

THE WHITE HOUSE
WASHINGTON

33 AUG 10 P4:05
August 10, 1993

TO: JOHN PODESTA
FROM: DAN BURKHARDT
THROUGH: MARSHA SCOTT
SUBJECT: HONORARY CHAIR AND EVENT
ATTENDANCE REQUEST

Please review the attached requests,
make your recommendations, and return
to me in rm. 94 EOB by Tuesday,
August 17, 1993.

Thank you.

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 2/10/1993
Request for: FLOTUS
Type of Request: Honorary Chair
Requestor Name: Mr. Arnold Snyder
Title: Chairman
Organization: Delaware Valley Disabled Accessibility
1416 Melvin Road
Wyncote, Pennsylvania 14959
Contact Tel. #:
Event Date: 8/22/1993
Event Description: Disabled meeting in Philadelphia
Notes:
Recommendations:

MW _____

RN _____

JP NO _____

MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 3/08/1993
Request for: POTUS
Type of Request: Honorary Member
Requestor Name: Yulma Sanson
Title:
Organization: Lake View High School
Green Thumb Club
4015 N. Ashland Avenue
Chicago, Illinois 60613
Contact Tel. #: 312/660-6140

Event Date:

Event Description:

Notes:

Writer would like two autopenned pictures of the President.

Recommendations:

MW _____

RN _____

JP

no

MH _____

8/13/93

*we should
do this*

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 11/20/1992
Request for: POTUS/FLOTUS
Type of Request: Honorary Charter Membership
Requestor Name: Mr. Fred L. Smith
Title: President
Organization: Navy League of the United States
Moreno Valley Council, #396
21601 Dracaea Avenue
Moreno Valley, California 92553
Contact Tel. #: 714/653-0300
Event Date:
Event Description:
Notes:
Recommendations:

MW _____

RN _____

JP ND _____

MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 3/19/1993
Request for: POTUS
Type of Request: Honorary Member
Requestor Name: Mr. Edward Altman
Title: President
Organization: Boardwalk Runners
P.O. Box 7336
Atlantic City, New Jersey 08401
Contact Tel. #: 609/822-6911
Event Date:
Event Description:
Notes: Boardwalk Runners is a non-profit running club with over 400 members.

Recommendations:

MW _____

RN _____

JP _____

MH _____

ND
8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 6/03/1993
Request for: POTUS
Type of Request: Honorary Patron
Requestor Name: The Honorable Kurt L. Schmoke
Title: Mayor
Organization: City of Baltimore
250 City Hall
Baltimore, Maryland 21202
Contact Tel. #:
Event Date: 1995
Event Description: George Peabody Bicentenary
Notes: Events relating to this celebration will take place on both sides of the Atlantic. They will include an exhibition relating to Peabody's life which will tour U.S. cities and London, a birthday reception at the U.S. Embassy in London on February 18, 1995, a tour by the Peabody Symphony Orchestra in the U.S. and London, and a memorial service at Westminster Abbey in November, 1995.
The mayor is an FOB.
Recommendations:

MW _____

RN _____

JP _____

MH _____

WD
8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 1/04/1993
Request for: POTUS
Type of Request: Membership
Requestor Name: The Reverend James E. Lamkin
Title:
Organization: Ravensworth Baptist Church
5100 Ravensworth Road
Annandale, Virginia 22003
Contact Tel. #: 703/941-4113
Event Date:
Event Description:
Notes: Invitation is also extended to the First Lady.
Recommendations:
MW _____ RN _____ JP ? MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 6/01/1993

Request for: POTUS

Type of Request: Honorary Member

Requestor Name: Mr. David M. Brink

Title:

Organization: The Fifth Northumberland Fusiliers
100 Montclair Ave.
Pittsburgh, Pennsylvania 15229-1756

Contact Tel. #:

Event Date:

Event Description:

Notes:

This group is devoted to the study, and
perpetuation of the memory, of Sherlock
Holmes.

Recommendations:

MW _____

RN _____

JP ND

MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 7/01/1993
Request for: POTUS/FLOTUS
Type of Request: Honorary Chairpersons
Requestor Name: Mr. Anthony Kennedy Shriver
Title: President
Organization: Best Buddies
100 S.E. 2nd Street
Suite 1990
Miami, Florida 33131
Contact Tel. #: 305/374-2233
Event Date: 10/23/1993
Event Description: Fifth Annual Best Buddies Ball
Notes: Best Buddies is an international, non-profit organization with a mission to create friendships between college students and people with mental retardation. The ball is a fundraising event. The evening will begin with dinner at the home of Sargent and Eunice Kennedy Shriver. Later, there will be a live and silent auction.

Recommendations:

MW _____

RN _____

JP Yes _____

MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 6/11/1993

Request for: POTUS/FLOTUS

Type of Request: National Honorary Patrons

Requestor Name: Major Ernest G. Green, USA (Ret.)

Title: Managing Director

Organization: Lehman Brothers
1627 I Street, N.W.
Suite 1100
Washington, D.C. 20006

Contact Tel. #: 202/452-4728

Event Date: 10/14/93

Event Description: 1993 Africare Bishop John T. Walker Memorial Dinner, to be held at the Sheraton Washington Hotel, Washington, D.C. This dinner raises funds for development and emergency aid to 25 African countries, including Somalia.

Notes: This is a request for reconsideration. Africare asks permission to list the President and First Lady in all of its event promotion materials and for a letter of support for its 1993 event program.

Recommendations:

MW _____

RN _____

JP yes

MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 9, 1993

Date of Request: 5/25/1993

Request for: POTUS

Type of Request: Honorary Degree, Doctor of Laws

Requestor Name: Mr. Leroy Keith

Title: President

Organization: Morehouse College
830 Westview Drive, S.W.
Atlanta, Georgia 30314

Contact Tel. #: 404/681-2800

Event Date:

Event Description:

Notes: The Morehouse College Board of Trustees has approved a recommendation that the degree be conferred. The college would like to confer the degree during the 1993-1994 academic year.

Recommendations:

MW _____

RN _____

JP _____

MH _____

8/13/93

B. Scheduling

I have sent this

to Scheduling

sewagner

THE WHITE HOUSE
WASHINGTON
93 AUG 13 10:54

August 13, 1993

TO: JOHN PODESTA
FROM: DAN BURKHARDT
THROUGH: MARSHA SCOTT
SUBJECT: HONORARY CHAIR AND EVENT
ATTENDANCE REQUEST

Please review the attached requests,
make your recommendations, and return
to me in rm. 94 EOB by Friday,
August 20, 1993.

Thank you.

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 12, 1993

Date of Request: 7/26/1993
Request for: POTUS
Type of Request: Honorary Chairman
Requestor Name: Mr. Talmage E. Simpkins
Title: President
Organization: United Seamen's Service
One World Trade Center
Suite 2161
New York, New York 10048
Contact Tel. #: 212/775-1033
Event Date: 10/29/1993
Event Description: Admiral of the Ocean Sea Award Ceremony
Notes: The recipients are Senator John Breaux and Neils W. Johnsen, Chairman of International Shipholding Corporation. United States Presidents have served as honorary chairs in 1984 and 1990.

Recommendations:

MW _____

RN _____

JP YES MH _____

8/13/93

Tom Schneider

is also

pushing

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 12, 1993

Date of Request: 8/04/1993
Request for: POTUS/FLOTUS
Type of Request: Honorary Chairpersons
Requestor Name: Mr. Thelonious Monk, Jr.
Title: Chairman
Organization: Thelonious Monk Institute of Jazz
5000 Klinge Street, N.W.
Washington, D.C. 20016-2672
Contact Tel. #: 202/364-7272
Event Date: 11/22/1993
Event Description:
Notes:
Recommendations:

MW _____

RN _____

JP Yes

MH _____

8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 12, 1993

Date of Request: 6/14/1993
Request for: POTUS
Type of Request: Member of Honorary Committee
Requestor Name: Honorable Li Daoyu
Title: Ambassador of the People's Republic of China
to the United States
Organization: The Embassy of the People's Republic of China
2300 Connecticut Avenue, N.W.
Washington, D.C. 20008
Contact Tel. #:
Event Date: 12/18/1993
Event Description: Opening ceremony of a tourist center
consisting of Chinese gardens.
Notes: The gardens are part of the Splendid Outdoor
Museum Park of China, located in Kissimmee,
Florida. They were built with U.S. and
Chinese funds.

Recommendations:

MW _____

RN _____

JP _____

MH _____

NO
8/13/93

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: August 12, 1993

Date of Request: 6/25/1993
Request for: POTUS
Type of Request: Honorary Co-Chairperson
Requestor Name: The Honorable W. Brad Parton
Title: Mayor
Organization: Beach Cities Coalition for Alcohol and
Drug-Free Youth, Inc.
710 Pier Avenue
Room No. 4
Hermosa Beach, California 90254
Contact Tel. #: 310/318-8659
Event Date: 10/01/1993
Event Description: First Annual Red-Ribbon Ball at the Torrance,
California Cultural Arts Center. The dinner
will feature a silent auction.

Notes:

Recommendations:

MW _____

RN _____

JP _____

MH _____

ND
8/13/93

maxine
Dawson Friedkr-

8/13/93

HERR-CHAMBLISS FINE ARTS

718 Central Avenue • Hot Springs National Park, Arkansas 71901-5333 USA 501-624-4988 15
AUGUST 2, 1993

MR. JOHN PODESTA
THE WHITE HOUSE
WASHINGTON DC 20500

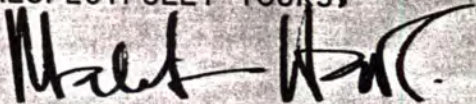
DEAR JOHN PODESTA,

A MAJOR CULTURAL EVENT IS OCCURRING AUGUST 5TH THROUGH SEPTEMBER 30TH IN HOT SPRINGS NATIONAL PARK THAT INVOLVES A SCULPTOR WHO IS BOTH A GRADUATE OF GEOGETOWN UNIVERSITY AND A CLOSE FRIEND OF THE LATE REVEREND TIM HEALY.

THIS EXHIBITION PERSONIFIES THE LEVEL OF EXCELLENCE THE FINE ARTS HAVE RISEN TO OVER THE LAST FOUR YEARS. AS A RESULT OF PRESIDENT CLINTON'S ADMINISTRATION AS GOVERNOR OF ARKANSAS, INTERNATIONAL, NATIONAL AND REGIONAL ARTISTS HAVE CREATED A CULTURAL ENRICHMENT FOR CENTRAL AVENUE AND ALL OF ARKANSAS.

WE ARE PARTICULARLY HONOURED TO HAVE JOSEPH WESNER AND JOSEPH BERNARD AND THEIR INTERNATIONALLY REKNOWN ART IN OUR STATE. ON BEHALF OF JOSEPH AND THE GALLERY, WE WISH TO EXTEND A PERSONAL INVITATION TO PRESIDENT CLINTON AND THE FIRST LADY TO COME BY THE GALLERY AND SHARE THIS HONOUR WITH US, SHOULD THEIR TRAVEL PLANS BRING THEM TO HOT SPRINGS NATIONAL PARK.

RESPECTFULLY YOURS,



MALINDA HERR-CHAMBLISS, DIRECTOR
HERR-CHAMBLISS FINE ARTS
MHC/REH/BL14

Paintings by **JOSEPH BERNARD**

Sculptures by **JOSEPH WESNER**

JOSEPH WESNER

Herr-Chambliss Fine Arts

Herr-Chambliss Fine Arts

August 10, 1993

MEMORANDUM FOR JOHN PODESTA

FROM:

TERRY GOOD *TG*

RE:

PRESIDENTIAL SIGNATURE

We have received one of the two signatures ordered last week.

