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Divider Title: **APRIL 1998**

THE TRIP

of

THE PRESIDENT

to

KANSAS CITY, MISSOURI

and

CHICAGO, ILLINOIS

April 7-8, 1998

Staff Copy

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Tuesday, April 7, 1998

KANSAS CITY, MISSOURI

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98APR6PM10:2C

Tuesday, April 7, 1998

SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, APRIL 7, 1998

Final Schedule

SCHEDULING DIRECTOR:	STEPHANIE STREETT	
	HOME:	202-332-5651
	OFFICE:	202-456-2823
	WHCA PAGER:	4033
EVENT COORDINATOR:	AVIVA STEINBERG	
	HOME:	202-362-1813
	OFFICE:	202-456-2920
	WHCA PAGER:	4022
PRESS DESK:	KAREN BURCHARD	
	HOME:	703-243-3656
	OFFICE:	202-395-1039
	PAGER:	1-800-SKYPAGE #115-8521

WEATHER:

WASHINGTON, DC
Partly cloudy, becoming mostly cloudy by late afternoon. Winds south to southwest at 5 to 10 knots. Low 36 to 41. High 63 to 68.
KANSAS CITY, MO
Cloudy with rain showers and thunderstorms. Winds south to southwest at 15 to 25 knots. Low 45 to 50. High 60 to 65.

Schedule of the President for Tuesday, April 7, 1998 *Final Schedule*

8:25 am	**THE PRESIDENT** proceeds to the South Lawn
8:30 am	**THE PRESIDENT** departs The White House via Marine One en route Andrews Air Force Base [flight time: 10 minutes]
8:40 am	**THE PRESIDENT** arrives Andrews Air Force Base
8:55 am	**THE PRESIDENT** departs Andrews Air Force Base via Air Force One en route Kansas City International Airport, Kansas City, Missouri [flight time: 2 hours, 15 minutes (approximately)] [time change: -1 hours]
10:10 am	**THE PRESIDENT** arrives Kansas City, Missouri Greeters: Mel Carnahan, Governor (T) Representative David Dreier Representative Karen McCarthy Jay Nixon, Attorney General Mayor Carol Marinovich, Kansas City, KS Katheryn Shields, Jackson County Executive
10:25 am	**THE PRESIDENT** departs Airport via motorcade en route Penn Valley Community College [drive time: 25 minutes]
10:50 am	**THE PRESIDENT** arrives Penn Valley Community College Greeters: Dr. Giles, Chancellor, Penn Valley Community College Dr. Williams, President, Penn Valley Community College Mayor Reverend Emmanuel Cleaver

11:00 am- 12:00 pm	**REMARKS TO THE CONCORD COALITION/AARP SOCIAL SECURITY FORUM** GYMNASIUM Penn Valley Community College Remarks: Michael Waldman Staff Contact: Gene Sperling Event Coordinator: Aviva Steinberg **OPEN PRESS**

-- Off-stage announcement of **The President**, accompanied by Governor Mel Carnahan, Senator Rick Santorum, Senator Robert Kerrey, Representative Earl Pomeroy, and Representative Kenny Hulshof, to "Ruffles and Flourishes" and "Hail to the Chief."

-- Governor Mel Carnahan introduces **The President**.

-- **The President** makes remarks.

-- Governor Carnahan introduces Senator Rick Santorum.

-- Senator Rick Santorum gives remarks and introduces Senator Robert Kerrey.

-- Senator Robert Kerrey makes remarks and introduces Representative Kenny Hulshof.

-- Representative Kenny Hulshof gives remarks and introduces Representative Earl Pomeroy.

-- Representative Earl Pomeroy gives remarks.

-- Governor Carnahan makes closing remarks.

-- **The President** departs.

12:05 pm 12:45 pm	**LUNCH WITH SENIORS** COACH'S LOUNGE Penn Valley Community College **POOL SPRAY (AT THE TOP)**

12:50 pm- 1:30 pm	**BRIEFING AND REMARKS VIA SATELLITE TO THE REGIONAL CONGRESSIONAL SOCIAL SECURITY FORUMS** ROOM 005 Penn Valley Community College Staff Contact: Larry Stein Event Coordinator: Aviva Steinberg **OPEN PRESS (REMARKS AT LOCATIONS)** **CLOSED PRESS**

-- Ken Apfel makes an opening statement.

-- **The President** makes remarks.

-- **The President** hears from:
Representative Robert Borski
Representative Ben Cardin
Representative Nancy Johnson
Representative Jim Korbe
Representative Jerry Weller

-- **The President** responds to the Representatives and makes closing remarks.

1:30 pm- 1:35 pm	**POLICE AND DRIVER PHOTOGRAPHS** HALLWAY Penn Valley Community College
1:40 pm- 2:05 pm	**BRIEFING ON PANEL DISCUSSION** PRESIDENTIAL HOLD Penn Valley Community College Staff Contact: Gene Sperling

2:10 pm- 3:00 pm	**SOCIAL SECURITY PANEL DISCUSSION** GYMNASIUM Penn Valley Community College Staff Contact: Gene Sperling Event Coordinator: Aviva Steinberg **OPEN PRESS**

-- Gwen Ifill makes introductory remarks and announces the participants into the room.

-- **The President** proceeds to his seat.

-- The discussion begins, moderated by Gwen Ifill.

-- **The President** makes a closing statement.

-- **The President** works a ropeline and departs.

3:10 pm	**THE PRESIDENT** departs Penn Valley Community College via motorcade en route Crown Plaza Hotel [drive time: 5 minutes]
3:15 pm	**THE PRESIDENT** arrives Crown Plaza Hotel
3:20 pm- 5:00 pm	**DOWN** THE PRESIDENTIAL SUITE Crown Plaza Hotel
5:05 pm	**THE PRESIDENT** departs Crown Plaza Hotel via motorcade en route Airport [drive time: 25 minutes]
5:30 pm	**THE PRESIDENT** arrives Airport Greeters: University of Missouri - Kansas City Debate Team
5:45 pm	**THE PRESIDENT** departs Airport via Air Force One en route Chicago O'Hare International Airport, Chicago, Illinois [flight time: 1 hour, 10 minutes] [time change: None]

6:55 pm	**THE PRESIDENT** arrives Chicago, Illinois Greeters: Senator Carol Moseley - Braun Senator Dick Durbin Brigadier General Harold Koistler Lynn Keistler Mary Rose Lorey, Chicago Aviation Commissioner Patrick Levar
7:10 pm	**THE PRESIDENT** departs Airport via motorcade en route Private Residence [drive time: 25 minutes]
7:35 pm	**THE PRESIDENT** arrives Private Residence Greeters: Lou Weisbach Ruth Weisbach Len Barrack, Finance Chairman, DNC Steve Grossman, National Chairman, DNC
7:40 pm- 8:05 pm	**PHOTO RECEIVING LINE** STUDY Private Residence Staff Contact: Craig Smith Event Coordinator: Aviva Steinberg **CLOSED PRESS** -- **The President** will greet approximately 90 guests for photographs.

8:10 pm- 9:30 pm	**DEMOCRATIC BUSINESS COUNCIL DINNER** TENT Private Residence Staff Contact: Craig Smith Event Coordinator: Aviva Steinberg **PRINT POOL REPORTER (REMARKS ONLY)**

-- **The President** proceeds to his table.

-- Dinner is served.

-- Ramsey Lewis, jazz pianist, performs two songs.

-- Steve Grossman, Chairman, Democratic National Committee, gives welcoming remarks and introduces Senator Dick Durbin.

-- Senator Dick Durbin gives remarks and introduces Senator Carol Moseley - Braun.

-- Senator Carol Moseley - Braun gives remarks and introduces Lou Weisbach.

-- Lou Weisbach gives remarks and introduces **The President**.

-- **The President** gives remarks and departs.

9:35 pm	**THE PRESIDENT** departs Private Residence via motorcade en route Deerfield High School Landing Zone [drive time: 5 minutes]
9:40 pm	**THE PRESIDENT** arrives Deerfield High School Landing Zone
9:50 pm	**THE PRESIDENT** departs Deerfield High School Landing Zone via Marine One en route Meigs Field Landing Zone [flight time: 15 minutes]
10:05 pm	**THE PRESIDENT** arrives Meigs Field Landing Zone
10:15 pm	**THE PRESIDENT** departs Meigs Field Landing Zone via motorcade en route Hilton Hotel [drive time: 5 minutes]

10:20 pm	**THE PRESIDENT** arrives Hilton Hotel
BC RON	**HILTON HOTEL** **CHICAGO, ILLINOIS**
HRC RON	**THE WHITE HOUSE** **WASHINGTON, D.C.**

98 APR 7 PM 10 30

Wednesday, April 8, 1998

SCHEDULE OF THE PRESIDENT
FOR
WEDNESDAY, APRIL 8, 1998

Draft Schedule

SCHEDULING DIRECTOR:	**STEPHANIE STREETT**	
	HOME:	**202-332-5651**
	OFFICE:	**202-456-2823**
	WHCA PAGER:	**4033**
PRESS DESK:	**KAREN BURCHARD**	
	HOME:	**703-243-3656**
	OFFICE:	**202-395-1039**
	PAGER:	**1-800-SKYPAGE #115-8521**

Schedule of the President
for
Wednesday, April 8, 1998
Draft Schedule

8:30 am- 8:40 am		**BRIEFING FOR SCHOOL CONSTRUCTION EVENT** PRESIDENTIA SUITE HILTON HO... Staff Contact: Gene Sperling
8:45 am		**THE PRESIDENT** departs Hilton Hotel via motorcade en route The Rachel Carson School [drive time: 25 minutes]
9:10 am		**THE PRESIDENT** arrives The Rachel Carson School
9:15 am- 9:25 am		**TOUR "OLD SCHOOL"** THE RACHEL CARSON SCHOOL Staff Contact: Gene Sperling Event Coordinator: Aviva Steinberg **POOL PRESS**

- The President, accompanied by Principal Mayer and Senator Mosely - Braun, tour old store room once used as classroom.

- **THE PRESIDENT** departs.

9:30 am **THE PRESIDENT** walks across driveway to new school

Greeters: Principal Kathleen Mayer
Senator Moseley-Braun
Senator Durbin
Representative Luis Gutierrez
Mayor Daley

9:35 am
9:45 am **TOUR NEW SCHOOL**
THE RACHEL CARSON SCHOOL
Staff Contact: Gene Sperling
Event Coordinator: Aviva Steinberg

POOL PRESS

-- **The President** tours science classes in new science lab.

9:50 am-
11:00 am

SCHOOL CONSTRUCTION EVENT
COURTYARD
THE RACHEL CARSON SCHOOL
Remarks: June Shih
Staff Contact: Gene Sperli--
Event Coordinator: Aviva Steinberg
OPEN PRESS

-- **The President,** accompanied by Kathleen Mayer and Rita Nicky, are announced to "Ruffles and Flourishes" and "Hail to the Chief."
-- Principal Kathleen Mayor makes welcoming remarks and introduces Mayor Daley.

-- Mayor Daley makes remarks and introduces Representative Luis Gutierrez.

-- Representative Gutierrez makes remarks and introduces Senator Durbin.

-- Senator Durbin makes remarks and introduces Senator Carol Moseley-Braun.

-- Senator Moseley Braun makes remarks and introduces Rita Nicky

-- Rita Nicky makes remarks and introduces **the President**.

-- **The President** makes remarks, works a ropeline, and departs.

11:05 am **THE PRESIDENT** departs The Rachel Carson School via motorcade en route Midway Airport Landing Zone
[drive time: 15 minutes (approx)]

11:20 am **THE PRESIDENT** arrives Midway Landing Zone

11:30 am **THE PRESIDENT** departs Midway Landing Zone via Marine One en route Airport
[flight time: 15 minutes (approx)]

11:45 pm	**THE PRESIDENT** arrives Airport
12:00 pm	**THE PRESIDENT** departs Chicago O'HARE Airport, Chicago, Illinois via motorcade en route Andrews Air Force Base [flight time: 1 hour, 45 minutes (approx)] [time change: +1]
2:45 pm	**THE PRESIDENT** arrives Andrews Air Force Base
3:00 pm	**THE PRESIDENT** departs Andrews Air Force Base via Marine One en route The White House [flight time: 10 minutes]
3:10 pm	**THE PRESIDENT** arrives The White House
3:15 pm- 4:15 pm	**DOWN**
4:15 pm- 4:25 pm	**MILITARY AIDE DEPARTURE PHOTOGRAPH** OVAL OFFICE Staff Contact: D. Pittard Event Coordinator: Karin Kullman Participants: LTCOL Buzz Patterson Family Members TBD
4:30 pm 4:45 pm	**MEETING** OVAL OFFICE Staff Contact: Stephanie Streett
4:45 pm- 6:45 pm	**PHONE AND OFFICE TIME**

Note: The attire for the Mellon Dinner is Black Tie.

7:30 pm	**ANDREW MELLON DINNER** WEST BUILDING National Gallery of Art Remarks: Staff Contact: Melanne Verveer Event Coordinator: **PRESS TBD**

Note: The First Lady will attend this event.

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

THE WHITE HOUSE

WASHINGTON

98APR6PM6:30

April 6, 1998

OPENING REMARKS ON SOCIAL SECURITY TO THE AARP-CONCORD COALITION FORUM IN KANSAS CITY, MISSOURI

DATE:	April 7, 1998
LOCATION:	Gymnasium Penn Valley Community College 3201 Southwest Traffic Way Kansas City, MO
TIME:	Event (11:00 a.m. - 12:00 p.m.)
FROM:	Gene Sperling

I. PURPOSE

To kick off a national forum on Social Security, to lay out the principles that must guide our efforts, and to listen to members of Congress make comments about Social Security and potential reform options.

II. BACKGROUND

As you announced shortly after the State of the Union, the Concord Coalition and the American Association of Retired People are co-sponsoring a forum on Social Security. This is the first of a series of non-partisan forums around the country with participation by lawmakers of both parties. These conferences will culminate in a White House Conference on Social Security in December after which you will convene the leaders of Congress to craft bipartisan legislation to strengthen the Social Security system.

At the AARP-Concord Forum, you will reiterate your call in the State of the Union for the American people to join you in a discussion on Social Security that is aimed at educating the American people and public officials and at forming a consensus on how we proceed. You will also lay out the principles that must guide the process by which we reform Social Security.

You will be introduced by Governor Carnahan, the host Governor. After your remarks, Governor Carnahan will return to the podium and then the four participating members of Congress, Senator Rick Santorum (R-PA), Senator Bob Kerrey (D-NE), Congressman Kenny Hulshof (R-MO), and Congressman Earl Pomeroy (D-ND) -- who were selected by the congressional leadership -- will give individual remarks.

III. PARTICIPANTS

Event

POTUS
Governor Mel Carnahan
Senator Bob Kerrey (D-NE)
Senator Rick Santorum (R-PA)
Congressman Kenny Hulshof (R-MO)
Congressman Earl Pomeroy (D-ND)
Several hundred audience members, including 180 active participants who have been selected by a marketing research firm to represent the region around Kansas City.

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

- Two-minute video is shown of Kansas City residents discussing Social Security
- Off-stage announcement of **the President**, accompanied by Governor Mel Carnahan, Senator Rick Santorum, Senator Bob Kerrey, Representative Earl Pomeroy, and Representative Kenny Hulshof, to "Ruffles and Flourishes" and "Hail to the Chief."
- Governor Mel Carnahan introduces **the President**.
- **The President** gives remarks.
- Governor Carnahan thanks the President and introduces the members of Congress
- Senator Rick Santorum speaks and introduces Bob Kerrey.
- Senator Bob Kerrey speaks and introduces Representative Hulshof.
- Representative Kenny Hulshof speaks and introduces Representative Pomeroy.
- Representative Pomeroy speaks.
- **The President** departs.

VI. REMARKS

To be provided by speech writers.

98 Apr 6 PM 7:30

Draft 4/6/98 6:30pm

PRESIDENT WILLIAM J. CLINTON
REMARKS AT SOCIAL SECURITY FORUM
KANSAS CITY, MISSOURI
April 7, 1998

Acknowledgments: Governor Carnehan, John Rother, Tim Penny.

Let me thank the AARP – America's leading voice for the elderly – and the Concord Coalition – America's leading voice for fiscal responsiblity – for hosting this forum. And let me thank the Members of Congress, representing the Speaker of the House, the Senate Majority Leader, and the House and Senate Democratic Leaders.

This is a time of great hope for America. Our economy is the strongest in a generation. Our social fabric is on the mend. Our leadership in the world is unrivaled. And because we replaced decades of deficits with five years of fiscal responsibility, within the next year America will have a balanced budget. Where once there were deficits as far as the eye can see, now we will have surpluses as far as the eye can see – $1 trillion over the next decade.

Yes, this is a sunlit moment. But it is not a time to rest; it is a rare opportunity to build. There is an old saying: "The time to fix the roof is when the sun is shining." Because of the steps taken by our generation at the edge of the 21st Century, we have it within our power to build for the next generation. In the coming century, Americans will live longer and be retired longer. The challenge of an aging society will affect every aspect of our lives. And our greatest opportunity and most profound obligation as a nation is to use this moment of prosperity to save Social Security.

As you know, in my State of the Union Address, I called on Congress to set aside every penny of any surplus until we Save Social Security First. Both parties in both chambers of Congress have joined this call. That is very good news. We have shown the will to set aside the surplus. In the coming years we must show the will to save Social Security.

I want to do three things this morning. First, I want to explain how I intend to approach this issue – not just today, but throughout the year. I want to talk about the importance of Social Security, and the nature of our challenge. And I want to spell out the principles that I believe must guide any changes to Social Security we may choose to make.

First, let me talk about how we should proceed. We will strengthen Social Security only if we reach across lines of party, philosophy, and generation – with open minds and generous spirits. I ask everyone to set aside normal political responses, to listen, and to learn. **For far too long, politicians have called Social Security the "third rail of American politics." This year we must prove them wrong. I believe this conference, with its wide participation, is a very hopeful start. I know that on the political calendar, 1998 is an election year. But on the Social Security calendar, let's resolve that 1998 will be an education year – a year we come to grip with the problems of the system, and come together to find the answers.**

I pledge to do what I can to build a climate of broad support for necessary action.

This issue is so complicated, we need the best ideas -- whatever their source. This issue is so controversial, we need a national consensus on the nature of the problem and the general direction we must take.

That is why I have asked members of Congress to host a town meeting in his or her district – and I will be talking by satellite with several of them later today. We will hold two more forums around the country. We will host a White House conference in December. And in January, I will convene the leaders of Congress to draft a plan to save Social Security.

With this effort, we can forge a consensus on Social Security. It won't be easy – but the stakes couldn't be higher. Let me tell you <u>why</u> this is so important.

For 60 years, Social Security has meant more than an ID number on a tax form; more than a monthly check in the mail. It reflects our deepest values – the duty we owe to our parents, the duty we owe to each other, the duty we owe to our children and grandchildren, our determination to move forward as one America.

Missouri's great gift to America, Mark Twain, once said, "I've come loaded with statistics, for i've noticed that a man can't prove anything without statistics." So I thought that a few statistics wouldn't hurt.

Today, 44 million Americans depend upon Social Security. For two thirds of senior citizens, it is the main source of income. [*chart #1*] But Social Security is more than just a retirement program. Today, one out of three beneficiaries are not retirees. They are children and spouses of working people who die in their prime. They are men and women who suffer from a disability. So Social Security is a life insurance policy ... a disability policy ... and a rock solid guarantee of support in old age. That is why we must act with great care as we make needed repairs to this program.[*chart #2*]

Since its enactment over 60 years ago, Social Security has changed the face of America. When President Roosevelt signed the bill creating Social Security, most seniors were poor. As FDR said, "The aged worn-out worker, after a life of ceaseless effort and useful productivity, must look forward in his declining years to a poorhouse." [*chart #3*] In 1959, more than a third of all seniors were still poor. But today, thanks to the expansion of Social Security, that number has dropped to 11%. Even in this prosperous time, if Social Security did not exist, half of elderly Americans would plummet into poverty.

Today, Social Security is sound. But changes in the way we live and work may erode its foundations in the future. The Baby Boomers, 76 million of us, are preparing for retirement. [*"You and that young man" joke re: Gore*] By 2030, there will be twice as many elderly Americans as today. People are living longer, and retiring earlier. And all these trends will impose heavy strains on the system. [*Chart #4*] In 1960, there were 5 active workers paying for each Social Security beneficiary; in 1997, 3.3 active workers; and in 2030, there will be only two people working for each person drawing a Social Security check.

[*chart #5*] Here is the bottom line. Today, Social Security is sound. It will remain sound for decades. But we must act now if it is to remain soun das the Baby Boomers retire. If we do not act, by the Year 2029 – 31 years from now – there will only be enough money to pay for about 75 cents on the dollar of current benefits.

Let me repeat: Social Security is sound. But there is an obligation -- and an opportunity -- to act to keep it sound. I am determined that we begin now, for the changes necessary will be far easier, far simpler, than if we wait until the problem is close at hand. Each $100 billion of the budget surplus, if used for Social Security, could add 1 year or more to the solvency of the Trust Fund. And other changes can be phased in over time.

So, how should we judge proposals to save Social Security? Here are the principles I will bring to this task.

<u>First, any reform should strengthen and protect Social Security for the 21st Century.</u> We cannot abandon the basic core program that has been one of the greatest successes in our nation's history.

<u>Second, we must maintain the universality and fairness of Social Security.</u> For half a century, this program has been a progressive guarantee for citizens – and we must keep it that way.

<u>Third, Social Security must provide a benefit that people can count on.</u> Regardless of the ups and downs of the economy or financial markets, we must make certain that Social Security will provide a solid and dependable foundation of retirement security.

<u>Fourth, Social Security must continue to provide financial security for disabled and low-income beneficiaries.</u> We can never forget the 1 out of three Social Security beneficiaries who are <u>not</u> retirees.

<u>Fifth, any strengthening of Social Security must maintain America's hard-won fiscal discipline.</u>

These are the principles that will guide me on Social Security. They are the principles by which I will judge possible proposals. And they are the principles that I believe can and should guide the country as we forge a consensus for reform.

I believe this national effort to strengthen Social Security will call on the best in our people. It will ask us to rise above partisanship and petty politics. It will ask us to plan for the future, to be willing to consider new ideas -- to act, as President Roosevelt said, in a spirit of "bold, persistent experimentation." It will remind us that there are some challenges that can only be met as one nation through our national government.

To the older Americans here today, I say – you have nothing to worry about. Social Security is as strong as it has ever been. To my fellow Baby Boomers, I say – we must act now to provide for ourselves, but even more, to provide for our children. This is a test for our generation, and one we should welcome. To younger people, who may believe you will never see a Social Security check, I say – that skepticism may have been well founded in the past. But just as we acted as one nation to put our fiscal house in order, America must provide Social Security for the future. And we will act as one nation, renewing the ties that bind us across the generations.

I look forward to hearing from all of you.

