the distinction of only a minuscule drop (2 percent) in its rates.

Some state officials assert that Philadelphia lacks the consensus among its elected officials to make a drastic reduction in crime and murder, as was accomplished in other cities. Experts also question Philadelphia's aggressiveness in tackling these problems. Unlike Philadelphia, New York and Boston have used such tactics as targeting the most violent, drug-infested streets; cracking down on illegal guns, especially those carried by teens; and tracking crimes on computerized systems that turn out up-to-the-minute information used to deploy officers to the most urgently needed spots. Moreover, Philadelphia's police commissioner does not have the authority to fire commanders if crime rates do not fall in their precincts, as is done in New York.

Budget - Philadelphia

In a startling departure from five years ago when an area paper ran the headline "City on the Brink," and the city was facing the specter of municipal bankruptcy and declining bond ratings, Mayor Rendell presented his new \$2.6 billion budget to an enthusiastic reception in the City Council last week.

The "no-pain" budget is certain to get swift approval. Citing a growth in jobs, the start of work on seven hotels, and a record budget surplus of \$128 million at the end of last fiscal year, this year's budget calls for deeper cuts in the wage tax and business taxes, more money for additional police, after-school programs and health programs, 3 percent pay increases for city employees, and the assurance of no layoffs among the 23,000-person workforce. Nevertheless, two areas where the city is still in dire shape is its public schools and city courts, where they face a collective \$300 million shortfall. Mayor Rendell has urged the state to increase funding for both.

Schools - Philadelphia

Arguably, the most dire situation facing Philadelphia is the decrepit condition of the public school system, and the city has gone to court to force the state to contribute more money. Philadelphia School Superintendent David Hornbeck has said that the district is facing a shortfall of more than \$140 million this year and will run out of money and "cease to exist as we know it" in July without additional help.

The state contends that it does more than enough to fund the schools and the city should take the blame for inept management. It notes that the state picks up 60 percent of the city schools' \$1.4 billion budget, contributing 18 percent of all state public education dollars to the city, which has only 12 percent of the state's public school pupils. The city asserts a school-age population

increase of 20,000, coupled with a shrinkage of 6 percent in state subsidies, a 14 percent growth in the number of children on welfare, and a continuing gap of \$2,000 per pupil in the city compared to the suburbs.

State leaders have offered a compromise that would break up the city's school district into 22 separate districts, with each electing its own school board, increasing accountability by making parents and taxpayers feel they have a say in how the schools are run. Presently, the school board is appointed by the mayor, the only one among the 500 state school districts to do so. The city opposes the restructuring plan.

Economic Development in Philadelphia

Mayor Rendell (D) has put an enormous amount of effort into developing Philadelphia's hospitality and tourism industry. The Mayor announced in late November that he wants to expand the Convention Center, which was built in 1993, so that it is able to host the largest conventions of over 10,000 people. This is yet another step in Rendell's plan for economic development and a heightened emphasis on tourism which is meant to attract one, or both, of the two major parties to hold their political conventions in Philadelphia in 2000.

In a huge boost to those prospects, the Mayor announced last month that the number of hotel rooms in the area now totaled 30,000, up from the reported 17,000 of several months ago. The two political parties want at least 20,000 rooms to house the 35,000 or so delegates, families and news media. This message was taken to last month's Republican National Committee meeting in Palm Springs, California where leaders were discussing possible sites for its 2000 convention. The Democrats will get the same message in the spring in a proposal from Philadelphia 2000, the region's confederation of political and business leaders that is managing the campaign to lure the political conventions in 2000.

Rendell also has concentrated on keeping jobs in Philadelphia. Since 1988, Philadelphia has been consistently losing jobs. However, it appears that Philadelphia's economy seems to have finally stabilized. In June, the Bureau of Labor Statistics reported that Philadelphia saw a gain in the number of jobs produced for the first time since 1988, with the biggest gain coming in the services sector. These gains are greatly due to the success of the Convention Center which has generated 6,200 jobs and nearly \$300 million in revenue. Plans were also announced in early November to upgrade the scale and appearance of the Philadelphia International Airport. These plans could create as many as 3,000 jobs and \$3.5 billion in new economic activity across the region.