I am enclosing a copy of the original signature (page 1) and samples of the duplicated signature as it looks on two of our machines (pages 2 and 3).

Is the signature satisfactory?

Terry
Good
8/13/93

ORIGINAL SIGNATURE

1. Bill Clinton

Ric Clinton

Ric Clinton

Rin Clinton

Rin Clinton

Rin Clinton

Rin Clinton

August 11, 1993

Mr. and Mrs. Eugene Gutting
3689 Oakbluff Drive, S.E.
Grand Rapids, Michigan 49546

Dear Mr. and Mrs. Gutting:

Hillary and I were very sorry to learn of the loss of your son, Specialist Mark E. Gutting, USA, and our hearts go out to you. I hope that your sorrow will be eased by the love of your friends and family and by the knowledge that your son upheld the honorable tradition of military service. He will be remembered as one who served our country with distinction.

Our thoughts and prayers are with you.

Sincerely,

BILL CLINTON

BC/SH/MS/ws (Corres. #852237)
P-103B

cc: White House Military Office

93 0813

August 11, 1993

Mrs. Christopher K. Hilgert
Apartment 7
710 Crestwood Drive
Manhattan, Kansas 66502

Dear Mrs. Hilgert:

Hillary and I were very sorry to learn of the loss of your husband, Sergeant Christopher K. Hilgert, USA, and our hearts go out to you. I hope that your sorrow will be eased by the love of your friends and family and by the knowledge that your husband upheld the honorable tradition of military service. He will be remembered as one who served our country with distinction.

Our thoughts and prayers are with you.

Sincerely,

BILL CLINTON

BC/SH/MS/ws (Corres. #852225)
P-103B

cc: White House Military Office

93 0813

August 11, 1993

Mrs. Keith D. Pearson
917 Dreiling Road
Junction City, Kansas 66441

Dear Mrs. Pearson:

Hillary and I were very sorry to learn of the loss of your husband, Specialist Keith D. Pearson, USA, and our hearts go out to you. I hope that your sorrow will be eased by the love of your friends and family and by the knowledge that your husband upheld the honorable tradition of military service. He will be remembered as one who served our country with distinction.

Our thoughts and prayers are with you.

Sincerely,

BILL CLINTON

BC/SH/MS/ws (Corres. #852231)
P-103B

cc: White House Military Office

93 0813

THE WHITE HOUSE

WASHINGTON

August 11, 1993

Mrs. Ronald N. Richerson
One Knight Street
Fort Leonard Wood, Missouri 65473

Dear Mrs. Richerson: ■

Hillary and I were very sorry to learn of the loss of your husband, Sergeant Ronald N. Richerson, USA, and our hearts go out to you. I hope that your sorrow will be eased by the love of your friends and family and by the knowledge that your husband upheld the honorable tradition of military service. He will be remembered as one who served our country with distinction.

Our thoughts and prayers are with you.

Sincerely,

Bill Clinton

THE WHITE HOUSE

WASHINGTON

August 13, 1993

MEMORANDUM TO JACK QUINN
SALLY KATZEN

FROM: MACK MCLARTY

SUBJECT: Executive Order on Regulatory Review

Please add the Assistant to the President and Staff Secretary to the list of advisors referenced in the E.O. In addition to John's substantive background in regulatory reform and regulatory review matters, the Staff Secretary's office will keep non-program White House offices informed of the work of the advisors, as necessary.

You can delete the Chief of Staff from the advisors' list.

Waf

chron

THE WHITE HOUSE
WASHINGTON

DATE: 8/12/93

TO: HOWARD PASTER

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

The attached has been forwarded
to the President.

THE WHITE HOUSE

WASHINGTON

23 AUG 11 PM 12:59

August 11, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: Howard Paster *HP*

SUBJECT: Attached letter from Senator Moynihan

I am forwarding a copy of this letter to you at this time for information only in the event you talk with the Senator before an answer is prepared through the normal process.

The Senator hand carried the letter to the White House yesterday and will assume, should you talk, that you have already seen the letter. We will have the NSC prepared a proper reply and I will also alert Tony Lake to its content since he is mentioned.

Daniel Patrick Moynihan
New York

United States Senate
Washington, D. C.

Pindars Corners
Sunday, August 8, 1993

Dear Mr. President:

I much admired your statement Friday evening after the Senate vote. We have a beginning now, and I would hope to be of some help to you in carrying on.

Friday morning I had a good talk (from the cloakroom, mind) with Anthony Lake. He agreed that the discussion of budget cuts now scheduled for September should extend to the intelligence community, and specifically, the C.I.A. He specifically did not agree that this discussion would be public, nor yet did he rule that out. (I am firmly of the view that secrecy is unconstitutional. And does great disservice to the Presidency, be that as it may.) I drafted a statement to this effect which I inserted in the Record of the day's debate.

We also discussed a troubling telephone call my office had received the previous day, Thursday, from George Tenet of the N.S.C. staff. Mr. Tenet, who was formerly Senator Boren's staff director on the Intelligence Committee, is now in charge of intelligence matters under Mr. Lake. Evidently, you had passed on our conversation in which I told you how dispirited I had been to learn in the New York Times of April 15 that even as I was trying to negotiate the Medicare "cuts" and such like through the Finance Committee, the Administration was planning to increase the budget of the C.I.A. Mr. Tenet offered sincere apologies to Mr. Stephen Rickard of my office for not having kept us informed. He told Mr. Rickard that they had "kept Howard [Metzenbaum] in the loop. Clearly Senator Moynihan has thought a lot about this and cares about it and should have been consulted."

Inasmuch as Senator Metzenbaum is the ranking Democrat of the Senate committee, I am not sure what to make of the reference to him, but

at best the apology is disingenuous where I am concerned. In the thought that you might have a moment before we come back to town, and myself wishing very much to think of something other than the gasoline tax, let me lay out this subject as I see it. If it interests you, we can continue.

Let me begin with a passage from The Almanac of American Politics 1994, published just last week. I hope you will agree with me that Michael Barone is a chronicler of unsurpassed dispassion and rigor. Here is a passage from his entry on me as the senior Senator from New York.

Moynihan has been a force in foreign policy. In 1975 and 1976, he was ambassador to the United Nations, where he denounced the Soviet Union and some Third World nations, opposing their resolution declaring Zionism as racism. Moynihan was criticized harshly by liberals for not being more conciliatory toward Communists and their allies; he argued that he was only taking international law seriously. International law is a constant Moynihan theme, which he addressed in his 1990 book *On The Law of Nations*. Once considered a foreign policy hawk, in the late 1970s Moynihan became convinced that the Soviet Union was not a strong enemy and would come apart through ethnic conflict. Moynihan believes ethnic allegiances and rivalries are more important in politics than economic differences: it is the theme of his and Nathan Glazer's *Beyond the Melting Pot*, a description of New York's ethnic groups which was published in 1963 and still rings true today, and it is the theme of his 1993 book *Pandaemonium*, which describes how ethnic conflicts produce war and genocide. In the 1980s, Moynihan continued to denounce the Soviet Union though not always in agreement with the Reagan Administration. Generally classed now with foreign policy doves, there is a great difference between them and Moynihan: most doves believed that the Soviet Union was dangerous but not evil, dangerous because it was militarily powerful and on the rise in the world because of the attractiveness of socialism, not evil because our system and theirs were converging. Moynihan believed the opposite, that the Soviet Union was evil but not dangerous: evil because totalitarian systems by nature do evil things, not dangerous because it was economically weak. Indeed, Moynihan and Ronald Reagan are the only two American leaders who

explicitly predicted, in 1979 and 1982, the demise of the Soviet Union. Today, Moynihan believes the United States should have a far smaller military and basically abolish the CIA. He calls for greater reliance on international law, understanding that it is not self-executing but can be a powerful tool in the hands of a country which has a vested interest in maintaining law and order.

Let me make this fearless prediction. For the next half century, western social scientists and intellectuals will be debating just how the collapse of the Soviet Union could have been missed. The National Interest has just devoted an entire issue to the subject. Seymour Martin Lipset has written a long paper, "Anticipations of the Failure of Communism", which will be published in the Fall issue of Politics and Society. It is not easy going but well worth the effort. (Give up the NID for a week!) Lipset, like Barone, says there were two exceptions: Reagan on the right, me on the left.

It is important to be clear that whatever President Reagan may have thought, the people he appointed thought very differently. Hawks, their views were even so very much those of doves. The Soviet Union was growing in strength and attractiveness. They could imagine red hordes sweeping up Central America heading for the Rio Grande.

I have a letter from Max Kampelman, a Humphrey Democrat who served as President Reagan's ambassador to the START talks in Geneva. I was one of a dozen Senate "observers" to the talks. I would go over there from time to time. Meet with the negotiators and ask: What makes you think that by the time you have negotiated the mind-numbing details of this treaty with the U.S.S.R. that there will still be a U.S.S.R.? Never once did anyone reply that this contingency had indeed been considered, but dismissed as improbable. They simply could not "access" such a thought, as the youth would say. And so now your deal with a nuclear Ukraine. Of that period Kampelman writes:

... [W]henver I am asked whether I had predicted the break up of the Soviet Union or knew anybody who did, I have uniformly stated that the one person who had fully understood and made the correct analysis was you. (MMK to DPM, December 3, 1991)

I hope I still have you. Self-congratulation is not the most appealing epistolary style. Here now is my concern. The system that altogether failed to foresee the collapse of communism and the end of the cold war and the onset of ethnic violence is still in place and untroubled. You have not sent to us for confirmation a single person who had any inkling during the 1980s that the end was at hand, or who has any inkling that any argument was put forward to that effect. None. The standard conservatives have been replaced by the standard liberals. Shouldn't that bother you? Shouldn't there be one person, possibly two, in the Administration who asks on your behalf: Good Christ, if we missed that, what else are we missing?

Instead, we are seeing the institutional equivalent of a cover up. Never good news for the Presidency.

Respectfully,

A handwritten signature, possibly "J. Edgar Hoover", written in dark ink. The signature is stylized with a long horizontal line and a sharp upward curve at the end.

The President
The White House
Washington, D.C. 20500

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Mark Childress

Fax Number:

224-5128 3533

Phone Number:

224-0767

FROM: John Podesta

SUBJECT: Joycelyn Elders

DATE: August 12, 1993

NUMBER OF PAGES (including cover sheet): 2

MESSAGE:

If all pages are not received, please call 202/456-2702

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THE WHITE HOUSE

WASHINGTON

August 12, 1993

MEMORANDUM FOR THE FILE

FROM: JOHN PODESTA
PAUL RICHARDS

SUBJECT: Dr. Joycelyn Elders' Nomination and the Papal Visit

In January 1992, the Christian Fellowship Church in Arkansas ran a TV advertisement that in effect, equated abortion with the enslavement of African-Americans, mistreatment of native Americans, and the Holocaust. The ad sparked much controversy in the Little Rock area.

As part of the observance of the anniversary of *Roe v. Wade*, Dr. Elders was invited to speak at a rally at the Arkansas State Capitol sponsored by the Arkansas Coalition for Choice. During that speech, Dr. Elders specifically mentioned the ad before saying: "for 400 years, black people had their freedom aborted, and the church was silent. The way of life for the native American was aborted, and the church was silent. We attempted to eradicate a whole race of people during the Holocaust, and the church was silent." This portion of Dr. Elders speech has been quoted out of context as evidence of her anti-Catholic bias. However, a review of the speech transcript reveals that her remarks were not directed at the Catholic Church, but rather at the "church" generically and the church that sponsored the TV ad specifically.