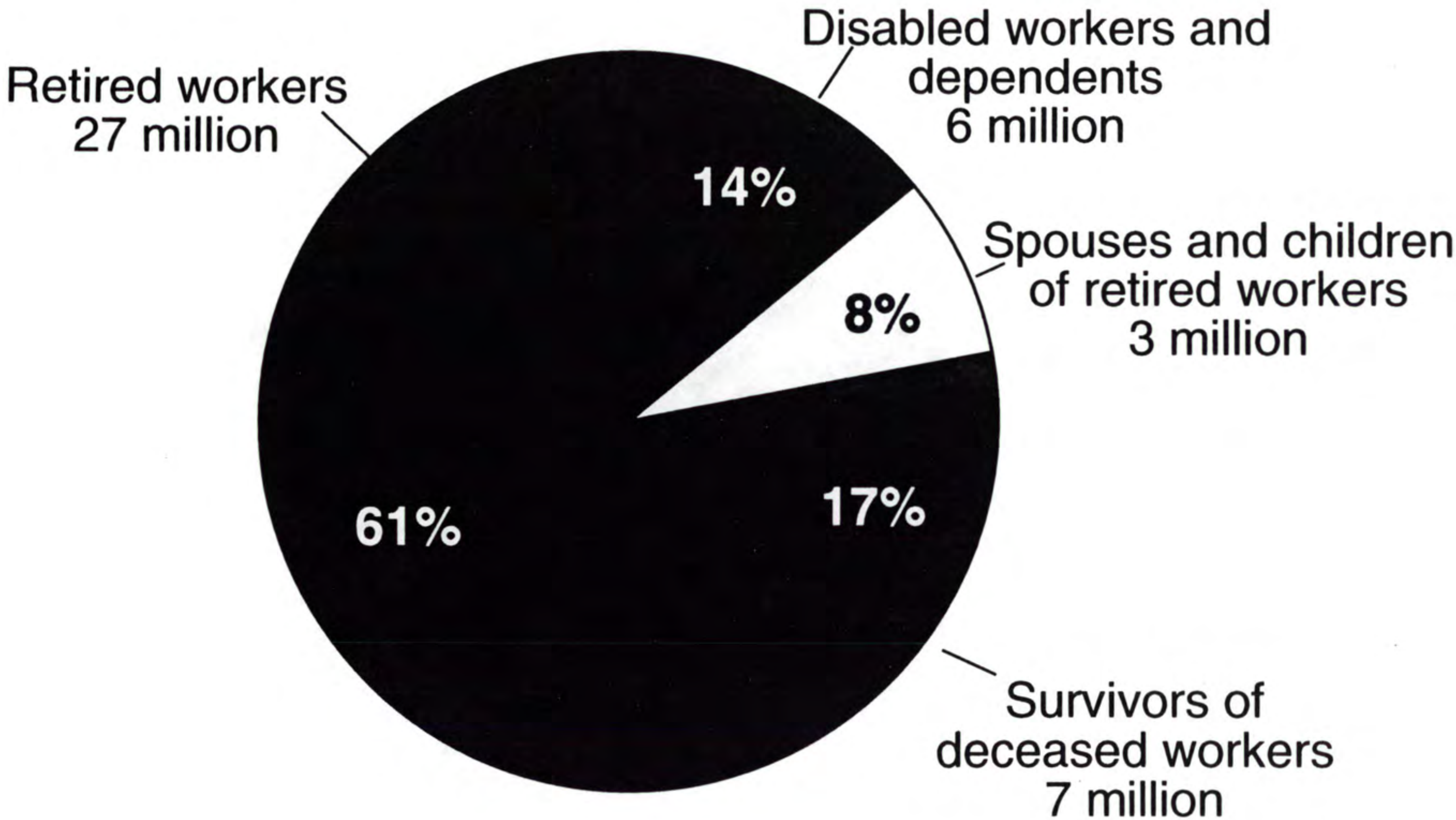
# # #

'99 APR 6 PM 8:15

Principles for Saving Social Security First

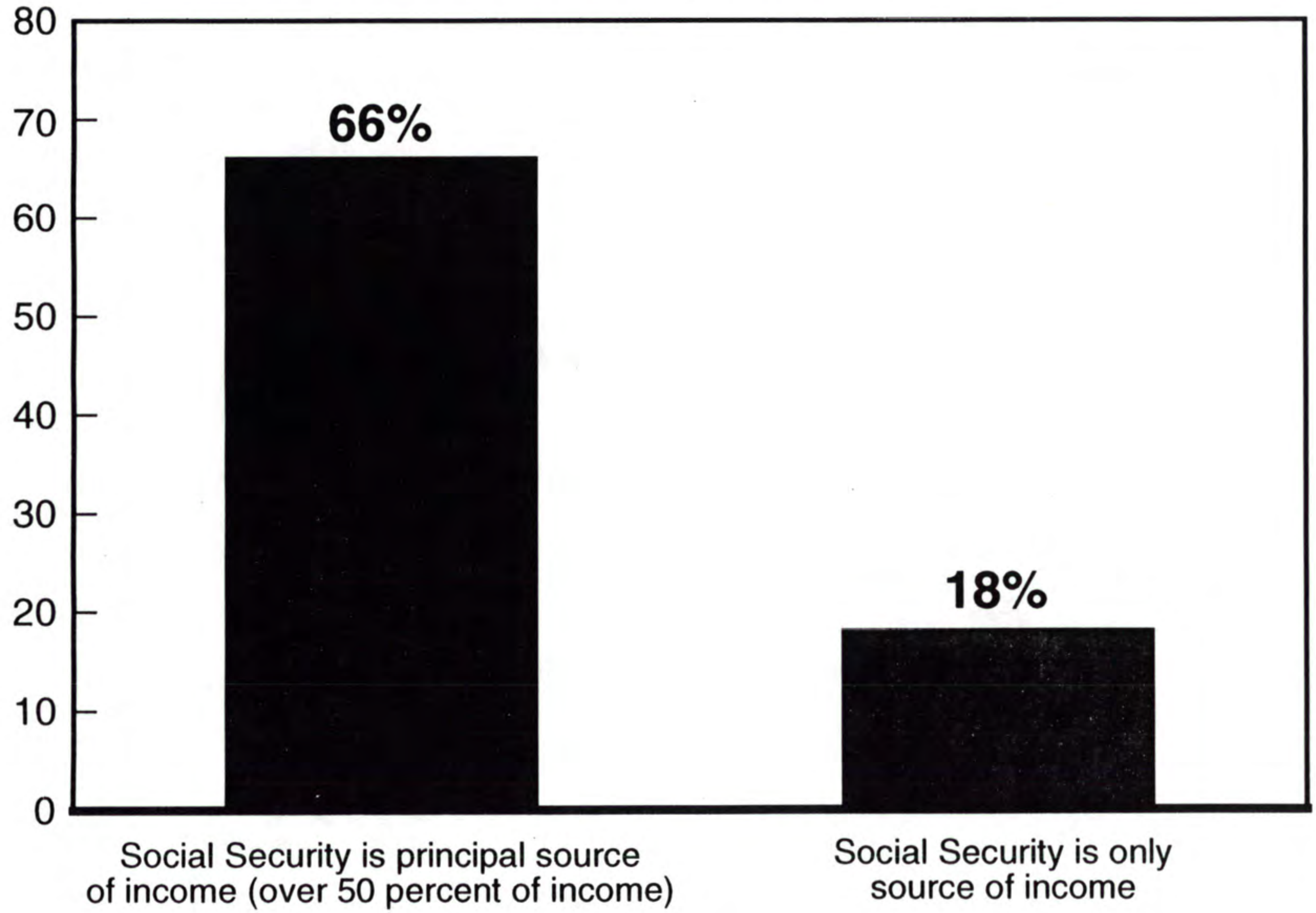
1. Strengthen and protect Social Security for the 21st century
2. Maintain universality and fairness
3. Provide a benefit people can count on
4. Preserve financial security for disabled and low-income beneficiaries
5. Maintain fiscal discipline

Social Security is more than a Retirement Program: One-third of Beneficiaries are not Retirees

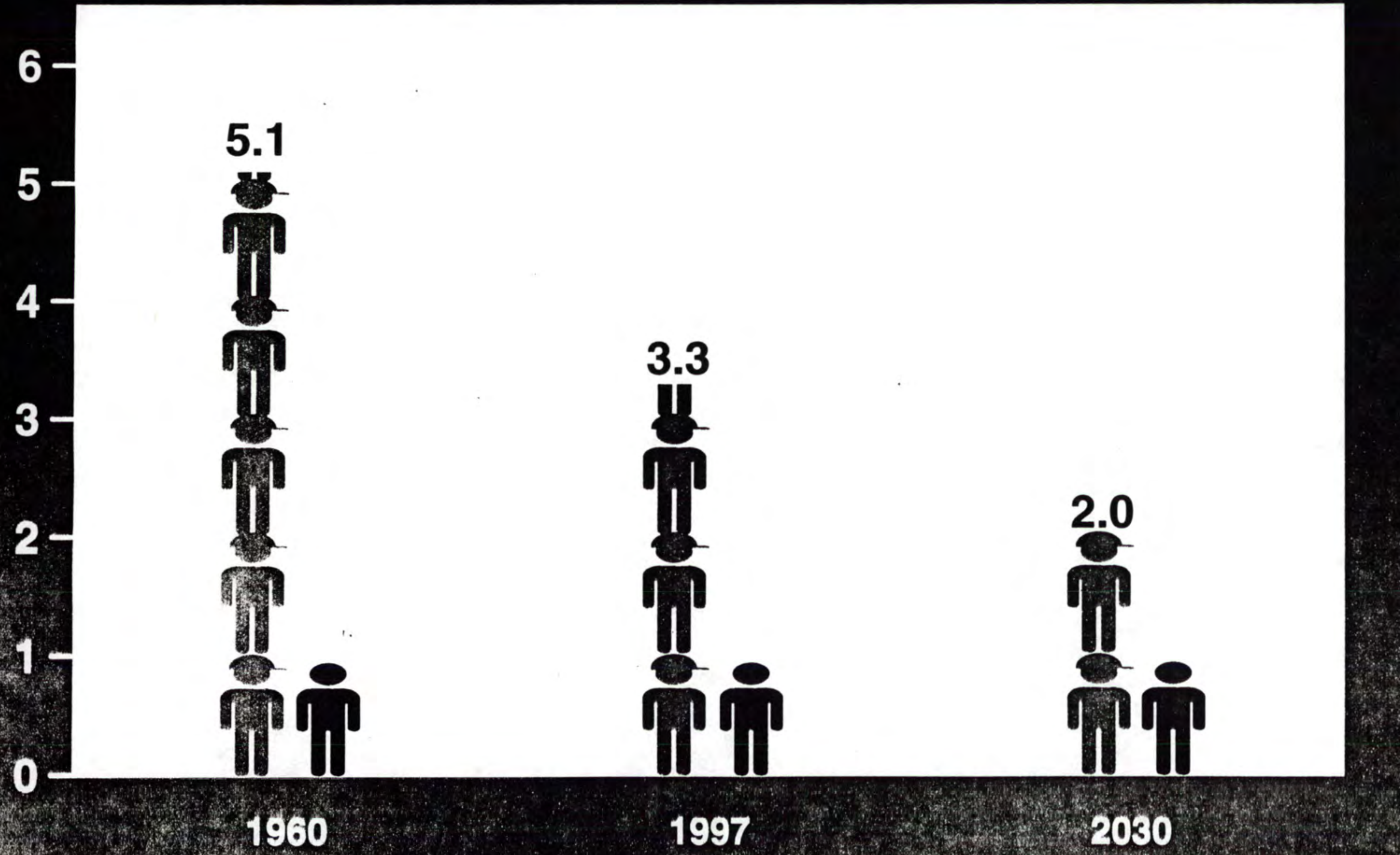


Social Security is a Crucial Source of Income for the Elderly

Percent of Elderly Beneficiaries

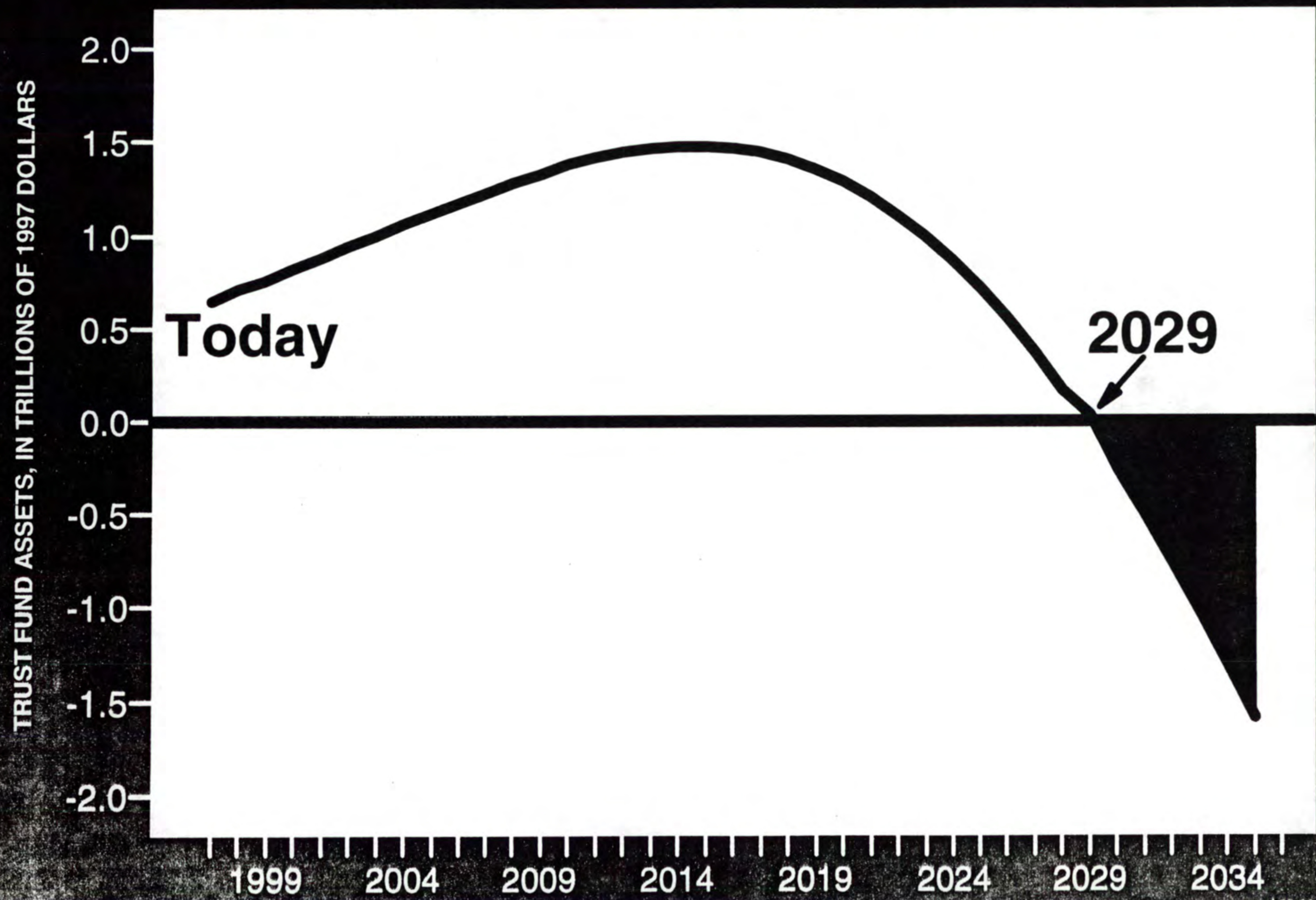


NUMBER OF WORKERS PER SOCIAL SECURITY BENEFICIARY



ref 98-02-05 ond workers

THE SOCIAL SECURITY TRUST FUND



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Lunch with Seniors Event Memo

will be forwarded

98APR6PM9:45

THE WHITE HOUSE

WASHINGTON

April 6, 1998

REMARKS VIA SATELLITE TO THE REGIONAL CONGRESSIONAL SOCIAL SECURITY FORUMS

DATE:	**Tuesday, April 7, 1998**
LOCATION:	**Room 005, Penn Valley Community College**
TIME:	**1:00 pm-1:35 pm**
FROM:	**Larry Stein** gm for 49S

I. PURPOSE

To deliver remarks to five regional congressional Social Security forums.

II. BACKGROUND

You are delivering remarks via satellite to five regional congressional Social Security forums located in Philadelphia, PA, Columbia, MD, New Britain, CT, Tucson, AZ and South Hollan, IL. The Members of Congress that represent these cities have set up local forums simultaneously with the forum in Kansas City. Their goal is to engage Americans in a national debate about the future of Social Security and to provide a framework where citizens can help policy makers address this issue.

SSA Commissioner Ken Apfel will make opening remarks and you will follow with your remarks to the five sites. Upon conclusion of your remarks the Members of Congress will be recognized in turn to make a brief statement. When the Members of Congress have completed their statements you will make closing remarks.

__Note:__ The Members of Congress and their audience are only able to hear your remarks, not the statements made by the other Members of Congress. It is important that during your closing remarks you re-cap the highlights of the comments made by all the Members of Congress.

III. PARTICIPANTS

Rep. Robert Borski (D-PA)
JCC Klein Branch Senior Center
Philadelphia, PA
Audience: Approximately 350 senior citizens.
**Rep. Bob Borski serves on the Older American Caucus and on the Transportation and Infrastructure Committee.

Rep. Ben Cardin (D-MD)
Howard Community College
Columbia, MD (Baltimore suburb)
Audience: Approximately 100 people. Open to the public. Guests include, Carolyn Colvin, Deputy Commissioner of Social Security Administration; Margaret Dixon, President of AARP; Bob Hannon, Regional Director of Concord Coalition.
**Rep. Ben Cardin serves on the Budget Committee, and Ways and Means Committee.

Rep. Nancy Johnson (R-CT)
New Britain Senior Center
New Britain, CT
Audience: Approximately 150 people. Mostly seniors, but open to the public.
**Rep. Nancy Johnson serves on the Ways and Means Committee, the Steering Committee on Retirement Security, and is Co-Chair of the Congressional Caucus for Women's Issue.

Rep. Jim Kolbe (R-AZ)
Buena High School
Tucson, AZ
Audience: Approximately 300 people. Mostly high school seniors, but open to the public.
**Rep. Jim Kolbe serves on the Appropriations Committee, and is Co-Chair of the Public Pension Reform Caucus.

Rep. Jerry Weller (R-IL)
Hollan Home Retirement Center
South Hollan, IL (South Chicago)
Audience: Approximately 200 seniors citizens.
**Rep. Jerry Weller serves on the Social Security Subcommittee of Ways and Means.

IV. PRESS PLAN

None

V. SEQUENCE OF EVENTS

- -- Ken Apfel makes one to two minutes of remarks and introduces **the President**.
- -- **The President** makes five minutes of remarks and acknowledges each Member of Congress in alphabetical order:

  (One minute of remarks each)
  Rep. Bob Borski (D-PA)
  Rep. Ben Cardin (D-MD)
  Rep. Nancy Johnson (R-CT)
  Rep. Jim Kolbe (R-AZ)
  Rep. Jerry Weller (R-IL)

- -- After the five Members of Congress speak consecutively, **the President** remarks on all comments and closes.

VI. REMARKS

To be provided by Speechwriting.

VII. ATTACHMENTS

None.

Draft 4/6/98 6:30pm

98 APR 6 PM 7:05

PRESIDENT WILLIAM J. CLINTON
TALKING POINTS FOR
SOCIAL SECURITY SATELLITE FORUMS
KANSAS CITY, MO
April 7, 1998

Good afternoon. This morning I had a chance to talk to a group of people here in Kansas City about what we must do as a nation to strengthen Social Security for the 21st Century, and I am looking forward to continuing that talk with you today. I want to start by thanking Congresswoman Nancy Johnson, and Congressmen Robert Borski, Ben Cardin, Jim Kolbe *[coal-bee]*, and Jerry Weller, for holding these town hall meetings across the country.

In addition to hosting these forums, Congressmen Borski and Congressman Cardin are co-sponsors of key legislation to establish the Save Social Security First Reserve Fund, and Congressman Borski also supports using any budgetary surplus to invest in the Social Security program. Congresswoman Johnson has been a strong advocate for Social Security beneficiaries, and she has urged her fellow Members of Congress to continue to act with fiscal restraint as they debate what to do with the budget surplus. Congressman Kolbe is one of our foremost experts on retirement and pension policy, and is the sponsor of a resolution to establish a Joint Commission on Social Security Reform. And Congressman Weller has been a powerful voice for protecting the Social Security Trust Fund, and was an original co-sponsor of the Social Security Preservation Act. Together, you are proving that we can work together in a bipartisan way to make sure that Social Security is as solid for our children as it was for our parents.

As you know, this year, working together with Congress, we took an historic step to balance the budget for the first time in 30 years. We have a right to be proud of that achievement -- and we must build on it. In my State of the Union Address, I called on Congress to set aside every penny of any budget surplus until we Save Social Security First.

Social Security is deeply woven into our nation's social fabric. For 60 years, it has meant more than an ID number on a tax form; more than a monthly check in the mail. It reflects our deepest values – and the duty we owe to one another.

Today, 44 million Americans depend upon Social Security. For two thirds of senior citizens, it is the main source of income. And one out of three beneficiaries are the children and spouses of working people who die in their prime, and people with disabilities.

For now, Social Security is sound. But changes in the way we live and work will erode its foundations in the future. Over the next 30 years, 76 million baby boomers will retire. By 2030, there will be twice as many elderly Americans as today. And if we don't act now, the Social Security Trust Fund will be depleted by then, and payroll contributions will only cover 75 percent of benefits.

That is why I have challenged our nation to act now to strengthen Social Security for the 21st Century. Here are my principles for meeting this challenge:

First, any reform should strengthen and protect Social Security for the 21st Century. We cannot abandon the basic core program that has been one of the greatest successes in our nation's history.

Second, we must maintain the universality and fairness of Social Security. For half a century, this program has a been a guarantee for every citizen – and we must keep it that way.

Third, Social Security must provide a benefit that people can count on. Regardless of the ups and downs of the economy or financial markets, we must make certain that Social Security will provide a foundation of retirement security.

Fourth, Social Security must continue to provide financial security for disabled and low-income beneficiaries. We can never forget the one out of three Social Security beneficiaries who are not retirees.

Fifth, any strengthening of Social Security must maintain America's hard-won fiscal discipline.

These are the principles that will guide me on Social Security. They are the principles by which I will judge possible proposals. And they are the principles that I believe can and should guide us as we forge a national consensus for reform.

Above all, I believe we will strengthen Social Security only if we reach across lines of party, philosophy, and generation – with open minds and generous spirits. For far too long, politicians have called Social Security the "third rail of American politics." This year we must prove them wrong. I know that on the political calendar, 1998 is an election year. But on the social security calendar, let's resolve that 1998 will be an education year -- a year we come to grip with the problems of the system, and come together to find the answers.

These forums are a very hopeful beginning -- and I am very pleased to have this chance to start this vitally important dialogue with all of you here today. This December, we will host a White House conference on Social Security. And in January, I will convene the leaders of Congress to draft a plan to save Social Security. I am confident that we will meet this challenge as Americans always do -- by working together, honoring our values, and preserving the solemn compact between generations that helped build our nation.

And now, I'd like to turn the discussion over to Congressman Borski.

98APR6PM6:30

THE WHITE HOUSE

WASHINGTON

April 6, 1998

SOCIAL SECURITY CONVERSATION AT THE AARP-CONCORD COALITION FORUM IN KANSAS CITY, MISSOURI

DATE:	April 7, 1998
LOCATION:	Gymnasium Penn Valley Community College 3201 Southwest Traffic Way Kansas City, MO
TIME:	Pre-Brief (1:45 p.m. - 2:00 p.m.) Event (2:10 p.m. - 3:00 p.m.)
FROM:	Gene Sperling

I. PURPOSE

To listen and respond to participants at the AARP-Concord Coalition forum on Social Security.