Grays Ferry Racial Attack - Philadelphia

On February 23, 1997, Annette Williams, her son and a nephew were attacked by a group of white men spilling out of a party at St. Gabriel's church hall in the Philadelphia neighborhood of Grays Ferry. She said a white man shoved a gun in her face, kicked her in the street and assaulted her son and nephew, called her a hateful name and threatened to blow-up her house.

On February 9, 1998, following a nine-day nonjury trial, Judge Albert J. Snite convicted six white men, and acquitted three others, in the racial assault on the black family. However, the judge found no conspiracy among the nine men, convicted only three of them on felony riot charges, while the other three were convicted of simple misdemeanor assault. The judge also suggested that the two young men who were the victims had a role in the fracas. Sentencing has been set for April 2 and 3.

The incident has heightened racial tensions between whites and blacks, and has focused national attention on the Philadelphia neighborhood. Nation of Islam leader, Minister Louis Farrakhan, came to the city and took up the cause of the Williams family. The predominantly black Grays Ferry West Community Action Group has protested the judge's decision.

Neighborhood Rebirth - Lower North Philadelphia

In an extreme example of urban decay, the area around 17th and Oxford Streets lost 72 percent of its population from 1960 to 1990, and close to 60 percent of the homes presently stand abandoned. However, this part of Lower North Philadelphia -- the city's first neighborhood to die this century -- may be the first to be reborn in the next.

As part of a \$45 million experiment funded by the federal government, but conceived and pushed by the city, about 300 homes are to be built and priced well under market for middle-class families. Elsewhere in Lower North Philadelphia, more than a dozen projects are nearing completion or are about to begin, involving close to 700 units.

The government subsidy for this project is not small: the houses at one site cost about \$120,000 to build, but sell for \$42,000 to \$44,000. The same theory was used, with good results, to justify the state's \$550 million investment in the city's Convention Center. Community leaders believe that the idea is to seed these communities with for-sale housing to establish a long-term residential community, and hope it spreads. This is hoped to bring more people into the area and that, in turn, will stimulate commercial development, which will bring in more of the same. By these slow steps, a neighborhood is hoped to be redeemed.

Challenge to the Americans With Disabilities Act - U.S. Supreme Court

In a case closely watched by other states, Governor Ridge (R) is preparing to argue before the U.S. Supreme Court that the Americans With Disabilities Act ("ADA") does not apply to state prisons. 26 states and Guam have petitioned the Court, urging that the case be heard. The case stems from a 1994 lawsuit filed against Pennsylvania and its Department of Corrections by an inmate at Camp Hill State Prison. Ronald Yeskey claimed that prison officials illegally refused

to admit him into the Quehanna Motivational Boot Camp in a remote part of the state because of his hypertension. He claimed his disability qualified him for the program under ADA.

The Ridge administration is not challenging whether Yeskey's hypertension entitles him to the protection of the ADA, only that the federal law does not apply within state prisons. A federal judge in Harrisburg sided with the state and dismissed Yeskey's suit in the summer of 1996. But a federal appeals court in Philadelphia reversed that ruling a year later, saying that the ADA does apply to prisons. The state then appealed to the U.S. Supreme Court. The U.S. Justice Department began informing the states nearly four years ago through policy memorandum that the ADA applies to operations and programs in state prisons.

1996 STATE ELECTION RESULTS

YOU won Pennsylvania by 9% in both 1996 and 1992. In 1996, **YOU** won the state by a margin of roughly 400,000 votes and won Philadelphia by a margin of 327,000 votes. In addition to the presidential election, three statewide Constitutional offices were on the ballot in 1996. Cathy Baker Knoll (D) held the office of State Treasurer, but did not seek reelection. Instead her daughter, Mina Baker Knoll (D) ran unsuccessfully against Barbara Hafer (R) for State Treasurer. Bob Casey, Jr. (D), son of former Governor Bob Casey (D), defeated Bob Nyce (R) for Auditor General. Joe Kahn (D) lost the attorney general race to D. Michael Fisher (R).