In the same speech, Dr. Elders went on to castigate the opponents of the pro-choice position, whom she characterized as "a celibate, male-dominated church, a male-dominated legislature, and a male-dominated medical profession." In this instance, Dr. Elders' remarks were meant to make the point that institutions composed primarily of men were making decisions that rightly should be left to women, the people most directly affected.

Dr. Elders later met with the Roman Catholic Bishop of Little Rock, and told him that her description of the Catholic Church was overdrawn, and assured him that she would not use that description in the future. She also apologized if her remarks had caused any offense.

THE WHITE HOUSE
WASHINGTON

DATE: 8-12-93

NOTE FOR: GEORGE S.

The President has reviewed the attached, and it is forwarded to you for your:

Information ☒

Action ☐

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)

cc:

~ 9365 FYI - R.
MARY McGRORY

6/11/93 August 4, 1993

Dear Mr President -

THE PRESIDENT
812193 4p

Thank you for your hospitality.
All these last twelve years, we
dreamed of a Democratic presidency
and how lovely it would be. When
I came into the Oval Office with
my large family delegation, I began
to understand how grand it is that
you are there, and so generous with

your time and cordiality to people from small states. Tom and Anne and Christopher and Katie and Megan are still walking on clouds. They remember and reconstruct everything you said. You gave them memories they will treasure all their lives and tell their grandchildren about. My niece, Anne, met President Kennedy in 1962, and had almost given up hope of ever seeing the Oval Office again. We are all grateful to you for being there. We were privileged to meet Socha, too.

My deepest thanks,
Mary McLean

THE WHITE HOUSE
WASHINGTON



August 12, 1993

NSC:

The original letter to The
Right Honorable Kim Campbell,
Prime Minister of Canada, is
being held in John Podesta's
office per Nancy Soderberg.

deb





THE WHITE HOUSE
WASHINGTON

DATE: 08/11/93

THE VICE PRESIDENT
BRUCE LINDSEY
ROY NEEL
TO: TONY LAKE

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

The attached has been forwarded
to the President.



THE WHITE HOUSE
WASHINGTON

33 AUG 11 P4:32

August 11, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: HOWARD PASTER *HP*

SUBJECT: MORTON HALPERIN

Senator Strom Thurmond yesterday handed to me a copy of the Wall Street Journal Op-Ed piece attacking Mort Halperin and asked that I convey to you directly his intention to fight this nomination. The Senator indicated there will be more attacks on Mort in the media and questioned whether or not we had Senator Nunn's support for the nomination.

Having discharged my obligation to the Senator to pass along his comments, I will recommend to the Secretary of Defense that he encourage Mort to have his GOP supporters approach Thurmond quickly and repeatedly.

cc. The Vice President
Bruce Lindsey
Roy Neel
Tony Lake

THE WHITE HOUSE
WASHINGTON



DATE: August 11, 1993

NOTE FOR: Bruce Lindsey

The President has reviewed the attached, and it is forwarded to you for your:

Information ☒

Action ☐

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)



cc:

CC BL

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potential real puer -
Adwin nu - B.

THE WHITE HOUSE
WASHINGTON

August 5, 1993

Kerry Kirschner
Director of Development
Mote Marine Laboratory
1600 Thompson Parkway
Sarasota, Florida 34236

Dear Kerry:

Thank you for your letter. I appreciate your candid assessment of Kendall Coffey and Dick Gregorie as potential appointees for the position of United States Attorney for the Southern District of Florida. It is always good to have the benefit of your insight, and I thank you for sharing it.

I do hope you will continue to offer your advice.

Sincerely,





1600 THOMPSON PARKWAY
SARASOTA, FLORIDA 34236
PHONE: (813) 388-4441 FAX: (813) 388-4312

"A nonprofit organization dedicated to excellence in marine sciences"



August 2, 1993

President William J. Clinton
White House
Washington, DC 20500-2000

THE PRESIDENT HAS SEEN
8/11/93 db

Dear Bill:

As your "Florida Republican friend," I wanted to bring to your attention the sentiment in Miami on Senator Grahams' recommendation of Kendall Coffey as U.S. Attorney for South Florida. Knowing both Kendall and Dick, I thought that you would be interested in the newspaper article, editorial, and my opinion.

Though Kendall is an affable, party player, he does not have wide spread public support. I met Kendall in Miami last fall when I was campaigning on your behalf, and though I found him to be personable, I felt that he was tentative. He possesses the desire to serve in public office, but lacks charisma. Never having been popularly elected to public office, I truly believe that the newspaper perception of a plodding soldier, who tried but failed for elected office, is an accurate, public perception.

On the other hand, Dick Gregorie has made a reputation for himself in South Florida as an outstanding prosecutor. As a Georgetown classmate I am prejudiced, but I think that if you check with Janet Reno, with whom Dick worked in Dade County, that you will find that he is held in high esteem, and is clearly the candidate with greatest experience. His prosecution of Noriega has made him somewhat of a prosecutorial legend in Dade County.

This district contains a large potential for crisis, i.e. Cuban refugees, Haitian immigration, massive drug importations, etc. and an experienced prosecutor is necessary to coordinate law enforcement agencies in order to handle these problems. Kendall has no experience in this area.

I know how tough it is, even at a local level, to make the "right" appointments. I hope that I can continue to offer my candid advise.

Best regards,

Kerry Kirsehnner
Director of Development

KK/gb

The Miami Herald

JOHN S. KNIGHT (1894-1981)

JAMES L. KNIGHT (1909-1991)

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Senior Managing Editor

Politics over experience

The competition to be prosecutor in one of the nation's busiest federal court districts boiled down to a three-way race between incumbency, experience, and politics. Politics won.

It happened yesterday when Florida's Democratic U.S. Senator Bob Graham recommended fellow Democrat Kendall Coffey, 40, to be U.S. attorney for the Southern District of Florida. He'll replace Roberto Martinez, a Republican. The third finalist: former assistant prosecutor Richard Gregorie, a Democrat.

Mr. Martinez's incumbency lasted scarcely a year, but it was a tonic for an office recovering from the unsettling tenure of the volatile Dexter Lehtinen. That may be why Attorney General Janet Reno spared Mr. Martinez — and only him — in requesting resignations from all other U.S. attorneys.

Mr. Gregorie, meanwhile, was the candidate with the most prosecutorial experience. His stint as the chief assistant U.S. attorney (1987-89) stands in contrast to Mr. Coffey's limited background in the high-profile criminal cases that his new office handles much of the time. He also lacks experience in the daunting administrative

IN KENDALL COFFEY
U.S. attorney's post is a political plum. Yet Bob Graham's choice may invite sour grapes.

chores that come with managing this busy office.

This isn't to say that Mr. Coffey has nothing to recommend him. He has an unsullied reputation for integrity, a long track record of activism and accom-

plishment in the Bar, lots of experience as a civil litigator, and an admirable social conscience evident during his 1992 campaign for the state Senate. Indeed, The Herald enthusiastically recommended him in that race.

Nor is it to say that presidents and senators are wrong in most instances to consider party affiliation when selecting appointees for important positions. Both parties do it. That's what elections are about.

Yet this particular office at this particular time and place is crucial to the federal government's success on a dozen fronts in the war against crime and drugs. It deserved the best available candidate and a chance to enjoy its newfound stability; instead it got something less than the best candidate — and the likelihood of still more upheaval.

So when Mr. Coffey takes over his new duties, he'll have more to prove than the government's cases in court. He will have to prove himself.



Coffey

Graham urges Miami lawyer over Martinez for U.S. attorney

By PAUL ANDERSON
Herald Washington Bureau

WASHINGTON — Democratic Sen. Bob Graham has yielded to partisan pressure and recommended Kendall Coffey as U.S. attorney for South Florida, urging the White House to nominate a civil lawyer with political connections over two experienced criminal prosecutors.

Graham's selection of Coffey was confirmed late Friday by three reliable sources in Washington.

Coffey, 40, is a loyal Democrat and a former president of the Dade County Bar Association who ran unsuccessfully for the state Senate last fall. He was head

of bank litigation at the huge Greenberg Traurig law firm but quit to open his own firm in Coconut Grove.

Graham passed over incumbent U.S. Attorney Roberto Martinez, a holdover Republican, and Richard Gregorie, a career prosecutor who became a Democrat in 1992. They were recommended along with Coffey by a nominating commission in late June.

Graham declined to discuss the recommendation on Friday, saying he will wait to let President Clinton announce his selection.

Clinton could select another candidate to nominate for Senate confirmation, and the adminis-

tration — skittish because of problems with several high-profile nominees — has asked Democratic senators to keep their advice confidential.

"I have sent a name to the White House, and I will abide by the president's wish that I allow him to make the announcement," Graham said.

"No comment," Attorney General Janet Reno said, when asked about Coffey.

"I have received no information and can't comment," Coffey said.

Martinez and Gregorie also

PLEASE SEE COFFEY, 22A

Graham urges Miami attorney over Republican for U.S. attorney

COFFEY, FROM 1A

declined to comment.

Since the screening by Graham's nominating panel was completed June 25, Coffey said he has not been contacted to provide information for an FBI background investigation or any other purpose.

Martinez seemed a shoo-in

Graham interviewed Coffey, Gregorie and Martinez in Miami Lakes on July 3, and aides said he sent his recommendation to the White House on July 20. The senator met with Martinez in Washington this week to discuss environmental litigation, and both men said the appointment did not come up.

Rumors have swirled about the process since Graham and Reno seemed to initially agree that Martinez keep the job. He has been highly regarded for reshaping the U.S. attorney's office since the turmoil left by his fiery predecessor, Dexter Lehtinen.

When Reno demanded the resignations of 77 holdover Republican U.S. attorneys in March, Martinez was one of 25 she let stay on in an acting capacity, and Graham publicly encouraged him to apply again for his job.

Wrath of the party

But angry Democrats pushed hard for Graham to drop Martinez, insisting the U.S. attorney's office is a potent political plum that should not fall into GOP hands. Democratic organizer and lawyer Joseph Geller, among others, also said Gregorie wasn't a loyal-enough Democrat to deserve the appointment.

Florida Attorney General Bob Butterworth, who says he had several conversations with Graham about the nomination, also was promoting Coffey.

"Kendall Coffey, I think would be able to do a very good job," Butterworth said this week. "I think we have two real good Democrats in that group. I told Bob Graham either one of them [Coffey or Gregorie] would be good... On balance, I could go with either of them."

Lt. Gov. Buddy MacKay said that, in his conversations with Graham, he made it clear how important South Florida Democrats felt it was that Graham appoint a Democrat.

"I think it's been more the party activists than the fund-raisers," MacKay said. "We're talking about people who are partisan, hard-working Democrats."

At the peak of the lobbying effort, mail and phone calls to Graham's office were running 6-to-1 in Coffey's favor.

Graham's chief of staff, Samuel "Buddy" Shorstein, insisted then that politics would not enter into Graham's decision because the pressures facing the U.S. attorney's office are too great.

"Honestly, the Southern District of Florida is the World Series," he said. "He clearly will name that person who is going to play the game in that league."

Shorstein also declined to discuss the selection on Friday.

The Coffey campaign

Geller, the local Democratic leader, actively pushed for Coffey, whom he called "a lifelong and dedicated Democrat." Geller was ecstatic that his friend of 22 years will get the nod.