II. BACKGROUND

This conversation is the final part of the forum on Social Security co-sponsored by the Concord Coalition and the American Association of Retired People. Along with congressional representatives of both parties, you will already have addressed the opening session of the forum. The audience will then have engaged in a discussion of various reform options with experts in the field and journalists. This final session is designed to let the audience interact with you, the congressional representatives, and the experts.

This session is meant to be an informal conversation and Q&A with the audience. Gwen Ifill, who will moderate the session, will begin by summarizing the previous session and then go to the audience for a question. You may field any question, but should feel free to bounce a question to a member of Congress or one of the experts -- all of whom will be seated on stage with you. The congressional representatives are the same as in the opening session: Senator Rick Santorum (R-PA), Senator Bob Kerrey (D-NE), Congressman Kenny Hulshof (R-MO), and Congressman Earl Pomeroy (D-ND) -- all of whom were selected by the congressional leadership. The experts are Marilyn Moon, Gary Burtless, Fred Goldberg, and David Walker -- see background information in your trip book. Journalists Matt Miller and Susan Dentzer will be in the audience with microphones to locate questioners.

III. PARTICIPANTS

Event

POTUS
Senator Bob Kerrey (D-NE)
Senator Rick Santorum (R-PA)
Congressman Kenny Hulshof (R-MO)
Congressman Earl Pomeroy (D-ND)
Marilyn Moon
Gary Burtless
Fred Goldberg
David Walker
180 participating audience members who have been selected by a marketing research firm to represent the region around Kansas City.

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

- Off-stage announcement of **the President**, accompanied by Senator Rick Santorum, Senator Bob Kerrey, Representative Earl Pomeroy, and Representative Kenny Hulshof. The panelists will already be seated on stage.

- Gwen Ifill will go to the audience for the first question and pose it to you.

- After your response, Ifill will continue to pose questions from the audience to you, the congressmen, or the experts.

- At the end, Ifill will thank you and offer you an opportunity to sum up the day's proceedings.

VI. REMARKS

None necessary.

98 APR 6 AM 8:11

OVERVIEW FOR THE SOCIAL SECURITY FORUM
April 7, 1998

The Forum is currently scheduled to run from 11:00 am-3:00 pm at Penn Valley Community College in Kansas City, Missouri on Tuesday, April 7.

STAGING

- Audience is seated theater-style in a semi-circle in front of stage on flat gymnasium floor
- Main stage is 24" above floor
- Two 10' x 15' video screens flank the stage
- 180 participating audience members sit front and center, and are lit
- 500 observer audience members are seated behind the 180 and on the wings

AUDIENCE. The Concord Coalition and AARP have selected a demographically-representative audience of 180 individuals who will ask questions and participate in the forum.

- At 9:00 am, prior to the forum, Tim Penny, John Rother and Ken Apfel will brief this portion of the audience (closed-press)
- An observer audience of roughly 500 will be ticketed.

BASIC FORMAT

Welcomes. The forum opens at 10:50 am with very brief welcomes:

Horace Deets (AARP)
Martha Phillips (Concord Coalition)
Carolyn Lukensmeyer (Americans Discuss Social Security)
Dr. Wayne Giles (Chancellor of the Metropolitan Community Colleges District)
Local Congresswoman Karen McCarthy

There will then be a two-minute video of "people-on-the-street" discussing Social Security

I. First Session (11:00-12:05) -- Remarks

- Gov. Mel Carnahan will introduce the President, who will speak for 15 minutes

- Gov. Carnahan will then return to the podium to introduce the four members of Congress -- selected by the leadership -- who each will speak:

  Sen. Bob Kerrey (D-NE)
  Sen. Rick Santorum (R-PA)
  Rep. Earl Pomeroy (D-ND)
  Rep. Kenny Hulshof (R-MO)

- Gov. Carnahan will then close the session

II. President's Activities During Second Session (12:00-2:00)

- The President will be down from 12:00-12:45 (television in hold to watch forum)

- Brief from 12:45-1:00 in preparation for satellite feed

- Satellite feeds. From 1:05-1:35, POTUS will conduct a satellite feed to five Social Security town meetings sponsored by members of Congress in their districts. All five town meetings will be hooked up at once.
  -- Social Security Administrator Ken Apfel will introduce the President
  -- President will speak for 5 minutes
  -- Each member of Congress will then give 1-2 minute comments:
    Rep. Ben Cardin (D-MD)
    Rep. Robert Borski (D-PA)
    Rep. Nancy Johnson (R-CT)
    Rep. Jerry Weller (R-IL)
    Rep. Jim Kolbe (R-AZ)
  -- President will then close

- Following the satellite feed, the President will be briefed from 1:40-2:00 on the panel discussion that was taking place on stage

Second Session (12:15-1:50) -- Presentation and Panel [*no POTUS involvement*]
Following a short break, the session will open with two brief videos produced by Concord and AARP. The format will then proceed as follows:

Audience conversation of values of Social Security
- moderators: Matt Miller and Susan Dentzer (both of US News & World Report)

Overview of major reform options
- presenters: Miller and Dentzer

Panel discussion on pros and cons of the major reform options, followed by audience participation with the panel
- moderator: Gwen Ifill of NBC News (Miller and Dentzer in audience)
- panelists:
    Marilyn Moon (Urban Institute)
    Gary Burtless (Brookings Institution)
    Fred Goldberg (Skadden Arps; fmr. Director of Kerrey-Danforth Comm.)
    David Walker (Arthur Andersen; fmr. trustee of Soc. Sec. Trust Fund)

III. Third Session (2:10-3:00) -- Conversation on Social Security
- After a break, Ifill will moderate a Social Security conversation with the President, the four members of Congress (Kerrey, Santorum, Pomeroy, and Hulshof), and the four expert panelists (Moon, Burtless, Walker, and Goldberg).
  -- Ifill will open with question from audience for the President

- Staging. The President will be seated at the point of a V-shaped table flanked by the panelists to stage left and the members of Congress to stage right. Ifill will be on the floor, and Miller and Dentzer will be in the audience to locate questioners.

- At the end of this session, Ifill will provide an opportunity for the President to close the forum with his thoughts.

98APR6PM7:40

CONGRESSIONAL FACT SHEET: SENATOR RICK SANTORUM (R-PA)

Committees:

- Aging
- Agriculture,Nutrition, and Forestry
- Rules & Administration
- Senator Lott recently appointed Senator Santorum Co-Chair of the Senate Task Force on Social Security. Senator Santorum will chair the Task Force with Senator Judd Gregg (R-NH). Five other Republican Senators serve as members of the Task Force; Abraham (MI), Collins (ME), Gorton (WA), Kyl, (AZ), and Roth (DE).

Social Security, Savings, or Pension Legislation: Bills Sponsored

In the 105th Congress through March 30, 1998, Senator Santorum has sponsored no Social Security solvency or national savings bills of interest. He has indicated that he will have a solvency proposal shortly.

Bills Co-Sponsored

S.2, Roth: Bill to amend the Internal Revenue Code of 1986 to provide tax relief for American families. The bill includes provisions for increasing availability of Individual Retirement Accounts.

S.883, Gregg: Bill to amend the Internal Revenue Code of 1986 to encourage savings and investment through individual retirement accounts, to provide pension security, portability, and simplification and for other purposes.

Senator Santorum's Social Security Reform Positions

Although he has not put forward his own formal proposal, Senator Santorum has indicated his support for reducing the 12.4 percent wage tax to 7.4 percent for all workers under 50. Those workers would then invest the other 5 percent in mutual funds or other pension investment vehicles. Upon reaching 65, a worker would be required to use the investment accounts to purchase an annuity. If the worker's investment account were greater than the sum needed to purchase an annuity equal to current law Social Security payments, they would be able to keep the difference. If their investment plan fell short, the government would make up the difference. He is studying several proposals for reducing the payroll tax on younger workers by 1 percent but has not decided on a plan yet. [As reported in the Harrisburg Patriot News March 31, 1998.]

Notes

"Santorum knows the consequences of being accused of being a foe of Social Security. In 1994 prior to winning election to the Senate, he told college students that he would support raising the age for full Social Security benefits to 70, to save money. A blizzard of attacks on the issue threw his campaign off track and cost him votes." [3/98]

"In the Wolford Senatorial campaign President Clinton singled out Rep. Rick Santorum as one who wanted to tamper with the retirement for the elderly. Santorum Clinton said, wants to raise the retirement age to 70 or higher. "Well he can't do that if you don't let him," Clinton told the crowd." [11/94]

Santorum Quotations on Social Security

Response to President's State of the Union Message (no date)

"Entitlement reform must also be a high priority this year. Without reforms, federal spending on Social Security and Medicare will take any expected budget surpluses and quickly turn them into deficits. But reforms must not pass additional burdens to working families and future generations. Instead, reforms must capitalize on the entrepreneurial spirit of the American people."

Press release Feb. 3, 1998

"Precisely because entitlement reform is one of the most pressing issues confronting the country…..It is imperative that we give serious consideration – now – to viable options, such as personal investment accounts. Otherwise, we will be forced to resort to unpalatable ones, such as increasing taxes or cutting benefits..."

"……..if the President would like us to safeguard the anticipated budgetary surplus until we have reformed Social Security, the new spending he calls for in his current FY1999 budget would quickly erode any such surplus. We need a budget that respects the agreement so carefully reached last summer…..so that we can realize the original goals of that agreement: lower taxes and the start of serious entitlement reform."

Philadelphia Inquirer Story "Substitute for Social Security" Jan. 21, 1998

"Younger workers should be required to invest more of their money in individual retirement plans and less in Social Security, U.S. Senator Rick Santorum said yesterday. Santorum proposed diverting 80% of the combined employee-employer contributions into individual investments."We should give people the opportunity to invest in their own future. …..We're going to fall off a cliff, demographically …You can redesign the system all you want. It will not work. At some point people are going to lose out a little on what they're owed. Most of the industrialized nations have realized the jig is up, that they cannot afford the Social Security system."

CONGRESSIONAL FACT SHEET: SENATOR ROBERT KERREY (D-NE)

Committee Assignments

- Committee on Finance; Subcommittees on Health Care, International Trade, and Taxation and IRS Oversight

- Committee on Agriculture, Nutrition, and Forestry; Subcommittees on Production and Price Competitiveness (Ranking Member) and on Marketing, Inspection, and Product Promotion

- Select Committee on Intelligence (Ranking Member)

Legislation

Senator Kerrey has been an active participant in the Social Security reform debate and has co-sponsored several pieces of reform legislation (including S. 825 in the 104th Congress, which he co-sponsored with Senator Simpson). The Moynihan plan, which Senator Kerrey co-sponsored, is the most recent bill supported by Senator Kerrey and provides the most accurate indication of his current thinking.

- Cosponsored S. 1792, the Social Security Solvency Act of 1998. Introduced by Senator Moynihan (D-NY), the Act would return Social Security to a pay-as-you-go system by reducing payroll taxes. In addition, the Act would increase the taxable wage base, reduce annual COLA's to CPI minus 1 percentage point, increase the retirement age to 70 by 2073, eliminate the retirement earnings test, and create voluntary retirement savings accounts.

  The net effect of the OASDI provisions in the plan is to reduce lifetime Social Security benefits by about 30 percent. For those who contribute the full amounts to voluntary individual accounts over an entire working lifetime, total benefits (including the annuity provided by the individual account) under the Moynihan/Kerrey plan could be close to current law. But for those who choose not to contribute to the voluntary individual accounts -- who are likely to be disproportionately from the lower and middle classes -- their Social Security benefits will be reduced by roughly 30 percent with no offset from an individual account. For this reason, Henry Aaron called the plan the "My Lai" of Social Security reform.

- Cosponsored S. 425, to establish a Cost-of-Living Board to provide for an accurate determination of the cost of living. This legislation was introduced by Senator Roth.

- Consponsored S. Res. 50, to express the sense of the Senate that all cost-of living-adjustments required by statute should accurately reflect the best available estimate of changes in the cost of living. This resolution was introduced by Senator Roth.

Statements

In a September 17, 1997 speech entitled *Who Owns America?*, Senator Kerrey spoke at length about his vision for Social Security:

"First, what I would do would be to reduce the employee share of the Social Security payroll tax by 2 percentage points and place the savings in personal investment plans … I proposed in the past to do this and we proposed as well to pay for this change while permanently solving the Social Security solvency problem by bringing the Consumer Price Index in line with the true cost-of-living, indexing the eligibility age for Social Security to life expectancy, and a handful of other modest, arcane, and difficult-to-describe changes.

"Second, let's take a tenth of one percent of what we collect in payroll tax, which is about $4 billion a year and open a $1000 investment account for each of the approximately 4 million babies born each year in America, and what leads to that conclusion again is the understanding that the most important variable is the length of time over which savings occurs. It is that length of time that matters.

"Third, let's take the $500 per child tax credit that was just enacted, make it available to every American child, and require that it be placed in the child's investment account for the first five years. Now you may not like any of these changes, but I'm offering them to suggest to you that there's an easy answer to the problem of the rich getting rich and the poor getting poor, and that if you think that the problem that needs to be solved, only through long term savings, are we going to be able to solve. These three changes alone would give every American the chance to own a piece of their country."

CONGRESSIONAL FACT SHEET: CONGRESSMAN EARL POMEROY (D-ND)

Committee Assignments and Caucus Memberships

- Committee on Budget

- Committee on Agriculture, Subcommittees on Forestry, Resource Conservation, and Research and on Risk Management and Specialty Crops

- Member of the Public Pension Reform Caucus, a group formed in August 1995 by Congressmen Jim Kolbe (R-AZ) and Charlie Stenholm (D-TX) "to provide Members of Congress and their staff a bipartisan forum to discuss, research, and examine the problems confronting the Social Security program and the various options for reform"

- Member of the New Democrat Coalition, a group formed in late 1996 by Congressmen Cal Dooley (CA), Jim Moran (VA), and Tim Roemer (IN) and which describes itself as "moderate lawmakers who have pushed a pro-growth agenda of fiscal responsibility and education reform"

Legislation and Other Activities

<u>Introduced H.R. 3503, the Retirement Account Portability (RAP) Act of 1998 March 19, 1998.</u> The RAP Act would remove some of the impediments to pension portability by easing "roll-overs" among private, non-profit, and state and local government pension plans, by permitting after-tax contributions to be included in such roll-overs, and by reducing current vesting requirements for employer contributions from five to three years. Gene Sperling advocated passage of RAP Act this year at Congressman Pomeroy's press conference to announce the bill's introduction.

<u>Original cosponsor of H.R. 1656, the Secure Assets For Employees (SAFE) Plan Act of 1997</u> The SAFE Act – introduced by Congresswoman Nancy Johnson (R-CT) – would permit certain employers to establish and maintain a SAFE annuity (an individual retirement annuity) or a SAFE trust (a trust forming part of a defined benefit plan), both to be funded by the employer.

<u>Appointed by the President to serve as a delegate to the National Summit on Retirement Savings to be held June 4th and 5th of this year.</u> Mandated by the SAVER Act, the National Summit is designed to increase public awareness about retirement savings by providing information about the types of pension plans that are available. Congressman Pomeroy was a cosponsor of the House version of the SAVER Act.

<u>Co-hosted the House Democratic Caucus "alternative" hearing on Social Security on March 30, 1998.</u> Franklin Raines, Henry Aaron, Hans Reimer (2030 Center), Max Richtman (National Committee to Preserve Social Security and Medicare), and four citizens (all of whom were receiving Social Security in one form or another) testified at

the event.

Statements

In his written testimony for the April 1, 1998 Ways & Means hearing on Congressman Archer's National Commission bill (H.R. 3546), Congressman Pomeroy stated: "Social Security is simply the most important and most successful program ever undertaken by the federal government. Saving the budget surplus to preserve this program must be our highest priority."

He has expressed reservations about a commission: "I do believe, ... that we must think long and hard before deciding that a commission, rather than the Congress itself led by this able Committee, is the best body to develop bipartisan recommendations on Social Security's future."

In addition, he sharply criticized Congressman Kasich's bill to devote surpluses to individual accounts (H.R. 3456). Congressman Pomeroy described the bill as "counter to the Save Social Security First pledge and the aim of comprehensive reform." Moreover, "We must also remember where the budget surplus Mr. Kasich would spend this year will come from -- from excess reserves in the Social Security Trust Fund. So what he is really proposing to do is to take money out of the current Social Security program -- with all its strengths for American families -- to initiate an untested experiment in individual accounts. This plan is quite simply the beginning of the end of Social Security as we know it."

In his written testimony for a Senate Labor Committee hearing on March 17, 1998, Congressman Pomeroy stated: "As we debate the reforms necessary to solidify the long-term financing of the program, we must remember the relationship between Social Security and the private pension system. ... Plain common sense tells us that with workers being asked to assume more risk in the private pension system now is not the time to dump substantial additional risk on them through the public pension system. Instead, we must preserve Social Security's defined benefit safety net." The Congressman made similar remarks before the Ways & Means Subcommittee on Social Security last year.

CONGRESSIONAL FACT SHEET: CONGRESSMAN KENNY HULSHOFF (R-9th MO)

Committees

- Member, Ways & Means, Social Security Sub-Committee

Social Security views

Congressman Hulshof is a freshman member. During his 1996 campaign, he advocated repeal of the income taxes on benefits paid by higher income seniors on Social Security benefits that had been enacted in 1983, and expanded in 1993.

Mr. Hulshoff's statements in hearings on Social Security suggest he wants to move cautiously. At one hearing, he said it was important to discuss options for fixing Social Security in a non-emotional manner. He has discussed the Chilean system in hearings, but in a questioning manner. For example, he noted that the Chilean people had no confidence in their prior Social Security system and were ready for radical change. He expressed doubt that the American people were ready for radical changes in their Social Security system.

Mr. Hulshoff has also expressed concern about how people might invest money placed in private accounts. He wondered whether it would be invested wisely and what would have to be done for individuals who do not.

He has not signed on as a co-sponsor to any Social Security solvency legislation.

PANELIST FACT SHEET: GARY BURTLESS

Current Position

Senior Fellow (Economic Studies), The Brookings Institution. Research interests include public finance, aging, saving, labor markets, income distribution, social insurance, and various other areas.

He is current writing a book entitled *Privatizing Social Security: The Troubling Trade-Offs*, with Barry Bosworth. The book is expected out this year.

Previous Positions

Before joining the Brookings Institution, Burtless was an economist with both the United States Department of Health, Education, and Welfare and the United States Department of Labor. He was a consultant with the World Bank from 1990 to 1997, and he has been a consultant for the Social Security Administration since 1986.

He received his A.B. from Yale University in 1972 and his Ph.D. from the Massachusetts Institute of Technology in 1977.

Social Security Views

Burtless appears to hold a moderate position on Social Security reform, arguing that the focus should be on improving the rate of return to younger workers and increasing national savings, not whether the system is "privatized."

Quotations on Social Security

"Any transition to a private system must overcome a major financial hurdle, liability to workers who are already retired or who will retire soon...Claimed economic advantages of privatization can be obtained in either a public or a private retire system; however, in either case, a short-term consumption sacrifice is needed." [3/97]

A higher rate of return "can be achieved within the current public system by raising contributions and investing in assets that earn better returns or by introducing a new private retirement system with individual investment accounts." [3/97]

"It is 'administratively feasible' to require workers and/or their employers to make contributions to individual retirement accounts....From both an administrative and an enforcement standpoint, it would make sense to have SSA (or some affiliate of SSA) collect and invest contributions if the contributory requirement is small (less than 3 percent of covered pay." [2/98]

PANELIST FACT SHEET: FRED GOLDBERG

Current Position

Goldberg has been a partner with Skadden, Arps, Slate, Meagher & Flom LLP since 1993. He was previously a partner at Skadden, Arps from 1984 to 1986.

Previous Positions

Before rejoining Skadden, Arps, Goldberg held a variety of executive positions and policy making roles in the Federal government. In 1992, he was the Assistant Secretary for Tax Policy at the Department of the Treasury. From 1989 to 1992, he was the Commissioner of the Internal Revenue Service. Mr. Goldberg also served as Chief Counsel at the Internal Revenue Service.

<u>Goldberg was the executive director of the Kerrey-Danforth Entitlement Commission.</u>

Social Security Views

According to several sources, Goldberg's views can be inferred from his position as executive director of the Kerrey-Danforth commission, which recommended modest individual accounts.

PANELIST FACT SHEET: DAVID M. WALKER

Current Position

David M. Walker is Partner and Global Managing Director of the Human Capital Services Practice of Arthur Andersen LLP. He is also a member of the National Commission on Retirement Policy (a bipartisan commission, comprising leaders from the public and private sectors, to address the retirement financing challenge).

He is an expert on the relationship of private pension and health insurance programs to the Federal social insurance programs.

Previous Positions

Walker was a public trustee of the Social Security and Medicare Trust Funds from 1990-1995.

He has also served on the Working Group of the Public Trustees, as Assistant Secretary of Labor at the Pension and Welfare Benefits Administration of the Department of Labor (1985-89), as Acting Director of the Pension Benefit Guaranty Corporation (1983-85).

Mr. Walker is the author of Retirement Security: Understanding and Planning Your Financial Future, published in October 1996 by John Wiley & Sons of New York.

Social Security Views

At the February 26, 1998, hearing before the House Committee on Ways and Means, Subcommittee on Social Security, Mr. Walker served as a panel witness. He made several recommendations:

-- Social Security reform should be comprehensive and should occur sooner, rather than later.

-- Increasing the retirement age should be seriously considered.

-- The retirement earnings test should be modified further.

-- Any changes to preserve Social Security should be gradual, in order to permit both employees and employers time to adapt.

Another source has indicated that he is in favor of modest individual accounts, although we were not able to confirm this view.

PANELIST FACT SHEET: MARILYN MOON

Current Position

Dr. Moon serves as one of two public trustees of the Social Security and Medicare trust funds. She is also Economist and Senior Fellow in Health Policy, The Urban Institute.

Previous Positions

Prior to her position at the Urban Institute, Dr. Moon served as the founding Director of the Public Policy Institute of the American Association of Retired Persons. She has also worked as a Senior Analyst at the Congressional Budget Office, Associate Professor of Economics at the University of Wisconsin-Milwaukee, and as a consultant to the U.S. Bipartisan Commission for Comprehensive Health Care (the Pepper Commission).

Social Security Views

Moon is a strong advocate of the Social Security program.

In the 1996 book she co-authored, *Entitlements and the Elderly: Protecting Promises, Recognizing Realities*, suggestions for entitlement reform include:

- A dollar limit on the Social Security cost-of-living adjustment rather than across-the-board reductions in the COLA;
- Accelerating the process of raising the eligibility age for full Social Security benefits (and raising the normal retirement age to 68).
- Moon and her co-authord reject the notion of drastic measures: "it is good policy and politics to make changes in stages."

Quotations on Social Security

"...some proponents of changing Social Security into a system of private accounts that individuals control argue that this is the only way to generate sufficient resources to meet future needs. This is not so. A wide range of options can resolve the financing problems; deciding whether to move to a whole new approach ought to be debated on its own merits rather than on the claim that no other option can work" [10/97]

"...emphasize the importance of Social Security in the lives of most of the nation's elderly, and how many elderly still subsist at below poverty levels. Any future changes in the program must protect the most vulnerable ("Entitlements and the Elderly").

MODERATOR FACTSHEET: SUSAN DENTZER

Chief Economics Correspondent and Columnist, US. News & Work Report

Biography

Dentzer began her journalistic career with Newsweek and joined U.S. News in 1987. She is a frequent guest on such T.V. programs as "Nightline, The McLaughlin Group, and Washington Week in Review", and is a featured analyst on "Frontline". She is a commentator on the American Public Radio show "Marketplace" and other radio shows across the U.S. A specialist in the coverage of the economics of health care Susan Dentzer covered the President's health care initiative extensively.