POLITICAL DATA

Governor:	Tom Ridge (R) 45% in 1994
Senate:	Arlen Specter (R) 49% in 1992 Rick Santorum (R) 49% in 1994
U.S. House:	11D-10R
State Senate:	21D-29R
State House:	99D-104R
Electoral Votes:	23

CONGRESSIONAL DELEGATION

Sen. Arlen Specter (R)	Sen. Rick Santorum (R)
Vacant (01)	Rep. Chaka Fattah (D-02)
Rep. Robert A. Borski (D-03)	Rep. Ron Klink (D-04)
Rep. John E. Peterson (R-05)	Rep. Tim Holden (D-06)
Rep. Curt Weldon (R-07)	Rep. James C. Greenwood (R-08)
Rep. Bud Shuster (R-09)	Rep. Joseph M. McDade (R-10)
Rep. Paul E. Kanjorski (D-11)	Rep. John P. Murtha (D-12)
Rep. Jon D. Fox (R-13)	Rep. William J. Coyne (D-14)
Rep. Paul McHale (D-15)	Rep. Joseph R. Pitts (R-16)
Rep. George W. Gekas (R-17)	Rep. Mike Doyle (D-18)
Rep. William F. Goodling (R-19)	Rep. Frank R. Mascara (D-20)
Rep. Philip S. English (R-21)	

STATE CONSTITUTIONAL OFFICERS

Governor:	Tom Ridge (R)
Lt. Governor:	Mark Schwieker (R)
Secretary of Commonwealth:	Yvette Kane (R)
Attorney General:	D. Michael Fisher (R)
Treasurer:	Barbara Hafer (R)
Auditor General	Bob Casey, Jr. (D)
Speaker of the House:	Matthew Ryan (R)
House Minority Leader:	H. William DeWeese (D)
Senate Pro Tem:	Robert J. Jubelirer (R)
Senate Minority Leader:	Robert Mellow (D)

PENNSYLVANIA AT A GLANCE

- The current unemployment rate in Pennsylvania is 5.3% compared to 7.4% in 1993.
- 1995 estimated population was 12 million, making Pennsylvania the 5th largest state in the nation.
- 87% of Pennsylvanians are White; 9.1% are African-American; and 2.1% are Hispanic.
- 16% of Pennsylvania residents are 65 or older.
- 56% of Pennsylvania households are married couples, and 25% are married couples with children.
- Median household income in 1994 was \$32,066.
- Approximately 44,247 new private sector jobs have been created each year since 1993.
- 74.6% of residents have a high school education and 17.9% have a college education.
- Turnout in the 1996 presidential election was 49% of the voting age population compared to 54% in 1992. Turnout in the 1994 election was 39%.

PHILADELPHIA AT A GLANCE

- **YOU** won Philadelphia 78% to 16% in 1996.
- Philadelphia's population of 1,585,577 is 53.5% White, 39% African American, 5.6% Hispanic, and 2.7% Asian.
- The Mayor of Philadelphia is Ed Rendell (D).
- The City Council of Philadelphia is comprised of 9 Democrats and 1 Republican and the City Council President is John F. Street (D).
- The area's major universities include the University of Pennsylvania, Temple University, St. Joseph's University, La Salle University, Drexel University and Villanova University.

ECONOMIC PROGRESS IN PENNSYLVANIA 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 Pennsylvania after the first 59 months of the Clinton Administration:

Improved Economic Conditions in Pennsylvania:

- The unemployment rate has dropped from 7.3% to 4.8%.
- Pennsylvania has added 365,000 new jobs, or 74,237 **per year** -- after **LOSING 900 per year** during the previous administration.
- Pennsylvania has added 334,600 new private-sector jobs, or 68,054 **per year** -- after **LOSING 2,650 per year** during the previous administration.
- New business incorporations have **INCREASED 4.9% per year** -- after **DECREASING 6.7% per year** during the previous administration.
- Business failures have **DECREASED 4.8% per year** -- after **INCREASING 30.8% per year** during the previous administration.
- Bankruptcy filings have **DECREASED 6.3% per year** -- after **INCREASING 11.8% per year** during the previous administration.
- Bank lending has **INCREASED 8.4% per year** -- after **DECREASING 1.9% per year** during the previous administration.
- Consumer confidence has increased 83.9%.