"It's a home run for the people of South Florida," he said.

Sources with the Democratic Party said they had to actively campaign for Coffey because it appeared Graham was going to choose Martinez. One source said he was surprised how difficult a sell a Democrat was with Graham.

"Somehow, this was an uphill battle, and it should not have been," one Democrat said. "We had to convince him that enough Democrats felt strongly about this... The anger was unbelievable toward Graham."

Said another Democrat: "I think Graham wanted to see if he could get away with [choosing Martinez]."

But Geller dismissed such talk, saying, "To say politics played a role in it is to miss the point. The point is that you want someone as United States attorney who will enforce policy in a way that

is consistent with the views of the president."

Federal and state prosecutors were stunned by the news. Many people said they were disappointed that Coffey was picked because he has no prosecuting experience.

"It's gutless," a prosecutor at the U.S. attorney's office said. "As a Democrat, I'm as ashamed of my party as I've ever been. They're as bad as the Republicans."

"It'll be an intense amount of turmoil in the office," another federal prosecutor said. "I just hope that Kendall has the wisdom to know what he doesn't know."

Lacks criminal experience

In an earlier interview, Coffey said his lack of criminal experience would not hurt the office because he will retain and recruit experienced prosecutors.

"There have been outstanding U.S. attorneys with civil law backgrounds," he said. "In the final analysis, there is not a single individual in Miami who understands all of the substantive areas of law as well as the line assistants do. The U.S. attorney will not be the expert on everything."

If he is nominated for the job, Coffey said he would "redouble efforts on the war on drugs," focusing on crimes that have "a more direct impact on the community."

He also said he would concentrate on financial fraud, health care fraud, environmental offenses and public corruption.

But Coffey's lack of prosecutorial experience pleases several Miami defense attorneys.

"Terrific," said one. "This is great, great news for defense attorneys. They will be in turmoil over there for a year."

"I wish Mr. Coffey the best of luck in a difficult position," said James Jay Hogan, a prominent Miami defense attorney. "He will quickly find out that there is no place tougher to prosecute in America than right here."

Herald staff writers Mark Silva, Don Van Natta Jr., Jeff Leen and David Lyons contributed to this report.

THE WHITE HOUSE
WASHINGTON



DATE: August 11, 1993

NOTE FOR: Alexis Herman

The President has reviewed the attached, and it is forwarded to you
for your:

Information ☒

Action ☐

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)



cc:



cc: Alex H

This guy might turn
into a good ally.

B.

THE WHITE HOUSE

WASHINGTON

August 9, 1993

Mark R. Gustafson
Gustafson & Company, Inc.
366 Underhill Avenue
Yorktown Heights, New York 10598

Dear Mark:

Thanks for your wonderful letter. I think everyone had a great time at the reunion, and I'm pleased we were able to do it here.

Your words of encouragement and support for our program mean a lot to me. I'm trying hard to do the right thing, and I believe that getting the deficit down and investing in our future is the answer. I'm counting on your help.

It was great to see you at the reunion, and I look forward to hearing from you more often.

Sincerely,

Bill Clinton

Great letter
Write again - Thanks
Bill



GUSTAFSON

Private Investment Bankers

May

THE PRESIDENT HAS SEEN

8/11/93 db

July 29, 1993

The President
The White House
Washington, D.C. 20500

Dear Bill:

For the last month, I have been meaning to write and thank you and Hillary for the great 25th Georgetown reunion party you hosted for our class.

When I read last week of Mr. Foster's untimely death, I knew I could no longer delay dropping you this note.

As you cope with the sorrow of this personal tragedy, let me tell you of the joy that you brought, certainly to me, and I'm sure to all members of the Class of 1968, through that get together. Not only was it exciting to be back at Georgetown and in the city of Washington, D.C., but, of course, the high point was renewing friendships made in younger years.

Although I had attended our 10th reunion, I had not been back to Georgetown in 15 years, and despite the best of intentions, had not kept in touch with friends and roommates. To spend three days with my roommate Frank LaRonca; to thank Bill Danoff (who lived across the hall from me freshman year) once again for handling all of my freshman year English poetry assignments; and to spend Sunday afternoon at the Polo game "stompin the divets" with Paul Maloy, so easily and quickly brought me back to 25 years ago. Before the weekend, I frankly did not think that was possible.

By the way, you and I did not know each other all that well at school, but we did have a few moments to chat Saturday evening, and I am still telling my friends the story of that conversation.

GUSTAFSON & COMPANY, INC.

Capital Market Expertise For Middle Market Companies
366 Underhill Avenue, Yorktown Heights, New York 10598
914-962-2200/FAX 914-962-2204

The President
July 29, 1993
Page 2

You may remember I had remarked to you that I had been looking for some credit from you over the past 25 years for helping you to get where you are today, since I had co-managed Glenn Pallen's freshman year campaign for class president. And I said if it had not been for some of the not-too-bright decisions I had made, that you would never be where you are today. Your rejoinder to me was to repeat Glenn's campaign slogan. I can't tell you how this flabbergasted me. As a matter of fact, I had not recalled this slogan, even though I am sure I helped write it. Later in the evening, in talking with Glenn, I mentioned how you had rattled off those words of 29 years ago. As a matter of fact, I mentioned to Glenn that you spun off our campaign slogan so quickly that even then I didn't remember the entire twist, and I asked Glenn if he remembered. He said no, I have totally forgotten myself. For what you have upstairs working as memory cells, Bill, you might want to call some young hi-tech company. I am sure they could use your technology.

In the hope, Bill, that you get this letter and have the time to read it, I just can't resist the opportunity to make a few comments on the "business side".

I have been in the investment banking business for over 20 years, dealing exclusively with small and medium sized businesses. I talk to the chief executive officers of these businesses frequently. Last week I was in Chicago giving a talk to 20 CEO's. I want to tell you that notwithstanding most of these individuals stated political philosophy they are in full agreement with the goals of the Clinton Administration's goals.

No one is happy paying more taxes, and the individuals I am referring to will pay more under the Administration's plan since most of them are in the over \$250,000 tax bracket. However, most thinking business men and women don't mind paying their share if they feel the use of the funds is needed and appropriate. Certainly, deficit reduction and reinvestment in the Country, which brings true value added, is vital. In this regard, I would hope that most business men and women would have the opportunity to read the front page business section article in the July 25th New York Times discussing Mr. Rubin and his efforts within the Administration.

The President
July 29, 1993
Page 3

I would like you to know that I follow, with great interest, the efforts your Administration is making in running our Country. I have also been following, with increasing disdain, the unfair beating you have been taking in the press almost since the word go. In fact, reflecting on how the press has treated the Clinton Administration has reminded me of a 1960's book - Mimi Farina's "Been Down So Long Looks Like Up to Me". But as someone who has had the experience of being in his freshman dorm room for less than three hours and having someone knock on the door saying "Hi, I'm Bill Clinton and I'm running for Class President" - sooner or later the Press will discover that you don't fool with Mother Nature and you don't fool with Bill Clinton once he's got his mind set on something.

Thanks once again for the great party on June 5th - and although my political philosophy has always been Republican - please accept my sincere best wishes for achieving the serious goals that your Administration has set for itself.

Regards.

Sincerely,



MARK R. GUSTAFSON

MRG/tn

THE WHITE HOUSE
WASHINGTON

DATE: August 11, 1993

NOTE FOR: Carol Rasco

The President has reviewed the attached, and it is forwarded to you
for your:

Information ☐

Action ☒

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)

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THE WHITE HOUSE
WASHINGTON

August 9, 1993

Bill Skains
The Engler Block
Harris Leasing Col, Inc.
1135 West Highway 76
Branson, Missouri 65616

Dear Bill:

Thanks for your letter and for the update. I know you'll work hard to turn those folks in Branson!

We working hard on health care reform and should have something soon. I'll have my staff look into the problem described in the letter to the editor.

Let me hear from you more often.

Sincerely,

Bill Clinton

TS
HARRIS LEASING CO., INC.
1135 West Highway 76
Branson, MO 65616
(417) 335-2200

Rec'd by
Trey 8/9/97

July 28, 1993

THE PRESIDENT HAS SEEN
8/11/93 dl

President Bill and Hillary Clinton
The White House
Washington, D. C.

Dear Bill and Hillary:

After reading the attached article and after several discussions in this heavily Republican-laden area, I thought you would find this extremely interesting reading.

Being a Clinton Democrat in Branson, Missouri now, I find myself constantly challenged by a lot of interesting thinking concerning several issues, including health care. I know that neither of you need to be re-focussed on such issues, but this article hit home. This situation seems to be one of the many reasons our medical delivery/payment system needs to be overhauled.

On a lighter note -- I moved up to Branson in June, and the area is just exploding with growth. The down-side of the equation is that there aren't a lot of Democrats in this, but I am working to change that.

I probably won't be able to get off another letter in time, so Happy Birthday, Bill, and don't let the White House press corps get you down. I think both of you are great and that you are doing fantastic!

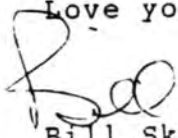
I'm now working in our family business called THE ENGLER BLOCK in Branson. This place really is nice, and our products are top quality. I have put a brochure in the envelope for you to see what we produce. There is a whole lot less stress in this business versus JTPA, but I still miss designing the programs that make such a difference in the lives of the people.

President and Mrs. Clinton

If you get the urge to see this area or if you will be making plans to come to Branson, please let me know. When elections come around this next time, there will be at least one serious Clinton supporter getting the message out.

Only one word of admonishment -- Bill, you need to get some more sleep. We miss you guys a lot, but wish you the best of luck.

Love you both,

A handwritten signature in cursive script, appearing to read 'Bill Skains', written in dark ink.

Bill Skains

...and then meet back at her desk; until I meet her.

...a more physical job (at the paper, the procedure is different. Since they are always where they are supposed to hear a thing from the intercom. If I want to talk to one of these, I get their name over the intercom. In getting louder and more annoying, she shoots me a few frigid glances. I depend on a complicated work which I am still figuring out), I can't be in person.

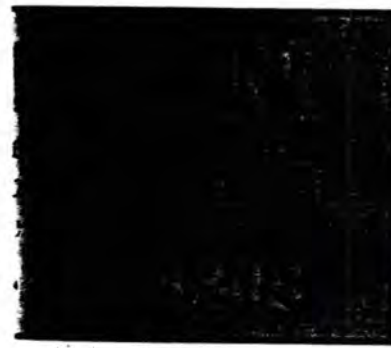
...ware company is burdened by this. She has her own office, where other people go to pick up documents from the messages using both e-mail and fax. No time is wasted wandering through the (buildings) looking for someone.

...t anyone here would be fired for contact and interrupting someone. If I can't figure out why one of the e-mails is a frozen screen after I hit a key, I don't know what to do.

...during communication in this office. It is, has something to do with the e-mail or a meeting always has an agenda, in the mind of the receiver. I am not unrealistically separated from

...someone is trying to page me. I'd

...the Branson Tri-Lakes Daily News.



DAILY NEWS
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 County Republican.
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each of these arguments. The U.S. ... with high water.

Letters to the editor 1-800-392-0210

Government penalizes the sick who own but can't sell their homes

Dear Editor:

This letter is being written on the behalf of Villa Marguritte Coghlan. She was recently in the intensive care unit of Skaggs Hospital and is now back at Rolling Hills Nursing Home. She is 86 years old, legally blind, deaf and requires around-the-clock nursing.