In her regular column "On the Economy," Ms. Dentzer has written a number of times on Social Security. She seems to take a balanced approach to the issue, but does expresses a great deal on concern regarding the impact of reform on low-income workers and minorities.

MODERATOR FACTSHEET: MATT MILLER

Senior Writer, U.S. News & World Report

Biography

Matt Miller is a nationallly syndicated columnist, and a regular commentator for National Public Radio's Morning Edition. Miller has written for the New Republic, Washington Post, New York Times, New Yorker and the Washington Mongthly, and served as served as a senior advisor to the director of OMB from 1993 to 1995.

MODERATOR FACTSHEET: GWEN IFILL

Correspondent, NBC News

Biography

Gwen Ifill covers political issues for "Nightly News with Tom Brokaw", "Today", and "Meet the Press."

She went to NBC from the *New York Times*, where she was the Congressional Correspondent and was a White House Correspondent. Prior to the *Times*, Ifill worked for the *Washington Post,* the *Baltimore Sun* and the *Boston Herald American.*

She is a frequent guest on "Washington Week In Review"

98 APR 6 PM 6:40

THE WHITE HOUSE

WASHINGTON

April 6, 1998

PHOTO WITH THE UNIVERSITY OF MISSOURI-KANSAS CITY DEBATE TEAM

DATE: Tuesday, April 7, 1998
LOCATION: Kansas City International Airport
TIME: 5:15 pm
FROM: Maria Echaveste
Christine Stanek

I. PURPOSE

To acknowledge the success of this local debate team who in 1997 won both the Cross Examination Debate Association and National Debate Tournament Championships. The first team in history to win both tournaments in the same year.

II. BACKGROUND

UMKC scrapped their debate team in the early 70's during a budget crunch but decided to revive the program in 1986. The debate team finished 47th out of 250 in their first year and has ben ranked in the "National Top Ten" nine of the eleven years. This team has won four national championships in the past four years and has won five national championships in the team's eleven year history. The team's outstanding eleven year history was featured in People magazine in the September 29, 1997 issue.

The UMKC debate team has an African American and two women as members of their team which is highly unusual in the predominately white male sport of debate. Last year's team captain was African American who also won the individual Debate championship sponsored by HBCU. He now serves as the team's assistant coach.

III. PARTICIPANTS

Pre-brief Participants:
Pre-brief not necessary

Event Participants:
Debate team members and their coaches.

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

- You will meet the participants on the tarmac at the Airport
- You greet the participants and pose for a group photo.
- You depart to Air Force One

VI. REMARKS

None required.

VII. ATTACHMENTS

- Debate team members and coaching staff.

ATTACHMENT I

University of Missouri-Kansas City Debate Team

Coaching Staff:

Linda Collier, Director of Debate
David Kingston, Assistant Director
Myron King, Assistant Coach
Eric Jenkins, Assistant Coach

Debate Team Members:

Jennifer Barker
Mathew Baisley
Scott Betz
Joshua Coffman
Casie Collignon
Tommy Curry
Stephen Green
Laurie Stites
Benjamin White
Adam Whyte

98 APR 6 PM 8:12

THE WHITE HOUSE

WASHINGTON

April 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Craig Smith and Linda Moore, Political Affairs

SUBJECT: Missouri Politics

PRESIDENTIAL ELECTION RESULTS

1992			1996		
Clinton	1,053,873	44%	Clinton	1,025,935	47%
Bush	811,159	34%	Dole	890,016	41%
Perot	518,741	22%	Perot	217,188	10%

POLITICAL DATA

Governor:	Mel Carnahan (D), 57% in 1996
Senate:	Christopher (Kit) Bond (R), 52% in 1992
	John Ashcroft (R), 60% in 1994
House:	5D-4R
Electoral Votes:	11

MISSOURI AT A GLANCE...

* 1996 estimated population is 5,359,000, making it the 16th largest state in the country. 31% of the state is rural.

* 87% of Missourians are white, 11% are African American, 1.2% are Hispanic, and 1% are Asian.

* 56% of Missouri households are married couples. 26% are married couples with children.

* Per capita income is $12,989. Median household income is $26,362.

* 14% of Missouri residents are 65 or older.

* 41% of Missouri residents are college educated.

* 54% of Missouri's voting age population voted in the 1996 elections, compared to 62% in 1992.

1996 ELECTION RESULTS

The strong showing by you and Governor Carnahan (D), who defeated State Auditor Margaret Kelly by à 57%-43% margin, helped secure reelection for all Democrats running on the statewide ticket, two of whom were considered to be very vulnerable. At the congressional level, the Republicans picked up one seat. Rep. Harold Volkmer (D) was defeated in a rematch with prosecutor Kenny Hulshof (R) by a 52%-48% margin. The House seat left vacant by the death of Rep. Bill Emerson (R) was won by his wife, Jo Ann Emerson, who ran as an Independent after she missed the filing deadline for the Republican primary. Rep. Mel Hancock's (R) retirement in a solidly Republican district gave the delegation another freshman Republican member, Rep. Roy Blunt (R). Democrats in the state legislature held their healthy majorities in both Houses.

CONGRESSIONAL DELEGATION

The Republicans currently hold a 6-5 edge in the congressional delegation. The delegation for the 105th Congress is listed below.

Senator Christopher "Kit" Bond (R)
Rep. William Clay (D)
Rep. Richard Gephardt (D)
Rep. Karen McCarthy (D)
Rep. Roy Blunt (R)
Rep. Kenny Hulshof (R)
Senator John Ashcroft (R)
Rep. James Talent (R)
Rep. Ike Skelton (D)
Rep. Pat Danner (D)
Rep. Joanne Emerson (R)

The senior Senator from Missouri is **Sen. Christopher (Kit) Bond (R)**, who was first elected to the Senate in 1986. Sen. Bond was reelected in 1992 with only 52% of the vote. Sen. Bond previously served as Missouri's governor. He was first elected governor in 1972, and was defeated for reelection in 1976 only to come back in 1980 and win the governor's race again. He was the chief Republican sponsor of the Family and Medical Leave Act. He is up for reelection in 1998. Senator Bond (R) sits on the Appropriations, Budget, Environment & Public Works, and Small Business committees.

The junior Senator from Missouri is **Sen. John Ashcroft (R),** who was first elected in 1994 with 60% of the vote. Previously, he was elected governor in 1984 and 1988. Senator Ashcroft (R) sits on the Commerce, Science & Transportation, Foreign Relations, and Judiciary committees. Senator Ashcroft (R) is considering a bid for president in 2000 and is courting the radical right members of his party. He has been your most outspoken critic in the past two months.

Kansas City is represented by **Rep. Karen McCarthy (D),** who was first elected in 1994 with 57%. She won reelection to Congress 1996 with 67%. Prior to serving in the Congress, she was chairman of Missouri House Ways and Means Committee and President of the National Conference of Legislatures in 1994. She serves on the Commerce Committee.

The other representative from Kansas City is **Rep. Pat Danner (D),** who was first elected in 1992 when she defeated 16-year incumbent Republican Tom Coleman 55%-45%. She won reelection in 1994 with 66% and in 1996 with 69%. **Rep. Danner** served in the Missouri Senate from 1982-92. She now serves on International Relations and Transportation and Infrastructure Committees in the U.S. House.

As mentioned above, **Rep. Kenny Hulshof (R)** was elected to his first term in 1996, defeating incumbent Harold Volkmer by less than 6,000 votes. Rep. Hulshof sits on the House Ways and Means Committee.

1998 ELECTIONS

Senator Bond (R), who won election to a second term in 1992 with only 53% while outspending his opponent 4-1, is vulnerable in 1998 due to the many negative stories written in the past four years about his divorce, the alleged squandering of his family fortune, and alcohol abuse. All of the state's top elected Democrats, with the exception of Kansas City Mayor Emanuel Cleaver and Rep. Bill Clay, have coalesced around **Attorney General Jay Nixon (D)**, the state's highest vote-getter in the 1996 elections. Cleaver believes that Bond has been a very effective champion for Kansas City in Washington, and has developed a friendship with him over the years. Nixon is having trouble with Clay and some other African American community leaders because of his efforts to end state involvement in desegregation cases. Nixon is working hard to win the support of these individuals and has made significant progress. Though he currently lags about ten points behind Bond, this could be a very close race.

No changes are expected in the congressional delegation. All incumbents are seeking reelection and, at this time, appear to be safe. Democrats tried very hard to recruit a strong candidate to run against Rep. Hulshof, the most vulnerable of group, but all of the top prospects for the race declined.

STATEWIDE ELECTED OFFICIALS

Governor Mel Carnahan (D)	Lt. Governor Roger Wilson (D)
Secretary of State Rebecca "Bekki" Cook (D)	Auditor Margaret Kelly (R)
Treasurer Bob Holden (D)	Attorney General Jay Nixon (D)

The Governor of Missouri is **Gov. Mel Carnahan (D),** who was first elected in 1992. Gov. Carnahan was reelected in 1996 with 57% of the vote. Gov. Carnahan was elected Lt. Gov. under then-Gov. John Ashcroft in 1988. Prior to that he served as State Treasurer from 1980-84 and served in the State Legislature from 1962-80. He is considering a race for the Senate in 2000 when Senator Ashcroft's current term ends.

Earlier this year, state Democrats already were bracing for a showdown for governor in 2000 between **Treasurer Bob Holden (D), Lt. Governor Roger Wilson (D),** and **Secretary of State Bekki Cook (D)**. Last month, Wilson and Cook announced that they would not make the race, and most top Democrats immediately threw their support to Holden.

STATE LEGISLATURE

House: 88D-75R	Senate: 19D-15R
Speaker Steve Gaw (D)	President (Lt. Gov.) Roger Wilson (D)
Speaker Pro Tem Jim Kreider (D)	President Pro Tem Bill McKenna (D)
House Majority Leader Gracia Backer (D)	Majority Leader Ed Quick (D)
Minority Leader Delbert Scott (R)	Minority Leader Steve Ehlman (R)

Last spring, Gov. Carnahan (D) vetoed a bill to ban partial-birth abortions and set up a September showdown with lawmakers who approved the bill by wide margins in the Democrat-controlled House and Senate. Gov. Carnahan stated that the bill failed to allow exceptions if a woman's health was jeopardized, even though a 1992 Supreme Court ruling reiterated that state abortion laws must do just that. Carnahan said that the lack of such safeguards makes it bad public health policy and unconstitutional. The sponsor of the legislation immediately promised an attempt to override Carnahan's veto of the ban on partial-birth abortion. The veto put Carnahan, who is pro-choice, at odds with the Legislature's anti-abortion majority, which approved the ban by margins adequate to override Carnahan's veto. However, during the September veto session, one Republican switched sides to sustain Carnahan's veto. Many observers predict that this same scenario will play out again this year, but will end with an override of Carnahan's veto since many of the legislators are up for reelection this year. The current legislative session began in January and will adjourn mid-May.

KANSAS CITY

Emanuel Cleaver II (D) was first elected mayor in 1991, becoming the first African American mayor in the city's history. He was reelected in 1995 to a second term as mayor, and also is serving his second term as president of the National Conference of Black Mayors. Rev. Cleaver founded the Kansas City Chapter of the Southern Christian Leadership Conference (SCLC) and is a national board member of the SCLC and the Democratic National Committee. He is term-limited and will be unable to seek reelection in 1999.

HOT ISSUES

Elections. The day of your trip, cities across the state, including Kansas City, will hold elections for school board. In addition, Kansas City and the rest of the state will vote on a proposed constitutional amendment which would allow Kansas City to set its property tax rate above the limit allowed by the state constitution. This ballot measure was put forth because the funds flowing into the City from the state as part of last year's desegregation settlement will decrease significantly next year. With no change in Kansas City's property tax rate, the City's school system would soon go bankrupt and require state takeover. The state's political, business and education leaders are very involved in the campaign to pass the measure. It is expected to pass with the overwhelming support of non-Kansas City residents who believe they are unfairly bankrolling Kansas City's "gold-plated" schools.

HCFA Waiver. As you know, **Governor Carnahan** is anxious to receive approval for his children's health waiver proposal. As of this moment, although HCFA has made no final decision, there is a possibility that Missouri's Children's Health Insurance Program (CHIP) will be approved. The Governor will be in Washington on Thursday to meet with Secretary Shalala to discuss this issue in more detail.

Federal Judges. Last weekend, the *Kansas City Star* began an expose on federal judges and conflicts of interest. Of the three judges appointed by you, only Ortrie Smith has received any criticism from the paper. Gary Fenner and Nanette Laughrey have not been mentioned. The expose focused on the Reagan and Bush appointees.

Volunteerism. Kansas City will hold on April 25 its follow-up to your Volunteerism Summit. Former President Bush is scheduled to attend.

STATE PARTY LEADERS

Joe Carmichael is currently serving as chair of the Missouri Democratic Party. **Janis Londe** is serving as Vice Chair of the party. Governor Carnahan, who has taken an active role in maintaining a strong state party, appointed Carmichael to the chairman's post.

'98 APR 6 PM 8:1:

FOR INTERNAL USE ONLY -- NOT FOR DISTRIBUTION *April 6, 1998*

ECONOMIC PROGRESS IN MISSOURI 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 Missouri after the first 63 months of the Clinton Administration:

Improved Economic Conditions in Missouri during the Clinton Administration:

- The unemployment rate has dropped from 6.2% to 4.1%.

- Missouri has added 306,800 new jobs, or 60,354 **per year**--compared to 15,800 **per year** during the previous administration.

- Missouri has added 260,700 new private-sector jobs, or 51,285 **per year**--compared to 11,175 **per year** during the previous administration.

- Missouri has added 8,400 manufacturing jobs, or 1,652 **per year**--compared to **LOSING** 7,700 **per year** during the previous administration.

- Missouri has added 33,100 new construction jobs, or 6,511 **per year**--compared to **LOSING** 1,525 **per year** during the previous administration.

- Homebuilding has increased 4% **per year** -- after **DECREASING** 4% **per year** during the previous administration.

- Business failures have dropped 4% **per year** -- after **INCREASING** 7% **per year** during the previous administration.

- Bank lending has increased by 4% **per year** -- after **DECREASING** 1% **per year** during the previous administration.

- Business lending has increased by 2% **per year** -- after **DECREASING** 3% **per year** during the previous administration.

- Consumer confidence has increased 114%.

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

$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN MISSOURI: 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 Missouri.

14 TIMES MORE MISSOURI FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 294,982 working families in Missouri will receive a tax cut. This compares to an increase in the income tax rate for only the 21,439 wealthiest taxpayers in Missouri.

TAX CUT FOR 26,226 SMALL BUSINESSES IN MISSOURI: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expending allowance from $10,000 to $17,500. About 26,226 small businesses in Missouri are likely to benefit from the expansion of the expending allowance this year alone *and many more will benefit over the coming years.*

921,000 MISSOURI 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 921,185 workers in Missouri, and protects the jobs of 55,350 workers in Missouri who are likely to use unpaid leave this year alone.

336,200 STUDENTS AND FORMER STUDENTS IN MISSOURI WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 336,200 Missouri borrowers -- 235,300 current borrowers and 100,900 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 APR 6 PM 7:30

April 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. McGINTY ~ for KAM

RE: MISSOURI ENVIRONMENTAL ISSUES

American Heritage Rivers

We have received 126 American Heritage River nominations from communities across the country. In Missouri, the Upper Mississippi River, Coldwater Creek, Osage River, and Missouri River have been nominated. However, the Missouri River nomination has been somewhat controversial. As a result, Rep. Pat Danner (D-MO) has requested that the portion of the Missouri that flows through her district, located just north of Kansas City, not be considered as an American Heritage River. As you know, Rep. Danner's objection to the nomination will bar that particular section of the Missouri from consideration. The mayor of Kansas City, the Governor, both Senators, and Rep. Karen McCarthy (D-MO), whose district includes Kansas City, have not taken a public position on the issue.

This week you will sign an executive order establishing an advisory panel to review all the American Heritage River nominations and recommend up to 20 rivers for designation. You will select a total of 10 rivers as American Heritage Rivers soon thereafter.

THE WHITE HOUSE

WASHINGTON

April 6, 1998

98 APR 6 PM 6:40

MEMORANDUM FOR THE PRESIDENT

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

SUBJECT: **HOT ISSUES-- KANSAS CITY, MISSOURI**

School Desegregation Settlement and Funding: Under the terms of the recently negotiated settlement of Kansas City's long-running school desegregation suit, court-ordered state payments to Kansas City will end next year, possibly creating a severe financial crisis for the school district. The MO Senate on April 1 approved a bill that would provide the district with $38 million in annual state aid and allow charter schools in Kansas City and St. Louis; Governor Carnahan recently endorsed the bill, but the MO House has not yet voted on it. Also, on April 7, Missouri residents will vote on a constitutional amendment that would allow Kansas City to retain its previously court-ordered property tax rate of 4.96 percent, which would revert to 2.75 percent if the proposed amendment were to fail. (DOEd)

Firefighter Wage Increase Offered: Kansas City's wage offer to its firefighters' union inched higher Thursday, but a chasm remains between the sides as contract talks continue. City negotiators offered firefighters a one-year three percent salary increase instead of the two percent originally proposed. This proposal was the first movement on key compensation issues in nearly two months negotiations with the city's most powerful municipal union. (DOL)

Mayor's Summit: Mayor Cleaver has been spearheading an effort called the Summit of Mayors to pursue NAFTA trade corridors. A meeting, requested by the Mayor is scheduled with the Secretary, the Mayor and representatives from Mexico and Canada. The Mayor has strongly emphasized the importance of this meeting because the Secretary has been unable to attend two Summit conferences. (DOT)

DBE Decertification: Mabin Construction Company has been decertified as a DBE by the Missouri Department of Transportation (MoDOT). The decertification was based on no interest loans and the forgiveness of debt by a white owned prime contractor. The financial relationship between the two firms has raised questions concerning minority ownership and control of Mabin Construction. Mr. Mabin has appealed the decertification to the Department. The Mayor is assisting Mr. Mabin in his quest to remain certified during the DBE appeal process. (DOT)

Section 1115 Proposal: On September 2, MO submitted a proposed amendment to a pending section 1115 demonstration waiver request. The proposed demonstration would expand Medicaid eligibility to all children up to age 19 with incomes between 200 and 300 percent of the Federal Poverty Level (FPL). HHS delivered a draft programmatic Special Terms and Conditions to the State on April 3 for review and comment. On March 20, HCFA faxed MO a budget neutrality proposal, which was discussed with the State on March 27. MO was very dissatisfied with the trend rates HHS proposed, but HCFA and the State have agreed on steps to be taken which will continue negotiations. (HHS)

Children's Health Insurance Program (Title XXI): MO has submitted a Title XXI proposal which would extend Medicaid coverage to children up to age 19 in families with income up to 200 percent of the FPL. The children in the Title XXI program would have access to all Medicaid benefits, except non-emergency transportation. Together, the section 1115 demonstration and the Title XXI plan would provide Medicaid managed care to all eligible children in the State with incomes to 300 percent of the FPL. On March 6, HHS sent the State questions on their Title XXI plan. As of March 31, the State had not yet responded formally to questions and the clock was stopped on day 62 of the 90-day review clock. (HHS)

School Board Elections: Five members of Kansas City's nine-member school board will be elected on April 7. There are ten candidates for the five seats. None of the races appear to be particularly controversial. (DOEd)

'98 APR 1 PM5:4

PRESIDENT CLINTON AND VICE PRESIDENT GORE'S ACCOMPLISHMENTS: *MISSOURI*

EXPANDING ECONOMIC OPPORTUNITY FOR ALL:

- ***Unemployment Down to 3.8%:*** The unemployment rate in Missouri has declined from 6.2% to 3.8% since 1993.
- ***306,800 New Jobs***: 306,800 new jobs have been created in Missouri since 1993 -- an average of 61,360 jobs per year, compared to an average of just 15,800 jobs per year under the previous administration.
- ***263,100 New Private Sector Jobs***: Since 1993, 263,100 new private sector jobs have been created -- an average of 52,620 jobs per year, compared to an average of just 11,175 private sector jobs per year in the previous administration.
- ***14,700 New Manufacturing Jobs:*** 14,700 manufacturing jobs have been created in Missouri since 1993 -- an average of 2,940 jobs per year. In contrast, an average of 7,700 manufacturing jobs were *lost* each year during the previous administration.
- ***30,600 New Construction Jobs:*** 30,600 construction jobs have been created in Missouri since 1993 -- an average of 6,120 jobs per year. In contrast, an average of 1,525 construction jobs were *lost* each year during the previous administration.
- ***215,000 Have Received a Raise***: Approximately 111,000 Missouri workers benefited from an increase in the minimum wage -- from $4.25 to $4.75 -- on October 1, 1996. They, along with about 104,000 others received an additional raise -- from $4.75 to $5.15 -- on September 1, 1997.
- ***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 Missouri, the poverty rate has fallen 6.6% since 1993. [1996 data]
- ***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 523,000 families in Missouri.**
- ***Business Failures Down 3.2%:*** Business failures have dropped 3.2% per year since 1993, after increasing 26.2% per year during the previous 12 years.
- ***Highest Home Ownership Ever:*** Home Ownership in Missouri has increased from 65.2% to 70.4% since 1992 and it is now the highest on record.
- ***Home Building Up 3.5%***: Home building has increased by an average of 3.5% per year since 1993, after falling over 3.8% per year during the previous administration.
- ***Over 40,00 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 passage of President Clinton's economic plan. That's over $40,000 of reduced federal debt for each family of four in Missouri.

EXPANDING ACCESS TO EDUCATION:

- ***Over $73.3 Million in Head Start Funding:*** In FY97, Missouri received $66.8 million in Head Start funding benefitting 14,900 children. This year, Missouri will receive $73.3, an increase of $6.5 million over 1997. President Clinton's FY99 budget proposal will increase Head Start funding for Missouri's children by an additional $5.3 million.
- ***$8.4 Million in Goals 2000 Funding***: This year [FY98], Missouri receives $8.4 million in Goals 2000 funding. President Clinton's FY99 budget proposes to increase Goals 2000 funding by an additional $280,000. 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.
- ***$7 Million for Technology Literacy***: This year [FY98], Missouri receives $7 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. President Clinton's FY99 budget proposal will raise funding for technology literacy by nearly $800,000 over FY98.
- ***$125.9 Million for Students Most in Need***: Missouri receives $125.9 million in Title I Grants (to Local Education 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]. President Clinton's FY99 budget proposes to increase funding for Title I Grants by $7.9 million to aid Missouri's students.