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

\$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN PENNSYLVANIA: 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 Pennsylvania.

8 TIMES MORE PENNSYLVANIA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 510,127 working families in Pennsylvania will receive a tax cut. This compares to an increase in the income tax rate for only the 60,308 wealthiest taxpayers in Pennsylvania.

TAX CUT FOR 53,262 SMALL BUSINESSES IN PENNSYLVANIA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 53,262 small businesses in Pennsylvania are likely to benefit from the expansion of the expensing allowance this year alone *and many more will benefit over the coming years.*

2,129,000 PENNSYLVANIA 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 2,129,215 workers in Pennsylvania, and protects the jobs of 127,911 workers in Pennsylvania who are likely to use unpaid leave this year alone.

1.7 MILLION STUDENTS AND FORMER STUDENTS IN PENNSYLVANIA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 1.7 million Pennsylvania borrowers -- 1.2 million current borrowers and 500,000 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.



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

'98 FEB 11 PM5:00

February 11, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. MCGINTY

WFW for KAM

RE: PENNSYLVANIA ENVIRONMENTAL ISSUES

American Heritage Rivers

We have received 126 American Heritage River nominations from communities across the country. In Philadelphia, the Schuylkill River has been nominated by the Schuylkill River Development Council, one of the oldest and most effective river restoration organizations in the country. The nomination is supported by Senator Specter, Mayor Rendell and more than 80 businesses, foundations, and civic organizations. In addition, we have received bipartisan expressions of support from Congressmen Borski, Fattah, Foglietta, Fox, Holden, and Weldon.

The American Heritage River nominations will be reviewed by a selection panel of nonfederal experts in historic preservation, economic development and environmental protection. In March the selection panel, which we are close to finalizing, is expected to recommend up to 20 rivers to you for designation. You will select a total of 10 rivers as American Heritage Rivers.

NOTE: Other Pennsylvania rivers nominated are the Allegheny, Delaware, Genesee, Lehigh, Ohio, and Potomac Rivers; Rivers of Steel (in Pittsburgh); Swatara Creek; and the Upper Susquehanna-Lackawanna watershed.

THE WHITE HOUSE
WASHINGTON

February 11, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: THURGOOD MARSHALL, JR. *JPJ 6m TM*
JON P. JENNINGS *JPJ*

SUBJECT: HOT ISSUES--PHILADELPHIA, PENNSYLVANIA

National Constitution Center: The National Constitution Center Board, chaired by Mayor Rendell, is proposing to build a 122,000 square foot National Constitution Center that would provide educational and interpretive programs related to the Constitution. The estimated cost for the center is \$123 million. The board has proposed that the federal government fund \$60 million of the total cost. Senator Specter supports the proposal. The FY 1999 budget contains \$500,000 for NPS planning and design for the center's construction, however, no federal cost-share commitments have been made to date for the center's construction. In addition, Mayor Rendell has proposed that a hotel and meeting space be built adjacent to the center, but NPS opposes that plan. (DOI)

SEPTA Strike: The contract between the Southeastern Pennsylvania Transit Authority (SEPTA) and the Transport Workers' Union runs out on March 15. Although negotiations have begun, the two parties are far apart on the issue of work rules. SEPTA has proposed a totally new contract designed to increase productivity. The union has indicated that, since the current contract has evolved over many years, negotiation should begin with that as a base. (DOT)

Philadelphia Naval Shipyard Contamination: Since 1991, environmental cleanup work has been underway at the Philadelphia Naval Shipyard to prepare for its closure and transfer to the city. City and state negotiators signed an agreement this fall with Kvaerner ASA, a Norwegian shipbuilder. Kvaerner ASA expressed concerns during negotiations about the environmental contamination at the base and liability for cleanup costs. Kvaerner ASA has recently indicated it wants to enter into a Prospective Purchaser Agreement (PPA) with EPA to protect the company from liability. It is EPA's policy not to enter into PPA's with transferees of closed military bases. EPA and DOJ are currently involved in negotiations with the company and the city to resolve the issue. (EPA)