Until three-and-one-half years ago, she and her husband lived in their own home that was paid for. They had a 1981 vehicle that was paid for. Between the two of them, they had a monthly income of just over \$800 per month. Due to circumstances beyond her control, her husband had a medical emergency. He suffered a double brain aneurysm and was hospitalized from September to January in Des Moines, Iowa. While he was recovering, she suffered a stroke. Because her only child lived in Hollister, she was forced to move here to be taken care of by her son and daughter-in-law. Her health continued to deteriorate and her son had to place her in the Rolling Hills Nursing home.

The home that she legally owns in Preston, Iowa had been placed in the hands of a real estate broker. They had no luck in trying to sell the house. The most that was offered for the property was \$200 and it was offered by the broker after the contract ran out. Mrs. Coghlan's son then contacted an auction company. They said it was not worth enough to be bothered with, so it sets empty today. On June 8, 1993, Mrs. Coghlan's son received a letter that states that on August 1, 1993 the Missouri Dept. of Social Services finds it necessary to discontinue her Vendor Nursing Care. She has until Aug. 1, 1993 to sell a house that has been valued at \$8,000. To date she has only been offered \$200. The state will not allow the properties to be sold for less money than the appraisal amount.

The bottom line is, that on Aug. 1, 1993, an 86-year-old blind, deaf, bed-fast woman is going to be set out on Hwy. 248 because her 65 year old

son not only does not have the \$3,832 a month to pay her skilled nursing, but does not have the health to take care of her. This is just one example of what government will do for you in your Golden Years. If ever there has been a woman raped, then I believe it has been Villa Coghlan. She has been raped of everything she owns, including her dignity and self respect.

Animals stranded by Midwestern floods need assistance too

Dear Editor:

It is very heartwarming to see the response from our area to the plight of the flood victims, not only in Missouri, but throughout the mid-western devastation. It can be very easy to say "Thank goodness that isn't our home" and go on about our business, knowing "someone" will help out.

A brief news story on television caught my attention, concerning the Animal Protective League located in St. Louis, that has been rescuing animals caught in the flooding. They are not only pets that may have been abandoned or left to fend for themselves, but also deer and other animals in the wild that are trapped in the flooding. The Animal Protective League is wholly dependent upon contributions, and their funds are straining to cover their needs. Their address for contributions is: Animal Protective League, 1705 S. Hanley, St. Louis, Mo. 63144. While they are doing what they can in the St. Louis area, there must be many others throughout the Iowa and Illinois flooding needing the same support. The animals can't speak for themselves, but we can help to aid in their rescue, care and relocation. Won't you help in this part of the flooding need?

Mary Ogilvie
 Kimberling City

months. Our proudest claim to for years was that it Lindbergh's solo flight to Fra push our disaster off the na front pages.

The 1927 flood covered 10 to 15 times more acres than spring's. In fact, it was because that national disaster that Congress finally decided that flood control along the Mississippi was a national, rather than primarily a state local, problem. What had been loosely connected series of autonomous districts, in which gaging your neighbor occasionally took the form of dynamiting

(Editor's note: The end of inadvertently cut off during repeated here in its entirety.)

Too many weaker

If you haven't read the novel "The Firm" by John Grisham of Mississippi, you may enjoy the recently released movie of the same name, which stars Tom Cruise.

My problem, however, is that I did read the novel before I watched the movie. The movie was terrible.

I nearly went to sleep. I hadn't been for Maude and Clyde, an elderly couple who were sitting behind me, I might have.

Maude had read the book, so she spent the entire movie



Lewi
 Grizza

complaining to Clyde how the filmmakers hadn't followed the book.

Clyde, meanwhile, had no business at the movie in the first place, since he apparently couldn't hear it thunder.

Whenever Maude would say "Clyde, this isn't the way it

3345660

FROM
THE WHITE HOUSE
WASHINGTON, D.C.



The Honorable Patrick Leahy
433 Russell Senate Office Bldg.
Washington, D.C.

DELIVER BY MESSENGER
ATTENTION: Jamie Heran



THE WHITE HOUSE

WASHINGTON

August 10, 1993

Mr. John LeClair
Freeborn Street
Saint Albans, Vermont 05478

Dear John:

I am delighted to congratulate you on being the first native Vermonter to play in the National Hockey League. Bringing the Stanley Cup home to St. Albans must be a thrill for you, your family, and all Vermonters.

You can be proud of your outstanding performance in the Stanley Cup Playoffs. Your achievement is a result of your personal dedication to excellence, as well as your sportsmanship, discipline, and perseverance.

I wish you every future success and happiness.

Sincerely,

Bill Clinton

TUP

B

THE PRESIDENT HAS SEEN

8-9-93

'Coyotes' Along the Rio Grande Scoff ✓ At U.S. Plans for Immigration Controls

By DIANNE SOLIS

Staff Reporter of THE WALL STREET JOURNAL

ZARAGOZA, Mexico — Not far from the Rio Grande, in a dusty sprawl of ramshackle houses and ragged humanity across the border from El Paso, Texas, Chuy Cardoza ponders his future as a merchant of men.

Mr. Cardoza is a *coyote*, slang here for a smuggler of laborers into the U.S. And U.S. proposals to crack down on coyotes and beef up the Border Patrol threaten the family business.

But Mr. Cardoza, a lean man in tight, black jeans, says that for Mexico, "there is still a lot of need for jobs in the U.S. And as long as there is need, there will always be coyotes."

Once again, a spotlight from the U.S. has fallen on illegal immigration. High-seas smuggling of undocumented Chinese

any immigrant to report Border Patrol abuses by telephone.

Crossing the river is so easy that even customers who ride in style — kept dry while being pushed across on huge inner tubes — are charged only \$3 by a band of river workers. Discounts are available for repeat customers. One entrepreneur even uses a boat named the "Rio Bravo social-worker." His caseload is heavy.

Mr. Clinton's proposed reforms aim to go beyond earlier proposals by targeting smugglers for the first time in decades. But past laws have proved to be difficult to enforce. Currently, a smuggler can face as much as five years in prison, but few serve more than six months.

What's more, the effects of new laws never seem to last. Illegal immigration fell sharply just after the 1986 reforms, but it has been rising steadily toward the 1986 level of 1.6 million apprehensions by the Border Patrol. This year, apprehensions are expected to reach 1.2 million.

California Traffic Rerouted

At the California border, illegal immigration is expected to decrease this year because of increased enforcement. But much of the flow has simply been rerouted to the Arizona and Texas borders. In a recent case, broken by the El Paso-based Border Patrol, a network of smugglers routed Chinese immigrants from China to Belize to Ciudad Juarez, Mexico, and into El Paso.

That plan was foiled, but one of the smugglers prosecuted for her role in the network insists there may be many more. The woman, Yolanda Tafoya, has now returned to her job taking care of young children in her El Paso home, she says. But she says smuggling is "like drugs."

Says Mrs. Tafoya, "If you sell it, there will be buyers. The solution is more jobs in Mexico. . . . And what's gained by putting smugglers in jail? If they put one in, 10 more will begin."

A semi-retired coyote, once known by the nickname *El Botas*, or Boots, says the 1986 immigration law helped the cause of the coyote by granting amnesty to longtime illegals then in the U.S. Now, with so many more Mexicans legally in the U.S., it's much easier for relatives entering the U.S. illegally to get established.

"Our job now is to reunite families," says Boots, smiling.

If the Border Patrol puts a thousand more men here,' says one smuggler, 'we'll put in more coyotes. We like to make fun of them.'

immigrants, the alleged links of other immigrants to the bombing at the World Trade Center in New York and an anti-immigrant backlash inspired by California's sagging economy have prompted the White House to tighten immigration controls.

President Clinton proposed \$172.5 million for new programs late last month saying, "We cannot afford to lose control of our own borders."

Can't Be Stopped

Smugglers say they've heard it all before. They note that there were sweeping immigration reforms in 1986. But a promise of a Border Patrol beef-up then never materialized, and illegal immigration slowed only briefly. The smugglers figure talking about stopping illegal immigration will make some good press for President Clinton just as it did for President Reagan. But the coyotes can't be stopped, they boast.

"If the Border Patrol puts a thousand more men here," says Ramon, a smuggler with tattooed earlobes who wouldn't give his last name, "we'll put in more coyotes. We like to make fun of them."

Smugglers are so abundant in Zaragoza that a section of this border town is called the "Valley of the Coyotes." A stout woman with orangish hair tells a reporter, "Five hundred dollars to Chicago. Shop around. It's the best price you'll get."

A huge sign on the cement bank of the Rio Grande shows one of the difficulties facing the Border Patrol. While the coyotes play by nobody's rules, the sign advises

China Says U.S. Is Harassing Ship Suspected of Taking Arms to Iran

By NICHOLAS D. KRISTOF

Special to The New York Times

BEIJING, Aug. 8 — In a dispute likely to create new strains between China and the United States, Beijing accused Washington today of harassing a Chinese ship because of suspicions it is shipping chemical weapons materials to the Middle East.

The official New China News Agency indicated that Washington suspects Beijing of exporting raw ingredients used to make mustard gas and nerve gas.

China bitterly denied that it would permit such exports, and it demanded compensation for what it described as "utterly unjustifiable bullying" by the United States.

Iran Believed to Be Destination

In Washington, a senior Administration official said the ship was believed to be carrying chemicals to Iran. The official added that the United States would not seize or inspect the ship, since it had no legal basis to do so, but that it had begun efforts to persuade China to turn the ship around.

If the Clinton Administration turns out to have evidence — rather than just suspicions — that China is selling Iran the ingredients for mustard gas and nerve gas, the dispute could be a huge embarrassment to Beijing and create tensions just as relations seemed to be slowly improving on both sides.

The official People's Daily today reported the issue on its front page, saying the matter had cast a shadow over relations with the United States. The article said the Chinese Foreign Minis-

Washington fears China is sending chemicals for weapons to Iran.

try had summoned Ambassador J. Stapleton Roy on Saturday to receive a strong protest.

A United States Embassy spokesman, Kimberly G. Hargan, confirmed that Mr. Roy had met with the Foreign Ministry but declined to comment further.

The dispute revolves around one of the most sensitive issues in the Chinese-American relationship: suspicions in Washington that Beijing is selling dangerous military technology — in this case ingredients for chemical weapons, in other cases missiles or nuclear technology — to unstable parts of the world.

Shadowed by U.S. Vessels

As of today, the Chinese ship was approaching the Strait of Hormuz, off Iran's southern coast, the Administration official said. It is being shadowed by United States Navy vessels.

According to the Chinese account, since July 23 the United States has made "repeated representations" to the Chinese Government that a cargo ship called the Yinhe is carrying a shipment of two chemicals for export to the Middle East. The two chemicals are thiodiglycol, the basic ingredient of mustard gas, and thionyl chloride, used to make nerve gas.

Mustard gas was widely used in World War I, and nerve gas was developed by Germany during World War II but not used. Both are lethal. Although chemical weapons were used in the 1980-88 war between Iraq and Iran, and by Iraq against Kurdish villages, in general the horror of gas attacks — coupled with fear of retaliation in kind — has restrained the use of chemical and biological warfare during battles in recent decades.

It is not clear why the United States believes that the Yinhe is carrying the chemicals. Typically, American officials would simply tell the Chinese their suspicions without disclosing the

source of the intelligence.

In its replies, China acknowledged that the Yinhe was bound for the Middle East — although today's published account avoided mentioning Iran or any port of call — but said the Government banned the export of the two chemicals.

"However, the U.S. side chose to ignore China's statement and took arbitrary action that prevented the Chinese ship from reaching her scheduled ports," the New China News Agency declared.