- ***$135.7 Million in Pell Grants***: This year [FY98], Missouri will receive $135.7 million in Pell Grants for low-income students going to college, an additional $26.4 million over last year. With this increase, a total of 75,600 Missouri students will benefit, 4,400 more than the previous year. And President Clinton's FY99 budget proposal increases Pell Grant funding to $140.3 million.
- ***Nearly 1,800 Have Served in Missouri through AmeriCorps***: Since the National Service program began in 1993, nearly 1,800 AmeriCorps participants, working in 198 different programs, have earned money for college while working in Missouri's schools, hospitals, neighborhoods or parks [through 3/98].
- ***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. **119,000 students in Missouri will receive a HOPE Scholarship tax credit of up to $1,500. 146,000 students in Missouri will receive the Lifetime Learning Tax Credit.**

FIGHTING CRIME AND VIOLENCE:
- ***Crime Falls in Missouri Cities***: Since 1992, serious crime has fallen 5% in Kansas City and 5% in St. Louis [1996 data].
- ***1,705 More Police***: The President's 1994 Crime Bill has funded 1,705 new police officers to date in communities across Missouri [through 3/98].
- ***$2.6 Million to Combat Domestic Violence***: Through the Violence Against Women Act, Missouri used $2.6 million in federal funds last year [FY97] to establish more women's shelters and bolster law enforcement, prosecution, and victims' services. Missouri received $2.3 million under VAWA in FY96.
- ***$1,144,965 in Grants for Battered Women***: This year [FY98], Missouri will receive $1,144,965 in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse, an additional $202,000 increase over last year. President Clinton's FY99 budget proposal increases HHS's Family Violence Prevention Program grants to nearly $1.2 million.
- ***$9.5 Million to Keep Drugs & Violence Out of Missouri's Schools***: Missouri receives $9.5 million in FY98 for the Safe & Drug Free Schools Program, which invests in school security and drug prevention programs.

MOVING MISSOURI RESIDENTS FROM WELFARE TO WORK:
- ***81,344 Fewer People on Welfare***: There are 81,344 people on welfare in Missouri now than there were at the beginning of 1993 -- a 31% decrease [through 9/97].
- ***Child Support Collections Up 59%***: Child support collections have increased by over $97 million -- or 59% -- in Missouri since FY92 [through FY96].
- ***Missouri Receives $20 Million in Welfare-to-Work Grants:*** In FY98, Missouri will receive $20 million in welfare-to-work state formula grants, helping Missouri 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 MISSOURI'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 Missouri the Balanced Budget provides $51.7 million in 1998.
- ***Helping Missouri 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 Missouri, 12,642 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 Missouri in 1996, 92% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 89% received the vaccine for polio; 87% received the vaccine for measles, and 91% received the vaccine for *Haemophilus influenzae* B, the bacteria causing a form of meningitis.
- ***$6.4 Million in Ryan White Funds***: Since President Clinton took office, funding for the Ryan White CARE Act has increased by 159% nationwide. In FY97, Missouri communities received $3.3 million in Ryan White formula award funds and $3.1 million in supplemental funds to care for people living with HIV and AIDS.

PROTECTING THE ENVIRONMENT:

- ***9 Toxic Waste Sites Cleaned Up***: Since 1993, the EPA has completed 9 Superfund toxic waste cleanups in Missouri, in Ballwin, Imperial, Moscow Mills, Times Beach, Cape Girardeau, Liberty, Springfield, Republic, and Amazonia [through 1/98]. Only 2 sites were cleaned up during the previous twelve years combined.
- ***Revitalizing 4 Brownfields in Missouri***: Part of the Clinton-Gore Administration's efforts to clean up Brownfields, the EPA has designated four communities in Missouri -- Kansas City, St. Louis, Wellston, and Bonne Terre -- for environmental clean-up and economic revitalization. These projects are intended to jump-start local clean-up efforts by providing funds to return unproductive, abandoned, contaminated urban properties to productive use.

SPEARHEADING URBAN AND RURAL RENEWAL EFFORTS:

- ***$28 Million to Kansas City:*** The Greater Kansas City area was designated an Enterprise Community in December, 1994, and was awarded $3 million to create more jobs, housing, and economic opportunity for city residents. It was later declared an Enhanced Enterprise Community and awarded an additional $25 million for similar efforts.
- ***$6 Million to Other Missouri Communities:*** Additionally, East Prairie and St. Louis were both designated Enterprise Communities, and were awarded $3 million each to create economic opportunity for area residents.
- ***Expanding the Low-Income Housing Tax Credit Will Help Develop 3,900 To 4,700 New Affordable Housing Units in Missouri Over the Next 5 years.*** In January, the Vice-President announced the Clinton-Gore Administration's proposed 40-percent expansion of the Low-Income Housing Tax Credit. If enacted, it will mean an additional 3,900 - 4,700 quality rental housing units for low-income American families in Missouri during the next five years.

98APR6PM6:27

DEMOCRATIC NATIONAL COMMITTEE
CHICAGO DINNER
HONORING PRESIDENT BILL CLINTON

DATE: Tuesday, April 7, 1998
LOCATION: Residence of Lou and Ruth Weisbach
2670 Point Drive
Highland Park, Illinois
TIME: 7:00 p.m.
FROM: Fran Katz, DNC Finance Director

I. PURPOSE

This is a fundraiser for the Democratic National Committee.

II. BACKGROUND

This event is a fundraiser for the Democratic National Committee. Guests attending the dinner will become members of the Democratic Business Council.

III. PARTICIPANTS

Please see attached list of participants.

IV. PRESS PLAN

The remarks are open to one print reporter and will be audio fed to the pool press.

V. SEQUENCE OF EVENTS

Call time for guests attending the dinner.

YOU are greeted by DNC Chair Steve Grossman, DNC Finance Chair Len Barrack, and dinner hosts Lou and Ruth Weisbach.

YOU stage for a photo receiving line
with the guests (35 photos, approximately 70 guests).

YOU are seated at a table for dinner.

Ramsey Lewis performs two songs.

PROGRAM

Steve Grossman delivers remarks and introduces Senator Carol Moseley-Braun.
Senator Carol Moseley-Braun delivers remarks and introduces Lou Weisbach.

Lou Weisbach delivers remarks and introduces YOU.
YOU deliver remarks.

YOU depart.

VI. REMARKS

Your remarks are provided by speechwriting.

DBC Dinner 4/7/98

Acknowledge: Sen. Mosely-Braun; Sen. Durbin; Len Barrack [BARE-eck] (Natl. finance Chair); Steve Grossman; Gary LaPaille [La-Pell], (outgoing Dem. Party Chair of Ill); Hosts Lou and Ruth Weishbach [Weiss-bach]; Co-chairs: Mike Cherry, and Howard Tullman.

•**Less than 700 days to 21st Century, time to build America within reach, strengthen Nation for 21st Century:** Over 15M new jobs; Unemp 4.7% -- 25 yr low; core inflat. lowest in 30 yrs; crime ↘ 5 yrs in a row, welfare rolls 27 yr low; fam. income ↗ $2,200; real wages ↗; mid. class taxes lowest in 20 yrs; record homeownership.

• **An Economy that offers Opp:** Bal Bud; Save SS; min wage. Edu: Last yr: - - HOPE, Pell, Ed IRA's, loans. Now: Avg class size 18 with 100k new teachers; modern schools; 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.

April 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Craig Smith, Minyon Moore, and Angelique Pirozzi

SUBJECT: Illinois Political Briefing

PRESIDENTIAL ELECTION RESULTS

1992			1996		
Clinton	2,453,350	49%	Clinton	2,341,744	54%
Bush	1,734,096	34%	Dole	1,587,021	37%
Perot	840,515	17%	Perot	346,408	8%

POLITICAL DATA

Governor:	Jim Edgar (R)	64% in 1994
U.S. Senate:	Dick Durbin (D)	54% in 1996
	Carol Moseley-Braun (D)	53% in 1992
U.S. House:	10D / 10R	
State Senate:	28D/31R	
State House:	60D/58R	
Electoral Votes:	22	

RECENT PRINCIPAL TRAVEL

* **The President and The Vice President** were in Champaign/Urbana, Illinois for an event at the University of Illinois the day after the State of the Union Address on January 28, 1998.
* **The First Lady** was last in Chicago on October 27, 1997 for her 50th birthday celebration.

CONGRESSIONAL DELEGATION

Senator Dick Durbin (D)
Representative Bobby Rush (D-1)
Representative Bill Lipinski (D-3)
Representative Rod Blagojevich (D-5)
Representative Danny Davis (D-7)
Representative Sidney Yates (D-9)
Representative Jerry Weller (R-11)
Representative Harris Fawell (R-13)
Representative Thomas Ewing (R-15)
Representative Lane Evans (D-17)
Representative Glenn Poshard (D-19)

Senator Carol Moseley Braun (D)
Representative Jesse Jackson, Jr. (D-2)
Representative Luiz Gutierrez (D-4)
Representative Henry Hyde (R-6)
Representative Phillip Crane (R-8)
Representative John Edward Porter (R-10)
Representative Jerry Costello (D-12)
Representative Dennis Hastert (R-14)
Representative Donald Manzullo (R-16)
Representative Ray LaHood (R-18)
Representative John Shimkus (R-20)

STATE CONSTITUTIONAL OFFICERS AND LEGISLATIVE LEADERS

Governor:	Jim Edgar (R)
Lt. Governor:	Bob Kustra (R)
Attorney General:	Jim Ryan (R)
Secretary of State:	George Ryan (R)
State Comptroller:	Loleta Didrickson (R)
Senate President:	James "Pate" Philip (R-23)
Senate Democratic Leader:	Senator Emil Jones (D-14)
Speaker of the House:	Michael Madigan (D-22)
House Republican Leader:	Lee A. Daniels (R-46)

1998 GUBERNATORIAL RACE

With Governor Jim Edgar (R) retiring, Secretary of State George Ryan (R) announced in September of last year that he would seek the Republican Party's nomination for Governor. He billed himself as the right person to continue Edgar's work, and touted his ability to work with leaders on both sides of the isle. However, Ryan's opposition to the proposed Equal Rights Amendment in 1982 while serving as House speaker and his long standing support for restrictions on abortion, run the risk of alienating moderate suburban Republican women. To counter that Ryan asked freshman state Representative Corinne Wood (R) to join him on the Republican ticket as his candidate for Lieutenant Governor. Ryan, who is anti-choice, is looking to Wood, who is pro-choice, to be a spokeswoman on breast cancer and other health issues and concerns important to women. Some critics question whether her short time in the Legislature gives her enough experience for an office that would put her next in line for the Governor's office.

Congressman Glenn Poshard (D-19) won the Democratic nomination for Governor receiving 38% of the primary vote, defeating former Attorney General Roland Burris (D) with 30%, former Justice Department official John Schmidt (D) with 25%, and former U.S. Attorney Jim Burns (D) with 6%. Poshard guaranteed himself a $100,000 bank loan to his campaign last month, allowing him to take in more than $313,000 since the start of the year. Poshard, who has a large downstate base, has raised more than $1.3 million since entering. However, he will begin the general election at a disadvantage as the Republican nominee Secretary of State George Ryan, has $5 million in his campaign fund.

1998 SENATE RACE

In the Republican primary for the nomination to face Senator Carol Moseley-Braun -- considered perhaps the nation's most vulnerable Senate incumbent-- state Sen. Peter Fitzgerald dug deep into his personal fortune to saturate the state's media markets with aggressive, hard-hitting spots that targeted his Republican rival, state Comptroller Loleta Didrickson, and compared her voting record to that of Moseley-Braun.

Dismissed by many as too conservative to be competitive and opposed by Republican leaders such as former Senate Majority Leader and 1996 Republican presidential nominee Bob Dole, Fitzgerald received 52% to the moderate Didrickson's 48% in the primary.

Now, basking in the earned media attention from his insurgent win, Fitzgerald is off the air. Moseley-Braun will likely file next week with around $500,000 in her campaign account.

An internal poll conducted for the Braun Committee directly after the March 13th primary found that Senator Carol Moseley-Braun got 44%, Fitzgerald got 37% and 19% are undecided. She also got 78% of the Democratic vote and 56% of the African-American vote.

<u>1998 STATEWIDE RACES</u>

Lieutenant Governor. Lieutenant Governor Bob Kustra (R) followed Governor Edger's (R) lead and announced he would not run for re-election. Democratic primary candidates are moderate downstate Democrat Mary Lou Kearns (D) and former Democratic U.S. Senate candidate Pat Quinn (D). The Illinois Election Board decided today that Kearns was the official winner by 1500 votes. Quinn is likely to fight it.

Attorney General. Attorney General Jim Ryan (R) who briefly explored a bid for the Senate, is seeking re-election despite having been hospitalized for cancer treatment. City Treasurer Miriam Santos (D) won the Democratic nomination for Illinois Attorney General. Santos is of Puerto Rican descent, and is the first Hispanic and the second woman elected to citywide office. She was endorsed pre-primary by the Illinois Democratic Party and in addition Mayor Daley also offered a rare, pre-primary, political endorsement of Santos.

Secretary of State. As noted above, Secretary of State George Ryan is running for Governor, leaving open the Secretary of State post. Former state Representative and '96 Senate nominee Al Salvi (R) defeated Deputy House Minority Leader Robert Churchill (R) garnering 53% of the primary vote for the Republican nomination.

Cook County Recorder of Deeds Jesse White (D) defeated Tim McCarthy (D), a former Secret Service agent who was shot and wounded in 1981 during a failed assassination attempt on former President Ronald Reagan. White won the party's nomination with about 55% of the vote.

Comptroller. Dan Hynes (D), son of Democratic Party heavyweight Tom Hynes (D), announced his candidacy for state Comptroller. Hynes was the Political Director for the Clinton/Gore '96 Illinois re-election campaign. There was no Democratic challenge for Hynes in the primary on March 17. On the Republican side, Chris Lauzen beat Harry Seigle 52% to 48%.

Treasurer. Incumbent Judy Baar Topinka (R) is running for reelection. The Mayor of Orland Park, Dan McLaughlin (D) defeated the Mayor of Calumet City Jerry Genova (D) garnering 58% of the primary vote for the Democratic nomination.

<u>CONGRESSIONAL RACES</u>

CD/01-Bobby Rush (D)
3rd Term-85%
Democrat Caleb Davis lost resoundingly against 3rd term incumbent Bobby Rush in the March 17 primary. Rush defeated Davis 89 to 11 percent.

On the Republican side, Marlene Ahimaz was unopposed. Ahimaz will face Rush in November. Rush is heavily favored to return to Washington for a 4th term.

The South Side Chicago district has been solidly Democratic since 1934, when it switched from the party of Lincoln to supporting New Dealers. The district has been represented by some famous Chicagoans, among them former mayor Harold Washington (D) and now former Black Panther and Ward Alderman Bobby Rush. All seems to have been forgiven in the 1st district, though -- he finished in 1996 with 85 to 13 percent against Republican challenger Noel Naughton.

CD/02-Jesse Jackson, Jr. (D)
1st full Term-94%
One Republican has filed to take on Jackson this cycle -- he is Robert Gordon. Jackson is heavily favored to return to Washington for a sophomore term.

The 2nd includes parts of the old South Side of Chicago and some of the suburban areas dominated by middle-class blacks fleeing the public schools and urban life. Jackson was first elected in a special election in 1995 when the then-officeholder, Democratic Rep. Mel Reynolds, left office to serve a prison sentence. The district is solidly Democratic, and the only challenge to Jackson would come from within the Democratic party.

CD/03-William Lipinski (D)
8th Term-65%
Republican Robert Marshall won the three-way GOP primary, taking 49 percent against Arthur Jones (12 percent) and Karl Roth (38 percent). The results of the March 17 contest mean Marshall will face Lipinski in November.

Lipinski was unopposed on the Democratic side.

The 3rd district is the westernmost area of Chicago and includes some older ethnic neighborhoods in the urban areas of western Chicago and some affluent areas in the suburban corners of Cook County. Lipinski's 1994 and 1996 challenger, real estate developer Jim Nalepa (R), fared well in 1994, losing by less than ten percentage points. But the margins in 1996 were wider, giving Lipinski a 33 percentage point victory over Nalepa.

CD/04-Luis Gutierrez (D)
3rd Term-94%
Neither candidate for the 4th faced opposition in the state's March 17 second-in-the-nation primary. Gutierrez ran unopposed on the Democratic side, and John Birch faced no opposition from other Republicans -- the two will face off in November.

The district is overwhelmingly Democratic. YOU beat Bob Dole here in 1996, 80 to 14 percent; Gutierrez won re-election that year with 94 percent.

CD/05-Rod Blagojevich (D)
1st Term-64%
The freshman incumbent will face Alan Spitz (R) in November.

Republicans might try to retaliate for the loss of the most vulnerable incumbent in the nation in 1996, ex-Rep. Michael Flanagan (R) in ex-Rep. Dan Rostenkowski's (D) north Chicago district, but they aren't likely to have much luck in a traditionally Democratic district.

CD/06-Henry Hyde (R)
12th Term-64%
With Republican Robert Wheat now off the ballot, Hyde, the House Judiciary chairman, will get a free ride in both the primary and general in 1998.

Hyde's Cook and DuPage Counties district is suburban and affluent and has returned Republican Hyde to Congress since 1974. He's become well known for his riders to Appropriations subcommittee bills, the "Hyde Amendment," which denies federal funding for abortion to Medicaid recipients. Now in the majority, Hyde chairs the Judiciary Committee. He does well among his conservative constituents, and won in 1996 with 64 percent against Democrat Stephen De La Rosa's 33 percent.

CD/07-Danny Davis (D)
1st Term-82%
Davis sailed past Democratic primary challenger Wilner Jackson in the March 17 contest. The victory leaves Davis with no opposition in November.

Davis found that the third time was the charm in his bid to come to Washington from retiring Rep. Cardiss Collins's (D) majority-black west side Chicago 7th district. Davis twice tried to topple the incumbent in the 1980s, but was unsuccessful. In 1996, Davis topped 13 rivals for the Democratic nod, in the general, he scored 83 percent.

CD/08-Philip Crane (R)
15th Term-62%
Rep. Phil Crane appeared to have been unaffected by controversial remarks he made about African nations just days before ballots were cast. He coasted to victory over 32-year-old investment banker David McSweeney in his primary, rolling up 65 percent of the vote.

The 8th is conservative, a populated "edge city" to Chicago, it occupies much of the northeast corner of the state. In both 1992 and 1994, Crane withstood fierce challenges from both inside and outside of his party. Many in the district, including the conservative Chicago Tribune felt that Crane was not vigorously carrying the banner for the district, or the state. Now that the GOP has the majority, Crane ranks second on Ways and Means, and chairs the subcommittee on trade (important for this district, home to the headquarters of Sears, Kemper Insurance and Motorola and others).

CD/09 - Sidney Yates (D)
24th Term - 63%
Pro-choice state Representative Jan Schakowsky (D) won a tough, 3 way, open-seat primary.
In the lakefront Chicago 9th, Schakowsky, who campaigned as a liberal, scored an even more impressive win over two men, state Sen. Howard Carroll and venture capitalist J.B. Pritzker. Schakowsky, who is best known for her campaign to put freshness labels on food, will be the odds-on favorite to win the November contest in the heavily Democratic district, which has been held by Yates for nearly half a century.

Schakowsky told supporters that her gender played a decisive role in the race. "People were interested in having a woman's voice in the House of Representatives," she said, according to the Chicago Tribune. "Now the men's club delegation to the US House of Representatives will have a woman's voice." While Schakowsky took 45 percent of the vote to clinch the Democratic nod, Carroll took 35 percent and Pritzker garnered 21 percent.

CD/10 - Porter (R)
10th Term - 69%
Porter gets a free ride from both sides in 1998, he faces neither a primary nor a general election challenger.

CD/11 - Jerry Weller (R)
2nd Term - 52%
Attorney Gary Mueller won the March 17 Democratic primary against Steve Barach. Earlier, 1996 nominee Clem Balanoff withdrew from the contest so that Mueller would have a clear shot at the Democratic nod. Barach's presence on the ballot prevented that, but Mueller pulled through, taking 61 percent to Barach's 31 percent.

Mueller will face sophomore Rep. Jerry Weller in November. Weller won an important battle this Congress when he secured a coveted slot on the Ways and Means Committee, something he will be able to tout on the campaign trail. Nonetheless, he will have to work hard to maintain this swing district that went for YOU by a 13-point margin last year.

CD/12 - Jerry Costello (D)
6th Term - 72%
In Costello's Belleville-based 12th district, Bill Price, the Republican son of former Congressman Mel Price (D-Ill), took his party's nod with 60 percent of the vote over Christian school administrator Gail Kohlmeier, who got 40 percent. Costello took 87 percent of the vote over his Democratic primary challenger, Kenneth Wiezer.

CD/13-Harris Fawell (R) is retiring
6th Term-60%
The Democratic nod went to Susan Hynes, who ran unopposed in the state's March 17 primary and is a small businesswoman who took 40 percent against Fawell last year. Hynes will face Judy Biggert, the winner of the six-way GOP primary.

The moderate Biggert, assistant Minority Leader of the state House, took 45 percent of the vote. Conservative state Rep. Peter Roskam, Biggert's chief competitor, took 40 percent of the vote, while the other four candidates scored a collective 16 percent. Biggert campaign manager Kevin Artl said his candidate's win showed that moderates were still a force in Illinois politics.

"I think Judy's message is clear -- that moderates do have a following and do have a base," Artl said, adding that voters were also attracted to Biggert's "fiscal conservatism."

Biggert, 61, also overcame an onslaught of attacks from outside groups, including the Christian Coalition and Gary Bauer's Campaign for Working Families.

Biggert will be heavily favored to win what will be an all-female general election in the conservative 13th, located in the western Chicago suburbs.

CD/14-Dennis Hastert (R)
6th Term-64%
Hastert is faced no opposition in the March 17 GOP primary, but in November the six-term incumbent will square off against Democrat Robert Cozzi, a retired computer engineer.

CD/15-Thomas Ewing (R)
4th Term-57%
Democratic State Representative Laurel Prussing (D), the 1996 nominee, has filed for a rematch with Ewing. Neither Ewing nor State Representative Laurel Prussing (D) face opposition in their respective primaries, and as was the case last cycle, Ewing is the overwhelming favorite for November.

CD/16-Don Manzullo (R)
3rd Term-60%
Donald Gaines (D) is the nominee. Manzullo is favored to take the seat easily against Gaines in the November general.

CD/17 - Lane Evans (D)
8th Term - 52%
Republicans are once again targeting Evans, who they point out is one of a handful of Democrats across the country whose re-election numbers decreased in 1996 despite the coattails of President Clinton.

Evans is likely to face a rematch in 1998 against Mark Baker (R), a former TV anchor from the southwest portion of the 17th Congressional district, bordering Missouri. Evans beat Baker 52 to 47 percent.

Evans is a 15-year House veteran who took the seat of ex-Rep. Tom Railsback (R) in 1982 after Railsback was ousted by a more conservative candidate in the primary. The ranking Democrat on the Veterans Affairs Committee, Evans won by wide margins in the early 1990s, when there was agricultural unrest in the largely rural northwestern Illinois district.

The candidates are evenly paced in their fundraising efforts. Evans has $133,000 in the bank, Baker $115,000.

CD/18 - LaHood (R)
2nd Term 59 %
LaHood faces neither a Democratic nor a Republican challenger for the 1998 cycle.

CD/19 - Glenn Poshard (D) is running for Governor
4th Term - 67%
Democratic nominee David Phelps holds a 12-point lead over GOP pick Brent Winters in the race to replace gubernatorial candidate Rep. Glenn Poshard, according to a survey taken for his campaign.

According to the poll, conducted by Cooper & Secrest Associates Feb. 1 and 2 (well before the March 17 primary) of 516 likely voters, Phelps, a conservative state Representative, would beat Winters, the two-time GOP nominee, 41 to 29 percent.

The poll also showed Phelps with 75 percent name identification, better than Winters's 54 percent. Phelps beat Jerry Eckl (D) with 83 percent of the Democratic vote in the primary; Winters topped banker Jerry Berg (R) with 56 percent of the vote.

Phelps's polling memo also contends that Poshard will have significant coattails in his southeastern Illinois 19th district, claiming that 90 percent of district went for the pro-life Democrat in the gubernatorial primary.