Medicare Payment Suspension: Veritus, Inc, a Medicare fiscal intermediary, imposed payment suspensions on two community mental health centers (CMHCs) based on reliable evidence of willful fraud against the Medicare program. Both CMHCs are owned by Regional Development Behavioral Health Centers (RDBHC). The clinics were investigated as a result of Operation Restore Trust. RDBHC contacted Congressman Holden outlining

concerns with the payment suspension and requested his intervention. On February 10, the HCFA Regional Office met with the Congressman's office to hear their concerns. (HHS)

Health Choices Reimbursement Issues: On February 1, 1997, the Pennsylvania Department of Public Welfare implemented the Health Choices Program for almost all Medicaid beneficiaries that reside in Southeastern Pennsylvania. Since implementation, several articles appeared in the *Philadelphia Inquirer* expressing public sentiment that the capitation rates the state is paying the HMOs do not provide adequate reimbursement for providing services to the special needs populations enrolled in the program. At the request of the HMOs, the HCFA Regional Office staff met separately with two of the four HMOs to hear their concerns. The Pennsylvania legislature has contracted with Arthur Anderson, Inc. to perform an analysis of the actuarial soundness of the rates. The draft report will be issued the week of February 9 and a hearing on the report's findings will be held on February 11. Media attention this report is expected. (HHS)

Health Insurance Program Proposal: On November 3, Pennsylvania submitted a proposal to implement a Children's Health Insurance Program under Title XXI of the Social Security Act. On December 17, HCFA sent the state a letter requesting additional information on the proposal, thereby suspending the statutory 90-day review period. On February 5, HCFA received a written response from the state, which restarted the 90-day review period. (HHS)

School Desegregation/Funding: The PA Supreme Court heard arguments in early February on the state's appeal of a 1996 ruling in which the state was ordered to pay the Philadelphia school district \$45 million for the purpose of implementing its desegregation plan. The city and the district also have another lawsuit pending against the state which alleges that the state's funding policy is unfair to districts with large numbers of students living in poverty. In late January, Mayor Rendell indicated the city may file yet another case, in which it will argue that the state's formula for allocating education funding to school districts unfairly disadvantages poor districts with high minority populations. (DOEd)

PRESIDENT CLINTON AND VICE PRESIDENT GORE'S ACCOMPLISHMENTS: PENNSYLVANIA

EXPANDING ECONOMIC OPPORTUNITY FOR ALL:

- **Unemployment Down to 4.8%:** The unemployment rate in Pennsylvania has declined from 7.3
- **363,900 New Jobs:** 363,900 new jobs have been created in Pennsylvania since 1993 -- an average of 75,290 jobs per year. In contrast, an average of 900 jobs were *lost* each year under the previous administration.
- **The Poverty Rate Has Fallen:** Nationally, the poverty rate has fallen from 15.1% in 1993 to 13.7% in 1996. Since the President signed his 1993 Economic Plan into law, the nation has seen the largest three year drop in poverty in a decade. In Pennsylvania, the poverty rate has fallen 1.6 percentage points since 1993. [1996 data]
- **450,000 Have Received a Raise:** Approximately 193,000 Pennsylvania workers have benefited from an increase in the minimum wage -- from \$4.25 to \$4.75 -- on October 1, 1996. They, along with about 257,000 received an additional raise -- from \$4.75 to \$5.15 -- on September 1, 1997.
- **A \$500 Child Tax Credit to Help Families Raising Children:** To help make it easier for families to raise their children, the balanced budget includes a \$500 per-child tax credit for children under 17. Thanks to President Clinton, the Balanced Budget delivers a child tax credit to 1,185,000 families in Pennsylvania.
- **Highest Homeownership Ever:** Homeownership in Pennsylvania increased from 73.1 percent to 74.2 percent since 1992 -- and it is now the highest on record for Pennsylvania.
- **Over \$40,000 of Reduced Federal Debt for Every Family of Four:** The national debt will be more than \$2.5 trillion lower in 2002 than was projected before the passage of President Clinton's economic plan. That's over \$40,000 of reduced federal debt for each family of four in Pennsylvania.