It added, "The ship was forced to be adrift on the high sea, subject to such extraordinary activities of interruption and coercion, including pursuit and photography by U.S. warships and military aircraft on the high sea."

The agency did not say precisely what the United States had done to prevent the ship from docking. But it suggested that at the least American officials had put pressure on countries in the region not to allow the ship to enter a port.

"The Chinese ship has not to this day received permission to dock and is faced with extreme difficulties," the report said.

The senior Administration official presented a more benign view of the dispute. He said the Yinhe was expected to make a port call in Saudi Arabia before continuing to Iran, and he emphasized that Washington wanted to work with Beijing in resolving the matter. He added that the Chinese Government might not even be aware of the real nature of the cargo.

China proposes that the ship be allowed to dock at its first port of call, which it does not specify, and that officials from China and the country where the port is located inspect the cargo together to see if it includes chemicals.

Problem With Inspection

The problem with that approach is presumably that the first port of call might turn out to be in Iran rather than Saudi Arabia. American officials may fear that Chinese and local officials would unload the cargo of chemicals and then cheerfully announce that the ship contained nothing more than stuffed pandas.

The New China News Agency quoted Qin Huasun, an Assistant Foreign Minister, as telling Ambassador Roy that the accusations against China were fabricated. Mr. Qin charged that the United States "chose to cling to its unfounded information in an attempt to sow discord in the friendly relations between China and other countries concerned."

Mr. Qin's statement was unusually harsh. The agency quoted him as saying that "the unwarranted actions of the U.S. had tarnished China's international reputation, interrupted the routine voyage of the Chinese ship, damaged the normal relations and trade exchange among sovereign states, caused great economic losses to the Chinese side, subjected the safety of the Chinese ship and her crew to grave risks and cast new shadows over the relations between China and the U.S."

China has close ties with Iran and sold it a large amount of weaponry during its war with Iraq — a war that was doubly profitable because China was also supplying Iraq. Iran is one of several countries that helped China acquire air-to-air refueling technology, and China has provided Iran with some nuclear assistance that both sides say is for purely civilian purposes.

The decision by Chinese leaders to disclose the dispute presumably means either that they believe that the Yinhe is not carrying the chemicals or that if it is, they believe that they will not be caught red-handed. The ship could presumably return to China and continue to protest its innocence.

One of the mysteries at this stage is why China chose to publicize the matter at all, given that some people are likely to assume the worst of Beijing.

NEW
YORK
TIMES

Don't know when or where on this?

THE PRESIDENT HAS BEEN
5.9.93

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: SECRETARY BENTSEN / ED KNIGHT

Fax Number: 622-0073 **Phone Number:**

FROM: JOHN PODESTA

SUBJECT:

DATE:

NUMBER OF PAGES (including cover sheet): 11

MESSAGE:

This may be a duplicate copy you are receiving. It was to be sent earlier today; but since we are unsure if it was; we are sending it now.

If all pages are not received, please call 202/456-2702

The document accompanying this facsimile transmittal sheet is intended only for the use of the individual or entity to whom it is addressed. This message contains information which may be privileged, confidential or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any disclosure, dissemination, copying or distribution, or the taking of any action in reliance on the contents of this communication is strictly prohibited.

THE WHITE HOUSE
WASHINGTON

DATE: 08/09/93

NOTE FOR: SECRETARY LLOYD BENTSEN

The President has reviewed the attached, and it is forwarded to you for your:

Information ☐

Action ☒

President's note:

"I sent the letter but I think you should call Dole and respond to his suggestions with the ideas you outline here."

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)

cc:



THE PRESIDENT HAS SEEN
8/9/93

THE SECRETARY OF THE TREASURY
WASHINGTON

July 27, 1993

93 JUL 28 P1:01

MEMORANDUM FOR PRESIDENT CLINTON

FROM: *TO →*

LLOYD BENTSEN

SUBJECT:

RESPONSE TO SENATOR DOLE'S REQUEST FOR TAX RELIEF
FOR FLOOD VICTIMS

*I sent the LMB
letter but I think you should
call back (something)
and respond to his request
with the idea you outlined here -*

SUMMARY: In response to Senator Dole's letter to you regarding tax relief for flood victims, this memorandum provides background information on tax relief that can be provided to victims of the flood in the Midwest. It (1) describes relief available under current law and administrative procedures; (2) analyzes Senator Dole's "six-point relief plan"; and (3) describes modifications to the low-income housing credit and mortgage revenue bond program that could be suggested to the conferees for inclusion in the reconciliation bill. The housing credit and mortgage revenue bond proposals, however, provide relatively modest relief to flood victims. A table of preliminary revenue estimates of Senator Dole's proposals and a proposed response to Senator Dole's letter are attached. The revenue estimates for these proposals are relatively low because the proposals would apply only to victims of the Midwest flood and would not apply to victims of future disasters.

RECOMMENDATION: Tax credits, tax-exempt bonds, and other tax subsidies are inefficient mechanisms for providing disaster relief to a broad range of victims who are in different economic circumstances. Therefore, we recommend direct federal assistance in the form of grants or loans.

DISCUSSION:

I. Current Law

1. Casualty loss rules. Under current law, individuals are allowed deductions for certain uncompensated losses. For tax purposes, the amount of the loss is the lower of (i) the decrease in the fair market value of the property as a result of the casualty, or (ii) the property's adjusted basis. Deductions for losses incurred by individuals in a trade or business and in non-business transactions entered into for profit are generally not subject to limitations. However, other losses arising from fire, storm, shipwreck, other casualty, or theft are subject to two separate restrictions. First, any such loss is deductible only to the extent that the amount of the loss exceeds \$100 (this \$100 threshold has been in the statute for almost 30 years). Second, net casualty losses (i.e., total losses less any gains attributable to reimbursements) are deductible only to the extent they exceed 10% of the individual's adjusted gross income. This limitation was added in 1982 because of the complexity, recordkeeping, and audit problems associated with establishing the amount of personal casualty losses.

In addition, in the case of a loss attributable to a disaster occurring in an area subsequently determined by the President to warrant assistance by the federal government under

the Disaster Relief and Emergency Assistance Act, a taxpayer may elect to claim a deduction for that loss on the taxpayer's return for the taxable year immediately preceding the taxable year in which the disaster occurs. Special rules also apply where a taxpayer is ordered by a State or local government to demolish a residence as a result of damage caused by a disaster in an area determined by the President to warrant federal disaster relief assistance.

 2. IRS Federal Disaster Relief Guidelines. In response to the devastation of Hurricane Hugo, the Internal Revenue Service developed a comprehensive and detailed set of guidelines for promptly providing relief to individuals and businesses in areas designated as national disaster areas by the Federal Emergency Management Agency. These guidelines are currently in effect in the areas that, due to the flood, have been designated as disaster areas.

This relief includes extensions of time to file and/or pay federal income taxes and abatement of penalties, such as those for failure to file returns, to pay taxes, or to pay estimated taxes. The filing and paying relief dates, which depend upon when the disaster occurs, are required to be established by the IRS National Office and disseminated to the field shortly after the IRS Deputy Commissioner determines that there is a disaster to which the guidelines apply.

3. Other tax relief provisions. The Internal Revenue Code contains other provisions that provide various forms of relief for taxpayers affected by natural disasters. For example, section 123 excludes from income amounts received by individuals under insurance contracts that compensate them for additional living expenses incurred as a result of damage to a principal residence. Section 451(d) allows certain farmers to defer, for one year, crop disaster payments and insurance proceeds resulting from the destruction or damage to crops. Gain is deferred under section 1033 when proceeds from the destruction or condemnation of property are reinvested within the two subsequent taxable years in property that is similar or related in service or use to the destroyed or condemned property. The penalty for the failure of an individual to make estimated tax payments may be waived if the Secretary determines that, by reason of casualty, disaster, or other unusual circumstance, the imposition of the penalty would be against equity and good conscience.

II. Senator Dole's Six-Point Plan

Senator Dole's letter proposes six tax provisions. All of these proposals raise a question of equity, namely, why similar changes were not made for victims of previous disasters, such as Hurricanes Hugo and Andrew, and the earthquake in the San Francisco Bay area.

1. Modification to the casualty loss rules. Senator Dole's proposal would modify the casualty loss provisions by removing the \$100 minimum casualty loss requirement or the 10% of adjusted gross income threshold. Removing the \$100 minimum would be a token gesture because any individual whose property has been significantly affected by the flooding will easily surpass this threshold. Removing the 10% of adjusted gross income requirement would significantly increase the portion of an individual's losses that are borne by the federal government. However, this change would also increase the likelihood that the recordkeeping and audit problems that led

Congress to impose this requirement would resurface. Since the current threshold is a percentage of adjusted gross income, it is a greater hurdle for higher-income taxpayers, and thus eliminating it would not be entirely progressive.

2. Waiving or abating interest on tax liabilities. Under current law, the Internal Revenue Code requires that interest be paid on taxes from the date they are due to the date they are paid and that the due date be determined without regard to extensions. The Code also prohibits the Service from waiving or abating interest on unpaid taxes except in very limited instances in which the deficiency is attributable to IRS error or delay.

Under Senator Dole's proposal, waiver or abatement of interest on deficiencies would be permitted if an extension has been granted or late penalty abated in accordance with the IRS Federal Disaster Relief Guidelines. The guidelines, among other things, extend the due date for paying taxes (without tolling interest accruals during the extended payment period). The Service does not have the authority under the Internal Revenue Code to waive or abate interest on deficiencies. Therefore, legislation would be necessary to implement the proposal.

3. Waiving the proposed tax increases. Under the proposal, any tax increase included in the conference agreement (e.g., the increase in the individual income tax and energy tax) would be waived. The anticipated income tax rate increases would only affect 1.2% of all taxpayers and, therefore, the proposal would not meaningfully contribute to disaster relief. Likewise, the energy tax increase likely to emerge from conference will be relatively modest, so that a waiver of this tax for flood-stricken areas is not likely to be meaningful (recall that it is expected to be no more than about \$50 per average working family per year). There would also be a question about how to administer the waiver--not to apply the tax increase at the pump, which would create compliance problems, or to allow taxpayers in the area to apply for refunds, which would create administrative burdens.

4. Tax credit for small businesses. Senator Dole's letter refers to a targeted disaster tax credit aimed at assisting the affected small businesses to rebuild. It is not clear exactly what form of a credit the Senator is recommending but we have assumed that it would be some form of investment tax credit. We have estimated the cost of a 10% credit for purchasing tangible personal property between July 1, 1993, and December 31, 1994. Qualified businesses would be limited to small businesses that are (i) affected by the disaster, and (ii) are located in certain states. "Small businesses" are defined as businesses with annual receipts under \$5 million. This proposal would lose approximately \$1 billion over 5 years. Note that to the extent the credit is given to taxpayers who use insurance proceeds to replace damaged property, the credit would reward investment that would have taken place anyway, at no cost to the taxpayer.

5. Volume cap exemption for State bonds issued to reconstruct damaged facilities. Under current law, private activity bonds generally cannot be issued on a tax-exempt basis. Exceptions to this rule are provided for a number of different types of facilities and for small issue bonds to provide manufacturing facilities. There is no exception that would permit tax-exempt bonds to be issued to make loans to businesses that suffer losses from disasters. Most tax-exempt

private activity bonds are limited by an annual, State volume cap equal to the greater of: (1) \$150 million or (2) the product of \$50 and the State population.