Phelps certainly tracks Poshard on a number of issues, and is described by Democrats as "pro-life, pro-gun, and pro-labor." He is also well known outside the political arena as a member of "The Phelps Brothers," a gospel singing group he performs in with his brothers.

Winters took 32 percent in the 1996 campaign against Poshard, compared to 42 percent in 1994. The district is competitive and went for YOU by 7 points in 1996.

CD/20 - Shimkus (R)
1st Term - 50%
Early on, David Loebach (D) was forced to abandon his candidacy after a supervisor informed him that a run for the house violated the Hatch Act because part of his salary was drawn from federal funds. The seat was held by Sen. Dick Durbin (D) for 14 years before he made his successful bid for the Senate. Shimkus won the seat when Durbin made that move.

Attorney Rick Verticchio (D) received enough write-in votes March 17th to qualify him for a November ballot spot. Democrats needed 641 votes to get Verticchio on the ballot. He received more than 3,000 votes.

HOT ISSUES

Third Airport Debate

Chicago O'Hare is one of the busiest airports in the nation, causing noise, pollution, and increased crime but also brings in economic wealth to the area. The gubernatorial candidates are debating whether to build a new airport or expand O'Hare. Republican candidate Secretary of State George Ryan (R) is strongly in favor for building a third airport in south suburban Peotone and for signing a pledge of no new runways at O'Hare. Most Republicans are for the Peotone location. Ryan advocates purchasing 2,600 acres of land in Peotone for a start-up airport with five gates and two runways that could expand to suit future needs. Democratic candidate Rep. Glenn Poshard (D) favors a third airport but is not sure Peotone is the correct location. Poshard calls for a regional consensus of residents, businesses, and state taxpayers before building a third airport. Poshard also refused to consider a permanent legislative ban on construction. Mayor Daley tacitly favors a third airport but is against the Peotone location. He generally does not favor any third airport which will in any way slight O'Hare or Midway.

Senator Carol Moseley Braun (D) supports a third airport at Peotone. State Senator Peter Fitzgerald (R), Republican Senate nominee, also supports a third airport. Representatives Jesse Jackson, Jr. (D) and Henry Hyde (R) sponsor a coalition called Partnership for Metropolitan Chicago's Airport Future, a group joined by some suburbs which supports construction of a third airport near Peotone and a ban on further expansion at O'Hare. Jackson believe a third airport at Peotone will bring jobs to the South Side of Chicago.

Bilingual Education

After three hours of heated, tearful and even nasty debate, the Chicago Board of Education on February 25th unanimously approved a crackdown that seeks to limit bilingual classes to three years. They accused board President Gery Chico of falling away from his Mexican roots. New statistics from the board indicating that the longer Spanish-speaking students are in the program, the worse they perform in the their native language. Spanish language reading tests show that eighth-graders in the program read in Spanish at fifth-grade levels--more than three years lower than the national averages. The plan limits bilingual education classes to three years, but allows for an extra year if needed, and even more time in special cases. Mayor Daley is for Bilingual education as the Latino vote will most likely be the swing vote for his mayoral race next year.

Ongoing Issue of Police Corruption and Brutality

Residents of Chicago are speaking out against the wave of police brutality that they claim has occurred throughout the city. On March 30, an informal hearing, attended by about 300 people, was convened by the Greater Chicago Committee Against Police Brutality. At least 20 people there gave personal testimony of mistreatment at the hands of Chicago police. Recently, an Austin District police officer pleaded guilty to federal racketeering and weapons charges. There are five officers charged. The FBI is also investigating the possible involvement of two high-ranking Chicago officers and several detectives in a jewelry theft ring operating in at least three states. In a response to the situation, Chicago has hired a new police chief, media savvy Terry Hillard.

ILLINOIS AT A GLANCE

* The current unemployment rate in Illinois is 5.3% in 1996.
* The most recent estimate of Illinois' population is just less than 12 million, making Illinois the 6th most populous state in the nation.
* 74.8% of Illinois residents are White, 14.6% are African-American, 7.9% are Hispanic and, 2.4% are Asian/Pacific Islander.
* 13% of Illinois residents are 65 years of age or over.
* Median household income is $32,252 in 1996.
* 46% have a bachelor's degree.

'98 APR 6 AM 8:15

FOR INTERNAL USE ONLY -- NOT FOR DISTRIBUTION *April 6, 1998*

ECONOMIC PROGRESS IN ILLINOIS UNDER PRESIDENT CLINTON

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for Illinois after the first 63 months of the Clinton Administration:

Improved Economic Conditions in Illinois during the Clinton Administration:

• The unemployment rate has dropped from 7.2% to 4.6%.

• Illinois has added 551,300 new jobs, or 108,452 **per year** -- compared to 26,800 **per year** during the previous administration.

• Illinois has added 523,300 new private-sector jobs, or 102,944 **per year** -- compared to 18,700 **per year** during the previous administration.

• Illinois has added 49,700 new manufacturing jobs, or 9,777 **per year** -- after **LOSING** 12,900 **per year** during the previous administration.

• Home building has increased by 2.8% **per year** -- after **DECREASING** 4.8% **per year** during the previous administration.

• New business incorporations have increased 3.6% **per year**.

• Business lending has increased 5.9% **per year** -- after **DECREASING** 7.0% **per year** during the previous administration.

• The Help Wanted index has increased 50.6%.

• Consumer confidence has increased 113.2%.

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

$15,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN ILLINOIS: The national debt will be **more than $1 trillion** lower over 7 years than was projected before the passage of the President's economic plan. That's about $15,000 of reduced federal debt for each family of four in Illinois.

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

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

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

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

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

98APR6PM7:30

April 6, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: KATHLEEN A. McGINTY — JAW for KAM

RE: ILLINOIS HOT ISSUES

Napalm Shipping

The Chicago and northwest Indiana environmental communities are threatening legal action and protests over a plan for the Department of the Navy to ship twenty-two tons of napalm from California to a Pollution Control Industries (PCI) hazardous waste disposal facility in East Chicago, Indiana. The agitation stems from concerns over an existing PCB contamination issue at the PCI facility and additional environmental justice concerns.

CEQ is working with the Department of the Navy and EPA to assure that no napalm shipments commence until EPA determines that the PCB contamination safety issue at the recipient facility has been remedied. However, due to lack of documentation, EPA has been unable to make a decision on whether or not PCI has adequately decontaminated the facility. Meanwhile, the Navy itself has inspected the facility and believes that decontamination is complete. It plans to begin shipments as early as Thursday, April 9. Our discussions with the agencies continue.

Regarding the environmental justice concerns, EPA has begun an analysis to determine if the napalm would be of even greater harm to this community than other hazardous wastes.

The Navy and EPA are currently working together to conduct immediate community outreach to advise the public of the limited risks of napalm, the process being planned, and the safety precautions being followed. While such public outreach may be helpful, providing the information at the same time that the trains are on their way to East Chicago may give rise to more community objections.

If asked about the issue, you should say that:

- The agencies are working together to resolve any contamination issues at the facility;
- We are doing all we can to make sure that public health and safety are protected; and
- We hope to have the situation resolved as quickly as possible.

American Heritage Rivers

We have received 126 American Heritage River nominations from communities across the country. In Illinois, the Kaskaskia, Upper Mississippi, Ohio, and Chicago-Illinois Rivers have been nominated. Governor Edgar and Mayor Daley jointly nominated the Chicago and Illinois Rivers, and both Senators and every Member from the state have expressed support for designation. However, the nomination has become somewhat controversial downstate due to agricultural interests' concern about private property rights. To allay concerns, CEQ staff traveled to Bloomington last month and met with representatives from more than 75 agricultural groups to discuss the initiative further. As a result of these educational efforts, the Illinois Corn Growers and the Illinois Farmers Union have come out in support of the initiative.

This week you will sign an executive order establishing an advisory panel to review the American Heritage River nominations and recommend up to 20 rivers for designation. You will select a total of 10 rivers as American Heritage Rivers soon thereafter.

THE WHITE HOUSE

WASHINGTON

April 6, 1998

98APR6PM6:40

MEMORANDUM FOR THE PRESIDENT

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

SUBJECT: **HOT ISSUES--CHICAGO, ILLINOIS**

Children's Health Insurance Program (Title XXI): On April 1, HHS approved the IL Title XXI Program, which was submitted on January 6. The state has elected to implement Title XXI through an expansion of the Medicaid program. The program will cover children from birth through age 18 in families with income up to 133 percent of the Federal poverty level (FPL) and will simultaneously expand coverage to pregnant women up to 200 percent of the FPL. The State anticipates that the program will serve an additional 40,400 children. The state has also established a legislative task force to make recommendations for expanding health benefits coverage to targeted low income children up to 200 percent of FPL. (HHS)

Airport Issues: Controversy continues around expansion of O'Hare or building a new airport in Peotone (south Chicago suburbs). Mayor Daley remains adamantly opposed. Congressmen Hyde and Jackson have come out in support of a new airport, claiming it will provide new jobs. The Governor also supports a new airport. (DOT)

Welfare-to-Work: On March 25, Mayor Daley and business leaders announced a new Business Partners program to encourage companies to hire welfare recipients. The program will provide training for welfare recipients and help them find work. The initiative will also address problems related to child care, transportation, and workers retained in menial, low-paying jobs. (DOL)

Jobless Rate Falls: The IL jobless rate fell to 4.6 percent in February, the IL Department of Employment Security reported. The number of workers in the state rose to an all-time high of 5.9 million. The jobless rate in metropolitan Chicago fell in February to 4.9 percent. The number of workers on payrolls in the nine-county Chicago market rose to more than four million. (DOL)

Ford Motor Company Sued: A lawyer is seeking class action status of a lawsuit alleging sexual harassment, racial discrimination and retaliation at two Ford Motor Co. plants in the Chicago area. Keith Hunt and other lawyers won more than $1 million for nine Ford workers in a similar case in January. Six complaints filed against the company are pending with the Equal Employment Opportunity Commission. (DOL)

Bilingual Education Plan: In February, the Chicago school board adopted a new bilingual education policy. The controversial policy limits the amount of time limited-English proficient students may spend studying subjects other than English in their native language to three years, with an optional fourth year in the program for those who have not mastered English. Special support services can continue for a fifth year. DOEd's Office for Civil Rights (OCR) has received a number of inquiries from people who were under the impression the policy created a rigid "three years and out" standard. OCR has received no formal complaints about the policy, which has received significant press attention. (DOEd)

PRESIDENT CLINTON AND VICE PRESIDENT GORE'S ACCOMPLISHMENTS: *ILLINOIS*

EXPANDING ECONOMIC OPPORTUNITY FOR ALL:

- ***Unemployment Down to 4.9%:*** The unemployment rate in Illinois has declined from 7.2% to 4.9% since 1993.
- ***549,100 New Jobs***: 549,100 new jobs have been created in Illinois since 1993 -- an average of 109,820 jobs per year, compared to an average of just 26,800 jobs per year in the previous administration.
- ***520,000 New Private Sector Jobs***: Since 1993, 520,000 new private sector jobs have been created -- an average of 104,000 jobs per year, compared to an average of just 18,700 private sector jobs per year in the previous administration.
- ***52,200 New Manufacturing Jobs:*** 52,200 new manufacturing jobs have been created since 1993 -- an average of 10,440 jobs per year. In contrast, an average of 12,900 jobs that were *lost* each year under the previous administration.
- ***44,500 New Construction Jobs:*** 44,500 construction jobs have been created in Illinois since 1993 -- an average of 8,900 jobs per year. In contrast, an average of 2,725 construction jobs were *lost* each year during the previous administration.
- ***430,000 Have Received a Raise***: Approximately 158,000 Illinois workers benefited from an increase in the minimum wage -- from $4.25 to $4.75 -- on October 1, 1996. They, along with about 272,000 more, received an additional raise -- from $4.75 to $5.15 -- on September 1, 1997.
- ***Home Building Up 2.8%***: Home building has increased by an average of 2.8% per year since 1993, after falling over 4.8% per year during 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 Illinois, the poverty rate has fallen 1.5% since 1993. [1996 data]
- ***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 1,163,000 families in Illinois.**
- ***Over 40,00 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 passage of President Clinton's economic plan. That's over $40,000 of reduced federal debt for each family of four in Illinois.

EXPANDING ACCESS TO EDUCATION:

- ***Over $185 Million in Head Start Funding:*** In FY97, Illinois received $170 million in Head Start funding benefitting 33,900 children. This year, Illinois will receive over $185 million, an increase of $15.4 million over 1997. President Clinton's FY99 budget proposal will increase Head Start funding for Illinois's children by an additional $12.5 million.
- ***$19.8 Million in Goals 2000 Funding***: This year [FY98], Illinois receives $19.8 million in Goals 2000 funding. President Clinton's FY99 budget proposes to increase Goals 2000 funding by an additional $850,000. 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.
- ***Nearly $18 Million for Technology Literacy***: This year [FY98], Illinois receives nearly $18 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. That's almost twice the $9.1 million Illinois received last year. President Clinton's FY99 budget proposal will raise funding for technology literacy by $320,000 over FY98.
- ***$325.3 Million for Students Most in Need***: Illinois receives $325.3 million in Title I Grants (to Local Education 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]. President Clinton's FY99 budget proposes to increase funding for Title I Grants by nearly $1 million to aid Illinois's students.
- ***$259.6 Million in Pell Grants***: This year [FY98], Illinois will receive $259.6 million in Pell Grants for low-income students going to college, an additional $50.3 million over last year. With this increase, a total of 144,100 Illinois students will benefit, 8,300 more than the previous year. And President Clinton's FY99 budget proposal increases Pell Grant funding to $268.3 million.

- ***Nearly 2,900 Have Served in Illinois through AmeriCorps***: Since the National Service program began in 1993, nearly 2,900 AmeriCorps participants, working in 227 different programs, have earned money for college while working in Illinois's schools, hospitals, neighborhoods or parks [through 3/98].
- ***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. **308,000 students in Illinois will receive a HOPE Scholarship tax credit of up to $1,500. 379,000 students in Illinois will receive the Lifetime Learning Tax Credit.**

FIGHTING AND VIOLENCE:

- ***3,892 More Police***: The President's 1994 Crime Bill has funded 3,892 new police officers to date in communities across Illinois [through 3/98].
- ***Crime Falls 6% in Illinois:*** Since 1992, serious crime has decreased **6% statewide**. [1996 data].
- ***Over $5 Million to Combat Domestic Violence:*** Through the Violence Against Women Act, Illinois was allocated $5.2 million last year federal funds this year [FY97] to establish more women's shelters and bolster law enforcement, prosecution, and victims' services. Illinois received $4.6 million under VAWA in FY96.
- ***Over $2.5 Million in Grants for Battered Women***: This year [FY98], Illinois will receive over $2.5 million in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse, an additional $435,200 increase over last year. President Clinton's FY99 budget proposal increases HHS's Family Violence Prevention Program grants to $2.6 million.
- ***Over $22.4 Million to Keep Drugs & Violence Out of Illinois Schools***: Illinois receives $22.4 million in FY98 for the Safe & Drug Free Schools Program, which invests in school security and drug prevention programs.

MOVING ILLINOIS RESIDENTS FROM WELFARE TO WORK:

- ***129,082 Fewer People on Welfare***: There are 129,082 fewer people on welfare in Illinois now than there were at the beginning of 1993 -- a 19% decrease [through 9/97].
- ***Child Support Collections Up 33%***: Child support collections have been increased by over $60 million -- or nearly 33% -- in Illinois since FY92 [through FY96].
- ***Illinois Receives $48.6 Million in Welfare-to-Work Grants:*** In FY98, Illinois will receive $48.6 million in welfare-to-work state formula grants, helping Illinois 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 ILLINOIS'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 Illinois the balanced budget provides $123 million in 1998. This compares to the 1995 Republican plan vetoed by President Clinton that would have denied health coverage to 92,300 children in Illinois.
- ***Helping Illinois 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 Illinois, 9,378 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 Illinois in 1996, 94% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 89% received the vaccine for polio; 90% received the vaccine for measles, and 91% received the vaccine for *Haemophilus influenzae* B, the bacteria causing a form of meningitis.

- ***$15.7 Million in Ryan White Funds***: Since President Clinton took office, funding for the Ryan White CARE Act has increased by 159% nationwide. In FY97, Chicago received an $8.2 million Ryan White formula award and a $7.5 million supplemental grant to care for people living with AIDS and HIV.

PROTECTING THE ENVIRONMENT:

- ***5 Toxic Waste Sites Cleaned Up***: Since 1993, the EPA has completed 5 Superfund toxic waste cleanups in Illinois, in Taylorville, Pembroke Township, LaSalle, Marshall, and Wauconda [through 1/98]. This is more than the number of sites cleaned up in Illinois during the previous twelve years combined (4).
- ***Revitalizing 5 Brownfields in Illinois***: Part of the Clinton-Gore Administration's efforts to clean up Brownfields, the EPA has designated five communities in Illinois -- Chicago, East St. Louis, West Central Municipal Conference, Cook County, and the State of Illinois -- for environmental clean-up and economic revitalization. These projects are intended to jump-start local clean-up efforts by providing funds to return unproductive, abandoned, contaminated urban properties to productive use.

SPEARHEADING URBAN RENEWAL EFFORTS:

- ***$100 Million to Chicago:*** Chicago was designated an Empowerment Zone in December 1994 and was awarded $100 million to create more jobs, housing, and economic opportunity for city residents. As part of this project, First Chicago has initiated a $100,000 pilot program to help 75 to 100 qualified families buy their first homes.
- ***$6 Million to Other Illinois Communities:*** Additionally, East St. Louis and Springfield were both designated Enterprise Communities, and were awarded $3 million each for similar job creation efforts.
- ***Expanding the Low-Income Housing Tax Credit Will Help Develop 5,800 To 7,000 New Affordable Housing Units in Illinois Over the Next 5 years.*** In January, the Vice-President announced the Clinton-Gore Administration's proposed 40-percent expansion of the Low-Income Housing Tax Credit. If enacted, it will mean an additional 5,800 - 7,000 quality rental housing units for low-income American families in Illinois during the next five years.

98APR6 PM6:30

THE WHITE HOUSE

WASHINGTON

April 6, 1998

TOUR AND REMARKS ON SCHOOL MODERNIZATION AT THE RACHEL CARSON SCHOOL IN CHICAGO

DATE:	April 8, 1998
LOCATION:	Courtyard Rachel Carson School 5516 S. Maplewood Chicago, IL
TIME:	9:15 to 11:05
FROM:	Gene Sperling & Bob Shireman

I. PURPOSE

To highlight the need for school construction and renovation. In addition to this event, there are about 20 other events in cities across the country, responding to the VPOTUS call for community forums on school construction. VPOTUS will be hosting a conference call with all the sites at noon Central time.

II. BACKGROUND

The Rachel Carson School provides an opportunity to see both the "before" and "after" of a school modernization effort, because a new building was recently added, and the old one remains and is still being used (though is not as overcrowded). This highlights the importance of your school construction initiative to help school districts and States improve learning through modern classrooms.

As you know, your FY 99 Budget proposes Federal tax credits to pay interest on nearly $22 billion in bonds to build and renovate public schools. These tax credits are provided -- in lieu of interest -- to purchasers of two types of bonds: $19.4 billion in School Modernization Bonds (a new proposal), and a $2.4 billion expansion of the Qualified Zone Academy Bonds (created last year by Rep. Rangel). Treasury estimates that the revenue loss associated with the bonds would be $5 billion over 5 years and more than $11 billion over 10 years.

Senator Moseley-Braun has offered a version of the Administration's proposal as an alternative to the Coverdell Education Savings Account legislation, which will be the Senate's first item of business when Congress returns on April 20. This will be the first time that Congress has voted on or in relation to your FY 99 school construction proposal.

In announcing the allocation of bond authority to cities and States, VPOTUS on February 14 called for a series of community forums on school construction, and a national symposium on school design in the fall. Today, about 20 of these forums will be taking place around the country, and will be part of a conference call with VPOTUS at noon (Central time). The results of the forums will feed into the planning of the national symposium in the fall (the date is not yet set).

III. PARTICIPANTS

Event
POTUS
Principal Kathleen Mayer
Student [tbd]
Senator Moseley-Braun
Senator Richard Durbin
Congressman Luis Gutierrez
Mayor Richard Daley
Teacher Rita Nicky
Several hundred parents and students from the school

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

- **The President** arrives Rachel Carson School.

- Principal Kathleen Mayer and student [tbd] guide the President through the "old" school.

- **The President** greets Mayor Daley, Sens. Moseley-Braun and Durbin, and Rep. Gutierrez in second floor classroom; they join the tour.

- Daley, Moseley-Braun, Durbin and Gutierrez enter storage room that was a classroom. **The President** enters room with student [tbd], to hear student's description of classes held in the room. Other elected officials join photo op.

- **The President departs** building and walks across driveway to "new" school.

- **The President** tours science lab, talks with students about the new building, and/or about a physics experiment they will be carrying out.

- Off-stage announcement of Mayor Daley, Sens. Moseley-Braun and Durbin, and Rep. Gutierrez.

- Off-stage announcement of **the President**, accompanied by Principal Kathleen Mayer and Teacher Rita Nicky, to "Ruffles and Flourishes" and "Hail to the Chief."

- Principal Kathleen Mayer makes welcoming remarks and introduces Mayor Daley

- Mayor Daley makes welcoming remarks and introduces Rep. Gutierrez.

- Rep. Gutierrez makes remarks and introduces Senator Durbin.

- Senator Durbin makes remarks and introduces Senator Moseley-Braun.

- Senator Moseley-Braun introduces **the President**.

- **The President** gives remarks, works a ropeline, and departs.

VI. REMARKS

To be provided by speech writers.

School Construction Event Remarks

will be forwarded

THE TRIP

of

THE PRESIDENT

to

CARROLL COUNTY, KENTUCKY

April 9, 1998

Staff Copy

Table of Contents

Thursday, April 9, 1998

CARROLL COUNTY, KENTUCKY

SCHEDULE OF THE PRESIDENT
FOR
THURSDAY, APRIL 9, 1998

Final

SCHEDULING DIRECTOR:	STEPHANIE STREETT	
	HOME:	202-332-5651
	OFFICE:	202-456-2823
	WHCA PAGER:	4033
EVENT COORDINATOR:	EDWARD PREWITT	
	HOME:	202-296-4045
	OFFICE:	202-456-5330
	WHCA PAGER:	4836
PRESS DESK:	ROB HOUSMAN	
	HOME:	202/337-3126
	OFFICE:	202/395-7225
	PAGER:	888-347-1009
ADVANCE:	NICK FRIENDLY	
	STAFF OFFICE:	44-220
	CELL:	702-757-9492
	WHCA PAGER:	5636

WEATHER: **WASHINGTON, D.C**

Mostly cloudy with scattered showers and thunderstorms. Winds south-southeast at 8 to 15 knots becoming northwest at 12 to 20 knots by late afternoon. Low 52 to 57. High 65 to 70.