EXPANDING ACCESS TO EDUCATION:

- **Over \$154.4 Million in Head Start Funding:** In FY97, Pennsylvania received \$141.4 million in Head Start funding. This year, Pennsylvania will receive \$154.4 million, an increase of \$13.0 million over 1997.
- **\$19.8 Million in Goals 2000 Funding:** This year [FY98], Pennsylvania receives \$19.8 million in Goals 2000 funding. This money is used to raise academic achievement by raising academic standards, increasing parental and community involvement in education, expanding the use of computers and technology in classrooms, and supporting high-quality teacher professional development.
- **\$18.3 Million for Technology Literacy:** In 1997, Pennsylvania received \$8.6 million for the Technology Literacy Challenge Fund. This year [FY98], Pennsylvania receives an increase of \$9.7 million, to \$18.3 million, for the Technology Literacy Challenge Fund which helps communities and the private sector ensure that every student is equipped with the computer literacy skills needed for the 21st century.
- **\$326 Million for Students Most in Need:** Pennsylvania receives \$326 million in Title I grants providing extra help in the basics for students most in need, particularly communities and schools with high concentrations of children in low-income families [FY98].
- **\$286.7 Million in Pell Grants:** Pennsylvania received \$231.1 million last year in Pell Grant funding, which helped Pennsylvania's low-income students go to college [FY97]. This year, Pennsylvania will receive \$286.7 million, an additional \$55.6 million [FY98], benefitting 9,000 more students than the previous year.
- **Over 2,600 Have Served in Pennsylvania through AmeriCorps:** This year, 128 AmeriCorps participants are serving their communities while earning money for college by working in Pennsylvania's schools, hospitals, neighborhoods or parks. Since the National Service program began in 1993, over 2,600 members have served Pennsylvania in 252 different programs [through FY97].
- **Tuition Tax Credits in Balanced Budget Open the Doors of College and Promote Lifelong Learning:** The balanced budget includes both President Clinton's \$1,500 HOPE Scholarship to help make the first two years of college as universal as a high school diploma and a Lifetime Learning Tax Credit for college juniors, seniors, graduate students and working Americans pursuing lifelong learning to upgrade their skills. This 20% tax credit will be applied to the first \$5,000 of tuition and fees through 2002 and to the first \$10,000 thereafter. 251,000 students in Pennsylvania will receive a HOPE Scholarship tax credit of up to \$1,500. 307,000 students in Pennsylvania will receive the Lifetime Learning Tax Credit.

FIGHTING CRIME AND VIOLENCE:

- **Crime Falls in Pittsburgh:** Since 1992, serious crime has fallen 39% in Pittsburgh [1996 data].
- **2,774 More Police:** The President's 1994 Crime Bill has funded 2,774 new police officers to date in communities across Pennsylvania [through 1/98].
- **\$5.3 Million to Combat Domestic Violence:** Through the Violence Against Women Act, Pennsylvania used \$5.3 million in federal funds last year [FY97] to establish more women's shelters and bolster law enforcement, prosecution, and victims' services. Pennsylvania received \$4.7 million under VAWA in FY96.
- **\$2.1 Million in Grants for Battered Women and Children:** In 1998, Pennsylvania will receive an estimated \$2.1 million in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse.

- **\$22.1 Million to Keep Drugs & Violence Out of Pennsylvania's Schools:** Pennsylvania will receive \$22.1 million in FY96 for the Safe & Drug Free Schools Program, which invests in school security and drug prevention programs.