Senator Dole's proposal would provide an exemption from the State bond caps for bonds used for the reconstruction of damaged or destroyed facilities in disaster areas. This proposal would create a new category of tax-exempt private activity bond for disaster relief loans. The proposal would provide low-cost subsidized financing to businesses adversely impacted by the flood. However, since tax-exempt bonds are a less efficient subsidy than direct federal spending, the categories of private activity bonds eligible for tax-exempt financing should not be expanded. In addition, a complete exemption of these bonds from the volume cap is inappropriate and could lead to a very large revenue loss.

6. Extending deadlines for complying with low-income housing credit rules. Under current law owners of low-income residential rental projects are allowed a tax credit that is taken over a 10 year period. A number of requirements apply to these credits, including requirements that certain actions be taken and expenditures incurred within prescribed time periods. In addition, a number of reporting requirements must be satisfied within specified time periods.

Senator Dole's proposal would extend all deadlines for complying with the low-income housing credit in affected flood areas. Presumably this would include: (1) the requirement that 10% of the expected cost of a project be incurred by the close of the year in which the project received an allocation of the low-income housing credit dollar amount (the "allocation year"); (2) the requirement that the project be placed in service by the close of the second calendar year after the allocation year; and (3) an extension of the period for reporting as to various compliance matters (e.g., income verifications).

Owners of projects that are adversely effected by the flooding should not be penalized. In response to similar problems Treasury, in the past, has provided this type of relief (and more). H.R. 11 would have provided much of the same type of relief. The revenue impact of these modifications would be minimal (approximately \$20 million over 5 years). We believe that these modifications are not objectionable but will not provide much relief to flood victims.

III. Other Legislative Proposals

1. Low-income housing tax credit. In response to Hurricane Andrew, H.R. 11 would have made numerous modifications to the low-income housing credit requirements. For example, (1) the Secretary would have been authorized to waive the requirement that, in the case of existing buildings, 10 years have elapsed since the building was last placed in service; (2) the 2-year requirement (referred to above) relating to the date that a building must be placed in service would have been extended; (3) units qualifying for the credit could have been used on a transient basis; and (4) a tenant would not have been required to provide a written income verification until such time as the information is reasonably available.

The Secretary has general regulatory authority to provide relief from certain of the

requirements of the credit. In response to the damage caused by Hurricane Andrew, the Secretary used this authority to issue administrative guidance that provided taxpayers with relief from many of the credit rules.

✓ (The low-income housing tax credit changes proposed by Senator Dole are not particularly dramatic. Senator Dole's proposed changes provide less relief than would have been provided by H.R. 11 and less relief than Treasury provided after Hurricane Andrew. Therefore, we should consider proposing the H.R. 11 proposals with a few technical modifications.

2. Mortgage revenue bonds. Under current law, tax-exempt qualified mortgage bonds may be issued on a tax-exempt basis to provide lower-cost mortgage financing for single-family, owner-occupied residences. A number of targeting requirements apply to these loans, including: (1) a first-time homebuyer requirement; (2) a purchase price limit; and (3) an income limit. These rules are more generous in targeted areas. Qualified mortgage bonds may also be used to make home improvement loans of up to \$15,000. These bonds are subject to the private activity bond volume cap. H.R. 11 would have eliminated the \$15,000 limit for home improvement loans in certain disaster areas.

[We could consider a modification that would make all disaster areas "targeted areas" for bonds to the extent these bonds are used to replace homes damaged by the flood. In addition, we could increase the dollar limitation on qualified home improvement loans from \$15,000 to \$45,000 for loans to repair property damaged by the flood.

Senator Dole's disaster loan proposal would only assist businesses, not individual homeowners. This proposal would provide low-cost financing to replace or repair owner-occupied housing. The revenue cost of these proposals would be less than \$50 million over 5 years.

THE WHITE HOUSE

WASHINGTON

August 9, 1993

Dear Mr. Leader:

Thank you for your letter concerning disaster relief for the victims of floods in the Midwest.

As you know, I recently experienced first-hand the devastation caused by this unfortunate event. The severe hardships caused by these floods cannot be underestimated and the struggles that remain for many hardworking Americans will continue for months to come.

These Americans deserve all the help that both Congress and the Administration can provide. The Federal Emergency Management Agency has responded quickly to the disaster and has helped in orchestrating both public and private relief efforts.

The Internal Revenue Service, under the direction of the Department of Treasury, has begun providing tax relief assistance to the victims of the flood. These relief efforts include abatements of penalties, extensions of various deadlines and broad efforts to publicize relief activities and services.

We have also proposed a multi-billion dollar relief package which is now before Congress. We hope to act quickly on this assistance and to receive immediate consideration by you and your fellow members of Congress of this emergency request.

In addition to the emergency assistance already requested, the Administration is in the process of considering additional assistance for the victims, including some of the items you mention in your letter.

Thank you again for your letter and support for the federal relief efforts our fellow Americans require in this time of need.

Sincerely,

Bill Clinton

The Honorable Robert J. Dole
Republican Leader
United States Senate
Washington, D.C. 20510

*I have asked Sen. Bradley
to call you & discuss these
issues -*

BOB DOLE
KANSAS

United States Senate

OFFICE OF THE REPUBLICAN LEADER
WASHINGTON, DC 20510-7020

July 20, 1993

The President
The White House
Washington, D.C. 20500

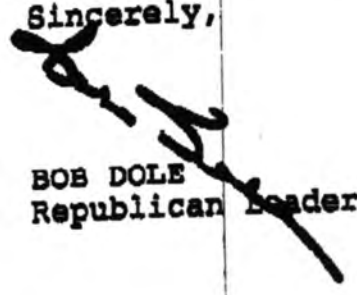
Dear Mr. President:

As you saw firsthand on your recent trip to the Midwest, thousands and thousands of Americans continue to struggle with one of history's most devastating floods. Those of us representing flood-ravaged states deeply appreciate your concern, and look forward to working with you in developing the most effective federal response to this disaster.

Seven of my colleagues joined me in sending the enclosed letter urging the Conference on the budget reconciliation to consider a six-point relief plan designed to protect flood victims from the impact of any new tax increases, and to help small businesses get back on their feet.

Your interest in this matter is greatly appreciated.

Sincerely,


BOB DOLE
Republican Leader

Enclosure

BOB DOLE
KANSAS

United States Senate

OFFICE OF THE REPUBLICAN LEADER
WASHINGTON, DC 20510-7020

July 20, 1993

The Honorable Bob Packwood
Committee on Finance
Senate Russell Office Building 259
Washington, D.C. 20510

Dear Bob:

We are writing to you in the hope that we may be able to provide some relief to the people affected by the disastrous floods in the Midwest.

Day by day, the Nation has watched the Mississippi, the Missouri and other rivers creep to dangerously record high levels. Families, businesses, and local governments in ten states have suffered tremendous losses. The impact of the recent flooding has been felt in Iowa, Missouri, Wisconsin, Illinois, Minnesota, South Dakota, Nebraska, Kansas, North Dakota and Kentucky.

The Federal Emergency Management Agency reported that it has received over 13,000 registrations for disaster assistance. The American Red Cross reports that more than 22,300 homes have been flooded.

The U.S. Department of Transportation has reported that the transportation disruption exceeds anything previously experienced. Over 1100 miles of the Mississippi and Missouri Rivers are closed to traffic. Rail, truck and barge traffic are all suffering delays and interruptions. Incoming cargo is backing up and outgoing cargo is missing shipment to destinations as far as west coast ports.

There is no doubt that the economy generally will suffer as a result of this disaster. The President has been cautious in his request for \$2.5 billion in emergency assistance. We think everyone will agree that once the waters recede more will be needed.

We continue to believe that the proposed tax legislation, as currently drafted, is wrong for America. It will not create jobs and already has stopped many businesses, especially small businesses, from hiring, expanding and growing. We rely on small businesses to create jobs and grow the economy. Yet, many of the provisions included in the pending legislation will hurt small

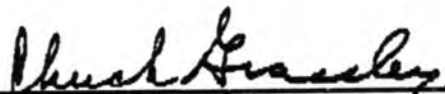
business the most. Tax increases will not help bolster a fragile economy and worse, could add to the costs incurred by the victims of the Midwestern and Mississippi River floods.

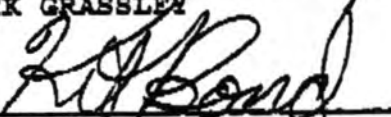
At a minimum, we should consider the following:

- modifications to the casualty loss provisions such as removing the \$100 minimum casualty loss or the 10% adjusted gross income threshold for disastrous personal casualty losses;
- waiving or abating interest on any tax for which an extension has been granted or late penalty abated in accordance with IRS' Federal Disaster Relief Guidelines;
- waiving the proposed tax increases -- especially the individual tax rate increase, the energy tax and barge tax -- if these are ultimately included in the compromise package;
- providing a targeted disaster tax credit aimed at assisting the affected small businesses to rebuild;
- providing an exemption to the state bonds caps for the reconstruction of damaged or destroyed facilities in disaster areas;
- extending all deadlines for complying with the low income housing credit in affected flood areas.

These suggestions are only a start. We need new tax recommendations that will help the flood disaster victims face the long and uphill road in mending their lives. As with all hardworking Americans, disaster victims need our support, they don't need new tax increases.

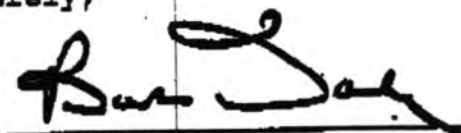
Sincerely,


CHUCK GRASSLEY


KIT BOND

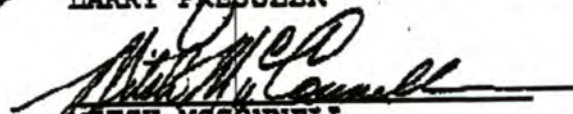

DAVE DURENBERGER


NANCY KASSEBAUM


BOB DOLE


JACK DANFORTH


LARRY PRESSLER


MITCH MCCONNELL

THE WHITE HOUSE
WASHINGTONDATE: 8/9

NOTE FOR:

Steve Ricchetti

The President has reviewed the attached, and it is forwarded to you
for your:

Information

☒

Action

☐

Thank you.

JOHN D. PODESTA
Assistant to the President
and Staff Secretary
(x2702)

cc:

THE WHITE HOUSE

WASHINGTON

13 AUG 4 P3:27

AUGUST 4, 1993

RECOMMENDED TELEPHONE CALL

TO: SENATOR HARRIS WOFFORD *NEES SENT 10/22/93 TEL 8/19/93 25*

DATE: AUGUST 4, 1993

RECOMMENDED BY: STEVE RICCHETTI

PURPOSE: To discuss the Budget package and future spending cuts.

BACKGROUND: Senator Wofford has been a loyal supporter of this Administration, and will vote for passage of the Budget package this week. The Senator is holding a state-wide press conference tomorrow. The Senator would like to be able to say that he has discussed the importance of passing the Budget package with you, and that you both agree that it is imperative to continue working toward additional spending cuts.

TOPICS OF DISCUSSION:

1. Thank Senator Wofford for his support and emphasize the importance of passing the Budget package.
2. While this package is a good start, it is important to find additional spending cuts.