Schedule of the President
for
Thursday, April 9, 1998
Final

7:20	am	**THE PRESIDENT** proceeds to the South Lawn
		Note: Closed to staff and guests.
7:30	am	**THE PRESIDENT** departs The White House via Marine One en route Andrews Air Force Base [flight time: 10 minutes]
7:40	am	**THE PRESIDENT** arrives Andrews Air Force Base
7:55	am	**THE PRESIDENT** departs Andrews Air Force Base via Air Force One en route Cincinnati/Northern Kentucky Airport [flight time: 1 hour 20 minutes]
9:15	am	**THE PRESIDENT** arrives Cincinnati/Northern Kentucky Airport
		Greeters: Secretary Dan Glickman Governor Paul Patton Senator Wendel Ford Lieutenant Governor Stephen Henry Edward Hatchett, Jr., Auditor of Public Accounts Larry Saunders, President of the Senate State Senator Walter Blevins State Representative Jody Richards, Speaker of the House Mayor Bill Welty, Carrollton Gene McMurry, Judge Executive , Carroll County Mayor Roxanne Qualls, Cincinnati Billy Ray Smith, Agriculture Commissioner
9:30	am	**THE PRESIDENT** departs Cincinnati/Northern Kentucky Airport via motorcade en route Kentuckiana Tobacco Warehouse [drive time: 45 minutes]

10:15 am	**THE PRESIDENT** arrives Kentuckiana Tobacco Warehouse Greeters: Brent Lyons
10:20 am	**THE PRESIDENT** proceeds to the Warehouse Floor
10:25 am 11:40 am	**ROUND TABLE DISCUSSION WITH KENTUCKIANS REGARDING TOBACCO AND FARMS** WAREHOUSE FLOOR Kentuckiana Tobacco Warehouse Staff Contact: Bruce Reed Event Coordinator: Edward Prewitt **POOL PRESS** -- **The President** makes an opening statement. -- **The President** opens the discussion. **Note: Secretary Daniel Glickman will be the last panelist to speak.** -- **The President** closes the discussion. -- **The President** departs. **Note: There will be approximately 20 observers.**
11:45 am	**THE PRESIDENT** proceeds to Hold
11:50 am- 12:10 pm	**HOLD/LUNCH**
12:10 pm- 12:15 pm	**POLICE AND DRIVER PHOTOGRAPHS** WAREHOUSE Kentuckiana Tobacco Warehouse
12:20 pm	**THE PRESIDENT** departs Kentuckiana Tobacco Warehouse en route Carroll County High School [drive time: 5 minutes]

12:25 pm	**THE PRESIDENT** arrives Carroll County High School	
	Greeters:	Dr. Robert Biggin, Jr., Superintendent, Carroll County School District Randy Marcum, Principal, Carroll County High School Jaqueline Jones, Student

12:30 pm-
1:30 pm

REMARKS AT CARROLL COUNTY HIGH SCHOOL
GYMNASIUM
CARROLL COUNTY HIGH SCHOOL
Remarks: Lowell Weiss
Staff Contact: Bruce Reed
Event Coordinator: Edward Prewitt
OPEN PRESS

Note: Approximately 2000 people in attendance.

-- Off-stage announcement of **the President** accompanied by Secretary Daniel Glickman, Senator Wendel Ford, Governor Patton, and Jaqueline Jones to "Ruffles and Flourishes" and "Hail to the Chief."

-- Governor Patton makes brief remarks and introduces Senator Wendel Ford.

-- Senator Wendel Ford makes brief remarks and introduces Jaqueline Jones.

-- Jaqueline Jones introduces **The President**.

-- **The President** makes remarks, works a ropeline and departs.

1:35 pm — **THE PRESIDENT** departs Carroll County High School via motorcade en route Cincinnati/Northern Kentucky Airport [drive time: 45 minutes]

2:20 pm — **THE PRESIDENT** arrives Cincinnati/Northern Kentucky Airport

2:35 pm	**THE PRESIDENT** departs Cincinnati/Northern Kentucky Airport via Air Force One en Route Andrews Air Force Base [flight time: 1 hour 15 minutes]
3:50 pm	**THE PRESIDENT** arrives Andrews Air Force Base
4:00 pm	**THE PRESIDENT** departs Andrews Air Force Base via Marine One en route The White House [flight time: 10 minutes]
4:10 pm	**THE PRESIDENT** arrives The White House
4:15 pm- 5:00 pm	**PHONE AND OFFICE TIME/DOWN** OVAL OFFICE/RESIDENCE
5:00 pm- 5:10 pm	**BRIEFING FOR NCAA** MAP ROOM Staff Contact: Maria Echaveste Event Coordinator: Laura Schwartz
5:10 pm- 5:15 pm	**GROUP PHOTOGRAPH** NORTH PORTICO Staff Contact: Maria Echaveste Event Coordinator: Laura Schwartz -- **The President** takes a Michigan team photograph.
5:20 pm- 5:55 pm	**NCAA FOOTBALL CHAMPIONS RECEPTION** EAST ROOM Remarks: Laura Capps Staff Contact: Maria Echaveste Event Coordinator: Laura Schwartz **OPEN PRESS** -- **The President** proceeds to the Blue Room to greet Michigan Head Coach Lloyd Carr and Nebraska Head Coach Tom Osborne. -- **The President**, accompanied by Coach Lloyd Carr and Coach Tom Osborne, proceeds to the East Room.

-- **The President** makes welcoming remarks and introduces Michigan Coach Llyod Carr.

-- Announcement of **the President**, accompanied by Coach Lloyd Carr and Coach Tom Osborne, to "Ruffles and Flourishes" and "Hail to the Chief."

-- **The President** makes welcoming remarks and introduces Michigan Coach Lloyd Carr.

-- Coach Lloyd Carr makes remarks and introduces Michigan Co-Captains Jon Jansen and Eric Mayes.

-- Michigan Co-Captains Jon Jansen and Eric Mayes present the President with a team jersey.

-- **The President** introduces Nebraska Coach Tom Osborne.

-- Coach Tom Osborne makes remarks and introduces Nebraska Team Captains Aaron Taylor, Vershan Jackson, Jason Peter and Grant Wistrom.

-- Nebraska Team Captains Aaron Taylor, Vershan Jackson, Jason Peter and Grant Wistrom present **the President** with a team jersey.

-- **The President** thanks players and proceeds to the Blue Room for a receiving line with guests.

6:00 pm- 6:20 pm

PHOTO RECEIVING LINE
EAST ROOM
Staff Contact: Maria Echaveste
Event Coordinator: Laura Schwartz
OFFICIAL PHOTO ONLY

-- **The President** greets guests for photographs.

6:25 pm- 6:30 pm	**GROUP PHOTOGRAPH** NORTH PORTICO Staff Contact: Maria Echaveste Event Coordinator: Laura Schwartz -- **The President** takes a Nebraska team photograph.
6:30 pm- 7:00 pm	**DOWN**
7:00 pm	**THE PRESIDENT** departs The White House via motorcade en route the Hay Adams Hotel [drive time: 5 minutes]
7:05 pm	**THE PRESIDENT** arrives The Hay Adams Hotel
7:10 pm- 7:35 pm	**PHOTO RECEIVING LINE** JOHN HAY ROOM Hay Adams Hotel Staff Contact: Craig Smith Event Coordinator: Anthony Bernal **CLOSED PRESS** -- **The President** will greet guests for 50 photographs.
7:40 pm- 8:00 pm	**RECEPTION HONORING SENATOR BARBARA MIKULSKI** JOHN HAY ROOM Hay Adams Hotel Remarks: Laura Capps Staff Contact: Craig Smith Event Coordinator: Anthony Bernal **POOL PRESS** **Note: Approximately 100 people in attendance.** -- Senator Barbara Mikulski makes remarks and introduces **The President**. -- **The President** makes remarks and departs.

8:05 pm	**THE PRESIDENT** departs the Hay Adams Hotel via motorcade en route Private Residence [drive time: 10 minutes]
8:15 pm	**THE PRESIDENT** arrives Private Residence
8:15 pm 8:45 pm	**DROP BY PRIVATE RECEPTION** Private Residence Event Coordinator: Mary Morrison
8:50 pm	**THE PRESIDENT** departs Private Residence en route Private Residence [drive time: 10 minutes]
9:00 pm	**THE PRESIDENT** arrives Private Residence
9:05 pm- 9:55 pm	**DINNER HONORING SENATOR MARY LANDRIEU** Living Room Private Residence Remarks: Laura Capps Staff Contact: Craig Smith Event Coordinator: Anthony Bernal **POOL PRINT REPORTER (REMARKS ONLY)**

-- Senator Mary Landrieu makes remarks and introduces **The President**.

-- **The President** makes remarks.

-- **The President** informally visits with guests during dinner/dessert. (Informal Photographs)

-- **The President** departs.

10:00 pm	**THE PRESIDENT** departs Private Residence via motorcade en route The White House [drive time: 10 minutes]
10:10 pm	**THE PRESIDENT** arrives The White House
BC/HRC RON	**THE WHITE HOUSE WASHINGTON, D.C.**

'98 APR 8 P10:20

THE WHITE HOUSE

WASHINGTON

April 8, 1998

TOBACCO ROUND TABLE

DATE:	April 9, 1998
LOCATION:	Kentuckiana Tobacco Warehouse
EVENT TIME:	10:25 am - 11:40 am
FROM:	Bruce Reed

I. PURPOSE

To meet with tobacco farmers, public health advocates, community leaders, and a student to reaffirm your commitment to protect tobacco farmers and their communities while working to reduce youth smoking.

II. BACKGROUND

This meeting is an opportunity for you to hear first-hand the concerns of farmers and other members of farming communities regarding the tobacco legislation. This is also an opportunity to say that Senator Ford's bill, included in Senator McCain's comprehensive tobacco legislation, is a strong proposal to protect farmers and their communities. The legislation, detailed in a separate memo, continues a production control system for tobacco, while compensating farmers for any decrease in the amount of tobacco sold due to tobacco legislation. Most of the Kentucky burley growers are supportive of Senator Ford's proposal. You should say that it is a strong proposal, without in any way implying that it the <u>only</u> farming proposal you could support, or that you agree with every detail of the proposal.

It is possible that a panelist may raise the issue of African-American farmers. As you know, many African-American farmers have claimed that the USDA has discriminated against them in its lending programs and elsewhere. The Department has resolved about 20% of program discrimination complaints. Secretary Glickman will be in a position to answer any specific questions about this issue.

III. PARTICIPANTS

<u>Briefing Participants</u>:
Bruce Reed

Event Participants:
Secretary Glickman
Melvin Lyons, Owner of the Kentuckiana Tobacco Warehouse.
Rod Kuegel (KEE-gull), President of the Burley Tobacco Growers Cooperative, Inc.
Amy Barkley, Director of the Coalition for Health and Agricultural Development, Inc.
Mattie Mack, Owner of a small tobacco farm who has raised many foster children.
Karen Armstrong Cummings, Director of the Commodity Growers Cooperative.
Bill Sprague, President of the Kentucky Farm Bureau, the largest farm organization in KY.
Marissa Vaught, Carroll County High School Junior who is active in anti-smoking activities.
Dr. William Goatley, Pastor of the First Baptist Church of Eminence, Kentucky.

*Governor Patton, Senator Ford and several other state and local elected officials will be present, but not participate in the round table discussion. However, you should feel free to call on Governor Patton and/or Senator Ford to make comments at the conclusion of the round table discussion. [Note: Governor Patton and Senator Ford will be speaking in the program at the Carroll County High School following this event.]

IV. PRESS PLAN

Pool Press.

V. SEQUENCE OF EVENTS

- **YOU** will enter the room and greet each of the round table participants and elected officials present.
- Once **YOU** have taken your seat, the pool will enter the room.
- **YOU** will make an opening statement.
- **YOU** will then invite the participants to speak by posing a question to each person.
- **YOU** will first call on Melvin Lyons, the owner of the Kentuckiana Warehouse, to thank him for hosting you and describe the work that takes place at the warehouse.
- **YOU** will then pose questions to each of the participants, concluding with Secretary Glickman.

[*SEE ATTACHED SCRIPT]
- **YOU** will then make brief informal closing remarks and then depart.

VI. REMARKS

Talking points for opening statement provided by Speechwriting.

'98 APR 8 PM11:18

Draft 4/8/98 10:10pm

PRESIDENT WILLIAM J. CLINTON
TALKING POINTS FOR TOBACCO ROUNDTABLE
KENTUCKIANA TOBACCO WAREHOUSE
CARROLLTON, KENTUCKY
April 9, 1998

Acknowledgments: Sec. Glickman, Sen. Ford [see below], Gov. Patton**,** other elected officials, warehouse owner Marvin Lyons and his son, Brent.

Most of all, I'd like to thank Senator Ford. His work on the tobacco bill that is now moving through the Senate has been extremely valuable in bridging the farm interests from different states. He has served in the Senate longer than any Kentuckian, and for more than two decades, he has done Kentucky proud. Like the U of K, his alma mater, he is leaving as number one.

With all the talk of the Kentucky Wildcats and the Carroll County Panthers, I thought my staff was merely talking sports when they told me that I'd be going into the lion's den this morning. But seriously, I know that sowing, transplanting, topping, cutting, housing, and curing tobacco aren't easy. Tobacco is a 13-month-a-year crop. It's family work, done more by hand than machine. And I know you've had a tough go of it the last couple of years -- with the Flood of '97 and the blue mold the year before.

And right now, because of the tobacco legislation in Congress, you may feel like you're "straddling a barbed wire fence," planting your largest crops but not knowing if the Christmas money [a commonly used term] **will be what it was.** Last year, when I reviewed the settlement agreement reached by the tobacco companies, I was disappointed to see that there was no measure to protect farmers -- not even family and hard-pressed minority farmers. As I've said all along, any legislation must protect farmers and agricultural communities. If it doesn't, I won't support it.

Let me be clear: Despite what the tobacco executives said yesterday, I believe we can achieve comprehensive tobacco legislation this year -- and farmers will not get left behind. Tobacco farmers haven't done anything wrong. You've been growing a legal crop. You haven't been marketing to children. You're good, hard working, tax paying citizens.

We're not trying to put the tobacco companies out of business. We want to put them out of the business of selling cigarettes to children. Today and every day 3,000 kids will start smoking. 1,000 of them will die an premature, painful, and preventable death. No parent -- and a lot of us here are parents -- wants that.

# # #

TOBACCO ROUND TABLE PARTICIPANTS

(IN SUGGESTED SPEAKING ORDER)

Melvin Lyons, Owner of the Kentuckiana Tobacco Warehouse.

***SUGGESTED QUESTION*: Thank you for hosting us here today. Could you please explain for everyone here today what work goes on in this warehouse?**

Rod Kuegel (KEE-gull), President of the Burley Tobacco Growers Cooperative, Inc. He currently farms 70 acres of tobacco, as well as other crops. He has worked closely with the Campaign for Tobacco Free Kids in developing the Core Principles against youth smoking between the tobacco producers and the public health community. He is very supportive of Senator Ford's bill to continue the tobacco program. He is also the Chairman of Secretary Glickman's Burley Advisory Committee.

***SUGGESTED QUESTION*: Do you think that we can reduce youth smoking while protecting tobacco farmers and their communities?**

Amy Barkley, Director of the Coalition for Health and Agricultural Development, which is a statewide organization of public health advocates and farmers who work together to address both economic development and public health issues relating to tobacco.

***SUGGESTED QUESTION*: How does the public health community work together with the farming community here in Kentucky?**

Mattie Mack, Owner of a small tobacco farm. She has raised 38 foster children and four of her own children through the success of her farm. She is adamantly opposed to youth smoking and is proud that none of the children she has raised smoke.

***SUGGESTED QUESTION*: You bring new meaning to the phrase "family farmer." What has your farm meant to you and the children you have raised?**

Karen Armstrong Cummings, Managing Director of the Commodity Growers Cooperative, which develops markets for family farm products to help protect the future of small farms. She is very active locally against teen smoking.

***SUGGESTED QUESTION*: What can the government do to help protect the small farmer?**

Bill Sprague, President of the Kentucky Farm Bureau, the largest farm organization in the state. He is a fifth generation farmer and has 3,000 acres of tobacco crop.

***SUGGESTED QUESTION*: Do you think it is crucial to farmers in Kentucky for tobacco legislation to be passed soon? Can you tell us what impact the lack of resolution is having?**

Marissa Vaught, Carroll County High School Junior. Her grandmother died of lung cancer from smoking, and she has since become very active in her high school to prevent teen smoking.

***SUGGESTED QUESTION*: What prompted you to get involved in efforts to reduce teen smoking at your school?**

Dr. William Goatley, Pastor, First Baptist Church, Eminence, Kentucky

***SUGGESTED QUESTION*: Do you believe there is a role for the religious community in the fight against youth smoking?**

Secretary Dan Glickman

***SUGGESTED QUESTION*: Do you have further comments before we close?**

'98 APR 8 PM9:45

THE WHITE HOUSE

WASHINGTON

April 8, 1998

REMARKS TO CARROLL COUNTY HIGH SCHOOL COMMUNITY

DATE: April 9, 1998
LOCATION: Carroll County High School Gymnasium
EVENT TIME: 12:30 pm - 1:30 pm
FROM: Bruce Reed

I. PURPOSE

To demonstrate your commitment to reducing youth smoking while protecting tobacco farmers and their communities.

II. BACKGROUND

You will be making remarks to approximately 1,500 students and approximately 400 adults from the local community about the dangers of youth smoking. This is an opportunity to express your determination, even in the face of the industry's announcement today, to work with Congress to enact comprehensive tobacco legislation.

The Carroll County High School has a Tobacco Free Teens Program, which is a support group run through the school health services office to help students quit smoking. According to students at the school, approximately 50% of the students smoke cigarettes.

III. PARTICIPANTS

Briefing Participants:
Bruce Reed
Tom Freedman

Event Participants:
Governor Paul Patton
Senator Wendell Ford
Jacqueline Jones, Carroll County High School Senior
Dr. William Goatley, Pastor of the First Baptist Church of Eminence, Kentucky

*Secretary Glickman will be seated on stage.

IV. PRESS PLAN

Open Press.

V. SEQUENCE OF EVENTS

- **YOU** will be announced onto the stage accompanied by Governor Patton, Senator Ford, Secretary Glickman, and Jacqueline Jones.
- Governor Patton will make remarks and introduce Senator Ford.
- Senator Ford will make remarks and introduce Jacqueline Jones.
- Jacqueline Jones will make remarks and introduce **YOU**.
- **YOU** will make remarks.
- **YOU** will then work a ropeline and depart.

VI. REMARKS

Provided by Speechwriting.

Draft 4/8/98 11pm

PRESIDENT WILLIAM J. CLINTON
REMARKS ON TOBACCO AT CARROLL COUNTY HIGH SCHOOL
CARROLLTON, KY
April 9, 1998

Acknowledgments: introducer Jacqueline Jones; Sec. Glickman; Gov. Paul Patton, who signed one of the toughest measures in the country against underage tobacco use shortly after taking office; Sen. Ford, for his remarkable work to bring about comprehensive legislation that protects farmers; Rep. Scotty Baesler; Humana Vice Chairman David Jones, who joined me at the Presidents' Summit on Citizen Service in Philadelphia and committed $2 million and 50,000 community service hours to help stop tobacco use by children; elected officials; representatives of the public health and agriculture communities.

It's great to be in Wildcat country. I watched the Comeback Cats beat the Utes while I was flying from Botswana to Senegal. The Utes had eliminated the Razorbacks, so I was pulling for Big Blue all the way.

I'm very pleased to see how you've recovered from the Flood of '97. It was just over a year ago that the rains were pouring down and Eagle Creek and the Kentucky River were spilling out all over this county like Noah's flood. But neighbors and friends reached out to help those in need. The strength of community ties pulled you through. You made America very proud.

This is a golden moment for our country. Just as we have seen here, communities across the country are thriving. We have the strongest economy in a generation. The crime rate has been falling for five years in a row. We have the lowest welfare rolls in 27 years. More families own homes than ever before.

We've opened the door to college for every student in this auditorium, thanks to new grants and HOPE Scholarships that your guidance counselors can help you learn all about. The chemical and steel industries are booming here in Carroll County; they're practically guaranteeing jobs to students here who are getting involved in your remarkable work-study program and gaining essential math, science, and technical skills. It is a great time to be growing up here in the great state of Kentucky.

Today, I came here to talk about a subject that could not be more important to the future of all of you students, to the future of this state, and to the future of this nation. I came here to talk about the future of tobacco. I know there's been a lot of discussion about what the tobacco legislation in Congress will involve and where we are in the process. Today, in addition to listening to the concerns of people in this community, I wanted to explain the process in detail to students and parents alike. But before we go even one step further I want to make three vital points very clear.

First, despite what you heard from the tobacco companies yesterday, we have an historic opportunity to pass comprehensive tobacco legislation this year. I am going to do everything in my power to put politics aside and pass legislation that will dramatically reduce teen smoking. There is powerful bipartisan momentum to get this done, and we will not let the tobacco industry stand in the way of doing right by America's children.

Second, the legislation we seek is not about politics, or money, or seeking revenge against the tobacco industry. The legislation moving forward in Congress will not put the tobacco companies out of business. It will simply put them out of the business of selling cigarettes to kids.

Third, we will not abandon tobacco farmers. They haven't done anything wrong. They've been growing a legal crop. They are not the ones who have been marketing tobacco products to children. They're good, hard-working, tax-paying citizens -- most of them laboring from sun-up to sun-down on small family farms. We will stand with Kentucky's communities to pass legislation that makes sense for everyone. If it doesn't protect farmers and their communities, I won't support it. Remember: we wouldn't let this community down when the flood waters were rising out of control. The national government was here in Kentucky, helping you clean up, working to make everyone whole. We will do it again with this tobacco legislation. Farmers didn't create the problem of youth smoking. But I promise you this: farmers and their communities <u>will</u> be included in the solution.

And now I'd like to explain why I believe it is so important that we work together to pass comprehensive tobacco legislation. Just last week, the Centers for Disease Control released a disturbing report. It found that more than 40% of teenagers now smoke or chew tobacco. Now, the law says that tobacco companies can't advertise tobacco products on television or radio, but you can't escape the ads anywhere else -- in magazines, sports arenas, billboards. Toy race cars are still covered with tobacco brand names, even through we know adults don't buy many toy race cars. How many of you have younger brothers and sisters? Well, if national statistics hold true, I bet more of them can recognize Joe Camel than Mickey Mouse.

Today, 3,000 young people will start smoking. A thousand of them will have their lives shortened as a result. If we waste time, we will waste more precious lives. So that is why I ask that you join me in seizing a remarkable opportunity to close the books on 30 years of calculated marketing to kids. And that is why I ask you to work with me, Sen. Ford, and his Senate colleagues to make reducing youth smoking everyone's bottom line.

Last week, in an historic and resounding 19-to-1 vote, a key Senate committee that Sen. Ford sits on gave its stamp of approval to comprehensive legislation sponsored by Sen. John McCain, a Republican, and Sen. Fritz Hollings, a Democrat, that would cut youth smoking by half over the next decade. And thanks in great measure to Sen. Ford's leadership, the bill will not let tobacco farmers down.

Last September, when I reviewed the settlement agreement reached by the tobacco companies, I was very disappointed to see that there was no mention of farmers and what might happen to them if the settlement became law. So when I laid out my five principles of what absolutely had to be in any comprehensive tobacco legislation, I said we had to protect farmers and their communities. I'm pleased that Sen. Ford has done so much to bring tobacco country together in an effort to meet this commitment. The bill he helped prepare recognizes that tobacco has a very high return per acre and, therefore, you can't just tell tobacco farmers to go and plant soybeans on their land. It recognizes that you can't uproot tobacco without uprooting the family farm. This morning, I met a woman named Mattie Mack. She's 61 years old and has raised 38 foster children while growing tobacco -- not one of whom smokes. We can't abandon her or the children she has raised. We must reduce youth smoking, but we're not going to do it by devastating our farming communities.