MOVING PENNSYLVANIANS FROM WELFARE TO WORK:

- **186,820 Fewer People on Welfare:** There are 186,820 fewer people on welfare in Pennsylvania now than there were at the beginning of 1993 – an 31% decrease [through 8/97].
- **Child Support Collections Up 25%:** Child support collections have increased by over \$196 million – or 25% – in Pennsylvania since FY92 [through FY96].
- **Pennsylvania Receives \$44.5 Million in Welfare-to-Work Grants:** In FY98, Pennsylvania will receive \$44.5 million in welfare-to-work state formula grants, helping Pennsylvania prepare welfare recipients for work and to place them in jobs. Part of the President's comprehensive efforts to move recipients from welfare to work, this funding is included in the \$3 billion Welfare-to-Work Jobs Challenge Fund signed into law in the 1997 balanced budget.

INVESTING IN PENNSYLVANIA'S HEALTH:

- **Health Care for Uninsured Children:** The balanced budget includes the largest single investment in health care for children since the passage of Medicaid in 1965 – an unprecedented \$24 billion over five years to cover as many as five million children throughout the nation. This investment guarantees the full range of benefits – from checkups to surgery – that children need to grow up strong and healthy. It ensures that prescription drugs, vision, hearing, and mental health coverage now offered at the state level are extended to millions of uninsured children. To expand health coverage to more uninsured children in Pennsylvania the Balanced Budget provides \$117 million in 1998. This compares to the 1995 Republican plan vetoed by President Clinton that would have denied health care coverage to 82,000 children in Pennsylvania.
- **Helping Pennsylvania Women and Children with WIC:** The Clinton Administration is committed to full funding in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). Last year, in Pennsylvania, 847 more women and children in need received health and food assistance than in 1994.
- **More Toddlers Are Being Immunized:** As a result of the President's 1993 Childhood Immunization Initiative, childhood immunization rates have reached an historic high. According to the CDC, 90% or more of America's toddlers in 1996 received the most critical doses of each of the routinely recommended vaccines – surpassing the President's 1993 goal. In Pennsylvania in 1996, 96% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 94% received the vaccine for polio; 92% received the vaccine for measles, and 93% received the vaccine for *Haemophilus influenzae* B, the bacteria causing a form of meningitis.
- **\$13.5 Million to Fight AIDS:** Since President Clinton took office, funding for the Ryan White CARE Act has increased by 159% nationwide. In FY97, Pennsylvania communities received \$7.1 million in Ryan White formula award funds and \$6.4 million in supplemental award funds to care for people living with AIDS and HIV.

PROTECTING THE ENVIRONMENT:

- **23 Toxic Waste Sites Cleaned Up:** Since 1993, the EPA has completed 23 Superfund toxic waste clean-ups in Pennsylvania, in Stroudsburg, Philadelphia, Clarks Summit, Ambler, Glen Rock, South Montrose, Longswamp Township, Parker, Upper Macungie Township, Hellertown, Buffalo Township, the Borough of Kimberton, Old Forge, Girard, McAdoo, Middletown, Seven Valleys, Hatboro, Sharpsville, Hopewell Township, Jefferson Boro, Antis and Logan Townships, and Croydon & Bristol [through 1/98]. Only 12 sites were cleaned up in Pennsylvania during the previous twelve years combined (12).
- **4 Brownfields Pilots in Pennsylvania:** Since 1993, the EPA has awarded 4 Brownfields Demonstration Pilots in Pennsylvania – regional pilots in Philadelphia and Pittsburgh, and national pilots in Phoenixville and Bucks County. These projects are intended to jump-start local clean-up efforts by providing funds over a two year period to return unproductive, abandoned, contaminated urban properties to productive use.

SPEARHEADING URBAN RENEWAL EFFORTS:

- **\$79 Million to Philadelphia:** Philadelphia was designated an Urban Empowerment Zone in 1994 and was awarded \$79 million to create more jobs, housing, and economic opportunity for its residents. As part of this designation, Sea Change Environmental Services, a north Philadelphia asbestos and lead removal company, was given a \$100,000 loan in July, 1996 which it will use to buy equipment and hire workers to remove lead and asbestos at city-owned homes, Independence Mall and the Philadelphia Naval Base.
- **\$9 Million to Other Pennsylvania Communities:** Lock Haven, Pittsburgh, and Harrisburg were awarded \$3 million each to pursue similar job creation efforts.