We still have work to do on the legislation in the Senate. Above all, we need to put in place tough penalties that will ensure that the tobacco industry has a clear financial interest in stopping youth smoking. But Sen. McCain and his committee have helped move this nation in the right direction. We now have bipartisan momentum for action. I'm confident that this Congress will be remembered as the Congress that passed comprehensive legislation, preserved the health of millions of children, and provided for farmers and their communities.

Of course, some tobacco industry executives believe they can block the way. It's no surprise that tobacco industry executives are giving speeches to protest the legislation moving through Congress. It's in their tactical interest to object to the bill now to prevent it from getting even tougher.

But I believe this is not the time to issue threats. This is the time for the industry to put the past behind them and help all of us, including thousands of family farmers, plan for the future. Most important, this is the time to stop children from picking up a habit that kills. If we move forward with the legislation in the Senate, in Kentucky alone it will stop nearly 60,000 kids from starting to use tobacco over the next five years, and save almost 20,000 lives. We simply cannot afford to let this opportunity go up in smoke.

I want to end today by throwing out an important challenge to all of you students. Take responsibility for your future. If you don't smoke, don't start. If you have friends who are having trouble standing up to peer pressure, stand with them. And if you do smoke, think about what you're doing to your body. Do you think the National Champion Wildcats could run the court the way they do if they smoked? Not a chance. But whether you play basketball or any sport for that matter, the message is still the same: if you're lighting up cigarettes, you're just snuffing out your dreams.

I have a friend here today named Meghan Johnson who's got some very big dreams -- like playing flute in a professional orchestra -- and she won't let cigarettes get in the way. She's in the seventh grade in Madison County, Kentucky, and the First Lady and I have been pen pals with her for years. Meghan has taken a big stand against tobacco in her community. After seeing two people close to her stricken with cancer, she and some friends decided to produce a video and a poster to help every student at Madison Middle School understand the dangers of smoking.

In Meghan and in all of you here today who are staying away from tobacco and helping your friends do the same, I see the kind of success story that you won't see featured tonight on the news. But it is the kind of success story that we can spread all over the country if students commit to try. We can help you at the national level; we're going to deliver comprehensive legislation this year that will end the marketing of cigarettes to teens. But the real key to success and to your future is in your hearts and in your minds. Thank you and God bless you.

THE WHITE HOUSE

WASHINGTON

April 8, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: Craig Smith and Linda Moore, Political Affairs

SUBJECT: Kentucky Politics

PRESIDENTIAL ELECTION RESULTS

1992			**1996**		
Clinton	655,104	45%	Clinton	636,126	46%
Bush	617, 178	41%	Dole	623,283	45%
Perot	203,944	14%	Perot	120,396	9%

RECENT TRAVEL BY PRINCIPALS

The most recent travel to the state by a principal occurred last summer. The Vice President travelled to Covington for a DNC fundraiser. The First Lady participated in a Habitat for Humanity project in Pikeville.

POLITICAL DATA

Governor:	Paul Patton (D) 51% in 1995
Senate:	Mitch McConnell (R) 55.5% in 1996
	Wendell Ford (D) 63% in 1992
U.S. House:	1D/5R
State House:	65D/35R
State Senate:	20D/18R
Electoral Votes:	8

KENTUCKY AT A GLANCE

- 1996 estimated population was 3,884,000, making Kentucky the twenty-fourth largest in the nation.

- 91.7% of Kentuckians are white while 7.1% are African-American. 1% are Asian and 1% are of Hispanic origin.

- 13% of Kentucky residents are 65 or older.

- 59% of Kentucky households are married couples. 29% are married couples with children.

- 33% of Kentucky residents are college educated.

- Per capita income is about $11.000. Median household income is about $22.500.

- Turnout in the 1996 presidential election was 47% of the voting age population compared to 55% in 1992.

STATE ELECTION RESULTS

Sen. Mitch McConnell (R) survived a strong challenge from Democrat Steve Beshear, a Lexington lawyer and former Attorney General and Lieutenant Governor. Every member of the congressional delegation was reelected except Third District Rep. Mike Ward (D), who lost to Rep. Anne Northup (R) by 1,300 votes. Ward won the seat in 1994 by only 473 votes and had long been a target of the Republican Congressional Campaign Committee. Democratic majorities in both the State Senate and House were retained. However, soon after the election five Democratic state senators forged a coalition with the Republicans to seize control of the body.

CONGRESSIONAL DELEGATION

Sen. Wendell H. Ford (D), 4th term/64%
Rep. Edward Whitfield (R-1), 2nd term/54%
Rep. Anne Northup (R-3), 1st term/50%
Rep. Harold Rogers (R-5), 9th term/uncontested

Sen. Mitch McConnell (R), 3rd term/55%
Rep. Ron Lewis (R-2), 3rd term/58%
Rep. Jim Bunning (R-4), 6th term/68%
Rep. Scotty Baesler (D-6), 3rd term/56%

Senator Ford is the Minority Whip, and sits on the Commerce; Science & Transportation; Energy & Natural Resources; Rules and Administration (Ranking Member); and Joint Printing Committees. **Senator McConnell** sits on the Agriculture; Nutrition & Forestry; Appropriations; Labor & Human Resources; Rules and Administration; and Joint Printing Committees.

4th District. You will be in the 4th CD, which is represented by **Jim Bunning,** who is running for the U.S. Senate. A former professional baseball player, and an investment broker and agent, he now serves on the House Budget, and Ways & Means committees. He has made very critical statements about your visit to his district. Bob Dole won this district in 1996 with 50% to your 41% and Perot's 9%. It is 46% rural, 97% white, and 34% college educated. Median household income is $26,362.

1998 Congressional Races. Reps. Whitfield, Rogers, and Lewis are considered safe in their reelection bids this year. There are contested Democratic primary campaigns underway for the seat currently held Northup and for the two open seats now held by Baesler and Bunning. All three of these seats are targeted by the DCCC.

STATEWIDE ELECTED OFFICIALS

Governor Paul Patton (D)
Lt. Governor Steve Henry (D)
Sec. of State John Y. Brown III (D)
Attorney General Ben Chandler (D)

State Treasurer John Kennedy Hamilton (D)
Commissioner of Agriculture Billy Ray Smith (D)
Auditor of Public Accounts Ed Hatchett, Jr. (D)

Governor Patton worked tirelessly on behalf of both Clinton/Gore and the rest of the Democratic ticket in 1996 and has been very supportive of Administration's initiatives, including your education standards and testing program. Patton consistently posts an approval rating around 70%. This week, Patton has been on his twice-yearly "Patton to the People" bus tour of the state.

The hallmark of Governor Patton's administration thus far is higher education reform. He added $40 million for higher education spending and revamped the governing structure for higher education. The most controversial change was the separation of all but one of the 14 community colleges from the University of Kentucky's control, putting them with technical schools under a new board. The separation dominated the debate on this issue, and at times threatened to scuttle Patton's plans. Patton and his supporters made enough concessions, such as keeping the University of Kentucky's name on the community colleges' buildings and diplomas, to gain enough support. University of Kentucky officials are not happy about the new law, but have grudgingly pledged to help make the implementation successful. Because the Governor appoints the University of Kentucky Board, he will have the opportunity over the next several years to replace those members who oppose his reforms.

Patton's Current Priorities. On Wednesday, April 8, Governor Patton signed Kentucky Senate Bill 137, considered to be one of the toughest measures in the country against underage tobacco use. The bill stiffens enforcement, fines and compliance with Kentucky's underage smoking law. An emergency provision places the law into effect immediately.

One of the primary issues that Governor Patton is engaged in is attempting to secure funding for the replacement of the 56-year-old lock on the Tennessee River at Kentucky Dam. The Governor believes that the Kentucky Dam Lock is the linchpin for commerce between the Ohio River and the Tennessee River. The U.S. Congress first authorized construction of a new 1200-foot lock in 1996. Your recommended FY '98 budget proposed delaying construction of the new lock until 2008. However, Congress appropriated $4.2 million to initiate construction in 1998. The Governor believes that if the Kentucky Lock is to be completed by 2008, $11.5 million is required in FY '99. You allocated no funds toward this project in your FY '99 budget.

Governor Patton has been the lead Governor in helping us reach a compromise on the Delta Commission. As the deal stands, a Delta Commission will be created, modeled on the Appalachian Regional Commission (ARC), that would assist in the economic development of the Delta Region. The commission was originally opposed by the 13 ARC Governors because they feared the proposal might impact long-term ARC funding. The governors also envisioned the Delta Commission being housed and staffed by the current ARC and were concerned this would dilute the ARC's mission and work. Under the recent compromise, however, the Delta Commission would be budgeted from the U.S. Department of Agriculture so as to eliminate funding competition. It would contract with ARC for a brief and limited "incubation" period to provide staff support. After the first year, the Delta operation would become completely independent. This proposal has gained support among some, but not all, of the ARC Governors.

Kentucky's V.I.N.E. (Victim Information and Notification Everyday) has proven extremely successful. Governor Patton, and his wife Judi, believe that this program should be utilized as a model for a national program. The V.I.N.E. program notifies victims and their families when the criminal who committed the crime against them is released from jail.

STATE LEGISLATURE

Senate: 20D/18R	House: 65D/35R
President Larry Saunders (D)	Speaker Jody Richards (D)
Majority Leader David Karem (D)	Majority Leader Greg Stumbo (D)
Minority Leader Dan Kelly (R)	Minority Leader Danny Ford (R)

The legislative session ended last Thursday. Governor Patton's budget easily passed with very few changes. Like most states, Kentucky has a budget surplus due to the booming economy. It is expected that Patton will veto an anti-choice bill that is on his desk, and that the legislature will vote to override it.

1998 SENATE RACE

Senator Ford is not seeking reelection this year. Rep. Scotty Baesler (a tobacco farmer), Lt. Governor Steve Henry (D), and Louisville businessman Charlie Owen (D) are running for the Democratic nomination. Baesler, a member of the conservative "Blue Dog" coalition in the U.S. House, distanced himself from the Administration during the 1996 campaign. Governor Patton has said he will vote for Lt. Governor Henry, but he has no plans to campaign for him. Owen, who chaired Kentucky's first crime commission, is worth $40-60 million and is self-financing his campaign. With the primary still well over a month away (May 26), Owen is the only candidate who has begun a paid media campaign. Conservative Rep. Jim Bunning (R), who has Senator Mitch McConnell's full backing, will cruise to the Republican nomination against little-known state Senator Barry Metcalf (R). The general election race could be very competitive.

The most recent public poll on this race was conducted March 5-13 for the Louisville *Courier-Journal.* It showed the following:

Dem Primary

	All	Fav/Unfav	ID
Baesler	36%	53%/14%	62%
Henry	16%	50%/13%	7%
Owen	8%	37%/13%	26%
Undec.	39%		

Republican Primary

	Fav/Unfav	ID
Bunning	62%/2%	56%
Metcalf	23%/8%	22%

More recent Owen campaign polling shows Baesler with 31%, Owen with 19%, and Henry with 16%. Now that Owen has eclipsed Henry, they plan to focus their ads on Baesler, attacking him for voting against the balanced budget and against health care for children, among other things. The race for the Democratic nomination and the general election are expected to be very close.

ECONOMIC PROGRESS IN KENTUCKY 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 Kentucky after the first 63 months of the Clinton Administration:

Improved Economic Conditions in Kentucky during the Clinton Administration:

• The unemployment rate has dropped from 6.3% to 4.1%.

• Kentucky has added 202,200 new jobs, or 39,777 **per year** -- compared to 30,575 **per year** during the previous administration.

• Kentucky has added 188,500 new private-sector jobs, or 37,082 **per year** -- compared to 22,850 **per year** during the previous administration.

• Kentucky has added 27,400 new manufacturing jobs, or 5,390 **per year** -- compared to 1,900 **per year** during the previous administration.

• Business loans have increased 3.8% **per year** -- after **FALLING** 7.4% **per year** during the previous administration.

• Business failures have dropped 13.2% **per year** -- after **INCREASING** 11.7% **per year** during the previous administration.

• Home building has increased 6.2% **per year.**

• The Help Wanted Index has increased 57.7%.

• Consumer confidence is up 84.6%.

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

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

19 TIMES MORE KENTUCKY FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 236,592 working families in Kentucky will receive a tax cut. This compares to an increase in the income tax rate for only the 12,491 wealthiest taxpayers in Kentucky.

TAX CUT FOR 17,550 SMALL BUSINESSES IN KENTUCKY: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expending allowance from $10,000 to $17,500. About 17,550 small businesses in Kentucky are likely to benefit from the expansion of the expending allowance this year alone *and many more will benefit over the coming years.*

543,000 KENTUCKY 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 543,188 workers in Kentucky, and protects the jobs of 32,632 workers in Kentucky who are likely to use unpaid leave this year alone.

185,600 STUDENTS AND FORMER STUDENTS IN KENTUCKY WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 185,600 Kentucky borrowers -- 129,900 current borrowers and 55,700 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.

'98 APR 8 PM6:01

THE WHITE HOUSE

WASHINGTON

April 8, 1998

MEMORANDUM FOR THE PRESIDENT

FROM: **THURGOOD MARSHALL, JR.** T.M.
JON P. JENNINGS J.P.J.

SUBJECT: **HOT ISSUES -- COVINGTON, KENTUCKY**

Air Pollution: EPA has identified KY as causing significant air pollution problems in downwind states. On October 17, EPA proposed a rule requiring states that contribute significantly to ozone problems in other states to reduce their emissions. Under this rule, KY will have to implement air pollution controls. Governor Patton strongly opposes the rule and wrote to you, along with nine other Southern and Midwestern governors, requesting an extension of the comment period on the rule. The public comment period was 120 days long and ended on March 9. EPA will continue to take comments on this proposal during the comment period for a related supplemental proposal that will be issued in April. (EPA)

Tobacco-Related Illnesses: You proposed legislation that states VA is not responsible for smoking-related illnesses suffered by veterans. It is estimated that the costs would be $17 billion. Many veterans believe that VA is not adequately funded and this action will make the situation even worse. Many feel the $17 billion should be given to VA to cover other medical costs and other benefits. The veterans service organizations are very opposed to you on this. (DOL)

ISTEA Funds: The KYTC is concerned about its current donor state bonus status. KY is part of a coalition of states supporting an equity program to ensure that all states receive at least 95 percent return on the payments to the Federal Highway Trust Fund. On March 12, the KY House of Representatives adopted a resolution encouraging the Congressional delegation to address inequities in mass transit funding. KY is a donor state, with over $38,000,000 in federal fuel taxes collected in the state going into mass transit account in FY95 and only $16,800,000 being returned to KY, or $0.44 back for every dollar contributed in federal fuel taxes. (DOT)

Transportation Issues:

- KY State Police have trained a contingent of state police officers in child passenger safety and they will be kicking off BUA week with a press conference on May 18.
- On March 9, the KY legislature passed a law requiring only riders under 21 years of age to wear a motorcycle helmet. The Governor has signed the law.
- A .08 bill was introduced but failed to pass. The KY legislature will not reconvene until the year 2000. (DOT)

Plant Closings: Several garment manufacturers -- HIS and Fruit of the Loom -- are closing plants in KY. (SBA)

Guardian Insurance: Recently passed KY state legislation limits the ability of insurance companies to charge higher premiums for sick policy holders. This has resulted in two problems. First, self-employed businesses are not able to secure health care coverage. Second, one of the largest insurers in the state, Guardian, with over 100,000 policy holders, is leaving KY. (DOC)

Flood Assistance: KY was allocated $15 million from the Ohio Valley flood appropriation. DOC's Economic Development Administration (EDA) is processing projects for those funds now. EDA expects to fund 20-25 individual projects, with a total investment value (including matching funds) of over $40 million. (DOC)

NAFTA Impact: In recent months, the impact of international trade agreements, especially NAFTA, on KY employment has been hotly debated, in large part due to highly publicized plant closures and lay-offs, most notably in the textiles/apparel industries. Since 1994, employment in the state's textiles/apparel industries has dropped from 40,000 to 30,000 -- a 25 percent decrease in just four years. (DOC)

PRESIDENT CLINTON AND VICE PRESIDENT GORE'S ACCOMPLISHMENTS: *KENTUCKY*

EXPANDING ECONOMIC OPPORTUNITY FOR ALL:

- ***Unemployment Down to 4.5%:*** The unemployment rate in Kentucky has declined from 6.3% to 4.5% since 1993.
- ***216,000 New Jobs***: 216,000 new jobs have been created in Kentucky since 1993 -- an average of 43,200 per year, compared to average of 30,575 jobs each year during the previous administration.
- ***197,700 New Private Sector Jobs***: Since 1993, 197,700 new private sector jobs have been created -- an average of 39,540 jobs per year, compared to an average of just 22,850 private sector jobs per year in the previous administration.
- ***28,200 New Manufacturing Jobs:*** 28,200 manufacturing jobs have been created in Kentucky since 1993 -- an average of 5,640 jobs per year. In contrast, an average of only 1,900 manufacturing jobs were created each year during the previous administration.
- ***18,300 New Construction Jobs:*** 18,300 construction jobs have been created in Kentucky since 1993 -- an average of 3,660 jobs per year. In contrast, an average of only 950 construction jobs were created each year during the previous administration.
- ***160,000 Have Received a Raise***: Approximately 91,000 Kentucky workers benefited from an increase in the minimum wage -- from $4.25 to $4.75 -- on October 1, 1996. They, along with about 69,000 more, received an additional raise -- from $4.75 to $5.15 -- on September 1, 1997.
- ***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 Kentucky, the poverty rate has fallen 3.4 percentage points since 1993. [1996 data]
- ***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 423,000 families in Kentucky.**
- ***Business Failures Down 10.4%:*** Business failures have dropped 10.4% per year since 1993, after increasing 17.8% per year during the previous 12 years.
- ***Highest Home Ownership Ever***: Home Ownership in Kentucky has increased from 69.0 to 75.9 since 1992 and it is now the highest on record.
- ***Home Building Up 6.1%***: Home building has increased by an average of 6.1% per year since 1993, after increasing only 2.4% per year during the previous administration.
- ***Over 40,00 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 passage of President Clinton's economic plan. That's over $40,000 of reduced federal debt for each family of four in Kentucky.

EXPANDING ACCESS TO EDUCATION:

- ***Nearly $71.3 Million in Head Start Funding:*** In FY97, Kentucky received $65.6 million in Head Start funding benefitting nearly 15,000 children. This year, Kentucky received $71.3 million, an increase of $5.7 million over 1997. President Clinton's FY99 budget proposal will increase Head Start funding for Kentucky's children by an additional $4.6 million.
- ***$7.2 Million in Goals 2000 Funding***: This year [FY98], Kentucky receives $7.2 million in Goals 2000 funding. President Clinton's FY99 budget proposes to increase Goals 2000 funding by an additional $80,000. 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.
- ***Nearly $7 Million for Technology Literacy***: This year [FY98], Kentucky receives nearly $7 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. President Clinton's FY99 budget proposal will raise funding for technology literacy by $950,000 over FY98.

- ***$127.5 Million for Students Most in Need***: Kentucky receives $127.5 million in Title I Grants (to Local Education 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]. President Clinton's FY99 budget proposes to increase funding for Title I Grants by nearly $2 million to aid Kentucky's students.
- ***$120.6 Million in Pell Grants***: This year [FY98], Kentucky will receive $120.6 million in Pell Grants for low-income students going to college, an additional $23.4 million over last year. With this increase, a total of 63,300 Kentucky students will benefit, 3,700 more than the previous year. And President Clinton's FY99 budget proposal increases Pell Grant funding to $124.7 million.
- ***Nearly 1,200 Have Served in Kentucky through AmeriCorps***: Since the National Service program began in 1993, nearly 1,200 AmeriCorps participants, working in 143 different programs, have earned money for college while working in Kentucky's schools, hospitals, neighborhoods or parks [through 3/98].
- ***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. **71,000 students in Kentucky will receive a HOPE Scholarship tax credit of up to $1,500. 86,000 students in Kentucky will receive the Lifetime Learning Tax Credit.**

FIGHTING CRIME AND VIOLENCE:

- ***708 More Police***: The President's 1994 Crime Bill has funded 708 new police officers to date in communities across Kentucky [through 3/98].
- ***$2 Million to Combat Domestic Violence:*** Through the Violence Against Women Act, Kentucky used $2 million in federal funds in FY97 to establish more women's shelters and bolster law enforcement, prosecution, and victims' services. Kentucky received $1.8 million under VAWA in FY96.
- ***$829,827 in Grants for Battered Women***: This year [FY98], Kentucky will receive $829,827 in HHS's Family Violence Prevention Program grants to assist women and children fleeing domestic abuse, an additional $146,000 increase over last year. President Clinton's FY99 budget proposal increases HHS's Family Violence Prevention Program grants to $849,000.
- ***Nearly $8 Million to Keep Drugs & Violence Out of Kentucky's Schools***: Kentucky receives $7.9 million in FY98 for the Safe & Drug Free Schools Program, which invests in school security and drug prevention programs.

MOVING KENTUCKY RESIDENTS FROM WELFARE TO WORK:

- ***82,166 Fewer People on Welfare***: There are 82,166 fewer people on welfare in Kentucky now than there were at the beginning of 1993 -- a 36% decrease [through 9/97]
- ***Child Support Collections Up 52%***: Child support collections have increased by $49 million -- or 52% -- in Kentucky since FY92 [through FY96].
- ***Kentucky Receives $17.6 Million in Welfare-to-Work Grants:*** In FY98, Kentucky will receive $17.6 million in welfare-to-work state formula grants, helping Kentucky 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 KENTUCKY'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 Kentucky the balanced budget Provides $50 million in 1998.** This compares to the 1995 Republican plan vetoed by President Clinton that would have denied health coverage to 84,500 children in Kentucky.

- ***Helping Kentucky 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 Kentucky, 7,093 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 Kentucky in 1996, 95% of two-year olds received the vaccines for diphtheria, tetanus, pertussis; 92% received the vaccine for polio; 91% received the vaccine for measles, and 92% received the vaccine for *Haemophilus influenzae* B, the bacteria causing a form of meningitis.

PROTECTING THE ENVIRONMENT:

- ***7 Toxic Waste Sites Cleaned Up***: Since 1993, the EPA has completed 7 Superfund toxic waste cleanups in Kentucky in Calvert City (2), Auburn, West Point, Mayfield, Howe Valley and Brooks [through 1/98]. This is more than the number of sites cleaned up in Kentucky during the previous twelve years combined (4).
- ***Revitalizing Brownfields in Louisville***: Part of the Clinton-Gore Administration's efforts to clean up Brownfields, the EPA has designated Louisville, Kentucky for environmental clean-up and economic revitalization. This project is intended to jump-start local clean-up efforts by providing funds to return unproductive, abandoned, contaminated urban properties to productive use.

SPEARHEADING RURAL RENEWAL EFFORTS:

- ***$40 Million to the Kentucky Highlands:*** The Kentucky Highlands were designated a Rural Empowerment Zone in December, 1994 and were awarded $40 million to create more jobs, housing, and economic opportunity for area residents. In addition, Louisville was designated an Enterprise Community and was awarded $3 million for similar efforts. McCreary was also designated an Enterprise Community and was awarded $1.6 million.
- ***Expanding the Low-Income Housing Tax Credit Will Help Develop 2,700 To 3,200 New Affordable Housing Units in Kentucky Over the Next 5 years.*** In January, the Vice-President announced the Clinton-Gore Administration's proposed 40-percent expansion of the Low-Income Housing Tax Credit. If enacted, it will mean an additional 2,700 - 3,200 quality rental housing units for low-income American families in Kentucky during the next five years.