CONTACT PERSON AND TELEPHONE NUMBER(S): Howard Paster

DATE OF SUBMISSION: August 4, 1993

ACTION:

He came in to see me



THE PRESIDENT HAS SEEN

8/19/93

chron

THE SECRETARY OF THE TREASURY
WASHINGTON

July 27, 1993

33 JUL 28 P1:01

MEMORANDUM FOR PRESIDENT CLINTON

FROM: *TO →*

LLOYD BENTSEN

SUBJECT:

RESPONSE TO SENATOR DOLE'S REQUEST FOR TAX RELIEF
FOR FLOOD VICTIMS

I sent the letter but I think you should call back with the idea as you outline here -

SUMMARY: In response to Senator Dole's letter to you regarding tax relief for flood victims, this memorandum provides background information on tax relief that can be provided to victims of the flood in the Midwest. It (1) describes relief available under current law and administrative procedures; (2) analyzes Senator Dole's "six-point relief plan"; and (3) describes modifications to the low-income housing credit and mortgage revenue bond program that could be suggested to the conferees for inclusion in the reconciliation bill. The housing credit and mortgage revenue bond proposals, however, provide relatively modest relief to flood victims. A table of preliminary revenue estimates of Senator Dole's proposals and a proposed response to Senator Dole's letter are attached. The revenue estimates for these proposals are relatively low because the proposals would apply only to victims of the Midwest flood and would not apply to victims of future disasters.

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the Disaster Relief and Emergency Assistance Act, a taxpayer may elect to claim a deduction for that loss on the taxpayer's return for the taxable year immediately preceding the taxable year in which the disaster occurs. Special rules also apply where a taxpayer is ordered by a State or local government to demolish a residence as a result of damage caused by a disaster in an area determined by the President to warrant federal disaster relief assistance.

* 2. IRS Federal Disaster Relief Guidelines. In response to the devastation of Hurricane Hugo, the Internal Revenue Service developed a comprehensive and detailed set of guidelines for promptly providing relief to individuals and businesses in areas designated as national disaster areas by the Federal Emergency Management Agency. These guidelines are currently in effect in the areas that, due to the flood, have been designated as disaster areas.

This relief includes extensions of time to file and/or pay federal income taxes and abatement of penalties, such as those for failure to file returns, to pay taxes, or to pay estimated taxes. The filing and paying relief dates, which depend upon when the disaster occurs, are required to be established by the IRS National Office and disseminated to the field shortly after the IRS Deputy Commissioner determines that there is a disaster to which the guidelines apply.

3. Other tax relief provisions. The Internal Revenue Code contains other provisions that provide various forms of relief for taxpayers affected by natural disasters. For example, section 123 excludes from income amounts received by individuals under insurance contracts that compensate them for additional living expenses incurred as a result of damage to a principal residence. Section 451(d) allows certain farmers to defer, for one year, crop disaster payments and insurance proceeds resulting from the destruction or damage to crops. Gain is deferred under section 1033 when proceeds from the destruction or condemnation of property are reinvested within the two subsequent taxable years in property that is similar or related in service or use to the destroyed or condemned property. The penalty for the failure of an individual to make estimated tax payments may be waived if the Secretary determines that, by reason of casualty, disaster, or other unusual circumstance, the imposition of the penalty would be against equity and good conscience.

II. Senator Dole's Six-Point Plan

Senator Dole's letter proposes six tax provisions. All of these proposals raise a question of equity, namely, why similar changes were not made for victims of previous disasters, such as Hurricanes Hugo and Andrew, and the earthquake in the San Francisco Bay area.

1. Modification to the casualty loss rules. Senator Dole's proposal would modify the casualty loss provisions by removing the \$100 minimum casualty loss requirement or the 10% of adjusted gross income threshold. Removing the \$100 minimum would be a token gesture because any individual whose property has been significantly affected by the flooding will easily surpass this threshold. Removing the 10% of adjusted gross income requirement would significantly increase the portion of an individual's losses that are borne by the federal government. However, this change would also increase the likelihood that the recordkeeping and audit problems that led

Congress to impose this requirement would resurface. Since the current threshold is a percentage of adjusted gross income, it is a greater hurdle for higher-income taxpayers, and thus eliminating it would not be entirely progressive.

2. Waiving or abating interest on tax liabilities. Under current law, the Internal Revenue Code requires that interest be paid on taxes from the date they are due to the date they are paid and that the due date be determined without regard to extensions. The Code also prohibits the Service from waiving or abating interest on unpaid taxes except in very limited instances in which the deficiency is attributable to IRS error or delay.

Under Senator Dole's proposal, waiver or abatement of interest on deficiencies would be permitted if an extension has been granted or late penalty abated in accordance with the IRS Federal Disaster Relief Guidelines. The guidelines, among other things, extend the due date for paying taxes (without tolling interest accruals during the extended payment period). The Service does not have the authority under the Internal Revenue Code to waive or abate interest on deficiencies. Therefore, legislation would be necessary to implement the proposal.

3. Waiving the proposed tax increases. Under the proposal, any tax increase included in the conference agreement (e.g., the increase in the individual income tax and energy tax) would be waived. The anticipated income tax rate increases would only affect 1.2% of all taxpayers and, therefore, the proposal would not meaningfully contribute to disaster relief. Likewise, the energy tax increase likely to emerge from conference will be relatively modest, so that a waiver of this tax for flood-stricken areas is not likely to be meaningful (recall that it is expected to be no more than about \$50 per average working family per year). There would also be a question about how to administer the waiver--not to apply the tax increase at the pump, which would create compliance problems, or to allow taxpayers in the area to apply for refunds, which would create administrative burdens.

4. Tax credit for small businesses. Senator Dole's letter refers to a targeted disaster tax credit aimed at assisting the affected small businesses to rebuild. It is not clear exactly what form of a credit the Senator is recommending but we have assumed that it would be some form of investment tax credit. We have estimated the cost of a 10% credit for purchasing tangible personal property between July 1, 1993, and December 31, 1994. Qualified businesses would be limited to small businesses that are (i) affected by the disaster, and (ii) are located in certain states. "Small businesses" are defined as businesses with annual receipts under \$5 million. This proposal would lose approximately \$1 billion over 5 years. Note that to the extent the credit is given to taxpayers who use insurance proceeds to replace damaged property, the credit would reward investment that would have taken place anyway, at no cost to the taxpayer.

5. Volume cap exemption for State bonds issued to reconstruct damaged facilities. Under current law, private activity bonds generally cannot be issued on a tax-exempt basis. Exceptions to this rule are provided for a number of different types of facilities and for small issue bonds to provide manufacturing facilities. There is no exception that would permit tax-exempt bonds to be issued to make loans to businesses that suffer losses from disasters. Most tax-exempt

private activity bonds are limited by an annual, State volume cap equal to the greater of: (1) \$150 million or (2) the product of \$50 and the State population.

Senator Dole's proposal would provide an exemption from the State bond caps for bonds used for the reconstruction of damaged or destroyed facilities in disaster areas. This proposal would create a new category of tax-exempt private activity bond for disaster relief loans. The proposal would provide low-cost subsidized financing to businesses adversely impacted by the flood. However, since tax-exempt bonds are a less efficient subsidy than direct federal spending, the categories of private activity bonds eligible for tax-exempt financing should not be expanded. In addition, a complete exemption of these bonds from the volume cap is inappropriate and could lead to a very large revenue loss.

6. Extending deadlines for complying with low-income housing credit rules. Under current law owners of low-income residential rental projects are allowed a tax credit that is taken over a 10 year period. A number of requirements apply to these credits, including requirements that certain actions be taken and expenditures incurred within prescribed time periods. In addition, a number of reporting requirements must be satisfied within specified time periods.

Senator Dole's proposal would extend all deadlines for complying with the low-income housing credit in affected flood areas. Presumably this would include: (1) the requirement that 10% of the expected cost of a project be incurred by the close of the year in which the project received an allocation of the low-income housing credit dollar amount (the "allocation year"); (2) the requirement that the project be placed in service by the close of the second calendar year after the allocation year; and (3) an extension of the period for reporting as to various compliance matters (e.g., income verifications).

Owners of projects that are adversely effected by the flooding should not be penalized. In response to similar problems Treasury, in the past, has provided this type of relief (and more). H.R. 11 would have provided much of the same type of relief. The revenue impact of these modifications would be minimal (approximately \$20 million over 5 years). We believe that these modifications are not objectionable but will not provide much relief to flood victims.

III. Other Legislative Proposals

1. Low-income housing tax credit. In response to Hurricane Andrew, H.R. 11 would have made numerous modifications to the low-income housing credit requirements. For example, (1) the Secretary would have been authorized to waive the requirement that, in the case of existing buildings, 10 years have elapsed since the building was last placed in service; (2) the 2-year requirement (referred to above) relating to the date that a building must be placed in service would have been extended; (3) units qualifying for the credit could have been used on a transient basis; and (4) a tenant would not have been required to provide a written income verification until such time as the information is reasonably available.

The Secretary has general regulatory authority to provide relief from certain of the

requirements of the credit. In response to the damage caused by Hurricane Andrew, the Secretary used this authority to issue administrative guidance that provided taxpayers with relief from many of the credit rules.

✓ (The low-income housing tax credit changes proposed by Senator Dole are not particularly dramatic. Senator Dole's proposed changes provide less relief than would have been provided by H.R. 11 and less relief than Treasury provided after Hurricane Andrew. Therefore, we should consider proposing the H.R. 11 proposals with a few technical modifications.

2. Mortgage revenue bonds. Under current law, tax-exempt qualified mortgage bonds may be issued on a tax-exempt basis to provide lower-cost mortgage financing for single-family, owner-occupied residences. A number of targeting requirements apply to these loans, including: (1) a first-time homebuyer requirement; (2) a purchase price limit; and (3) an income limit. These rules are more generous in targeted areas. Qualified mortgage bonds may also be used to make home improvement loans of up to \$15,000. These bonds are subject to the private activity bond volume cap. H.R. 11 would have eliminated the \$15,000 limit for home improvement loans in certain disaster areas.

[We could consider a modification that would make all disaster areas "targeted areas" for bonds to the extent these bonds are used to replace homes damaged by the flood. In addition, we could increase the dollar limitation on qualified home improvement loans from \$15,000 to \$45,000 for loans to repair property damaged by the flood.

Senator Dole's disaster loan proposal would only assist businesses, not individual homeowners. This proposal would provide low-cost financing to replace or repair owner-occupied housing. The revenue cost of these proposals would be less than \$50 million over 5 years.

EXTREMELY PRELIMINARY

ALL PROPOSALS APPLY ONLY TO TAXPAYERS IN FEMA-DECLARED DISASTER COUNTIES

	1994-98 (\$ millions)
1 Modify casualty loss provisions for 1993	
a Eliminate \$100 minimum	-60
b Eliminate 10% AGI threshold	-610
2 Waive interest and penalty on extensions paid within 3 months after disaster ends	-20
3 Waive proposed tax increases	
a Individual income tax rate increase for 1993 (eff. 3/1/93)	-440
b \$.06 transportation fuels tax for 1 yr. (eff. 10/1/93)	-256
4 10% tax credit for small businesses (<\$5 million receipts) to rebuild (eff. 7/1/93 - 12/31/94)	-1073
5 Exemption to state bond caps	
A Disaster bonds	
a no cap	-113
b 50% cap	-96
c all capped	-79
B increase limit from \$15,000 to \$45,000	
a all capped	-25
b 50% cap	-29
c no cap	-36
C Remove all eligibility restrictions from MRBs for purchases of new house to replace destroyed	
a all capped	-28
b 50% cap	-33
c no cap	-40
6 Extend deadlines for complying with low-income housing credit by extent of disaster	-20

THE WHITE HOUSE

WASHINGTON

Dear Mr. Leader:

Thank you for your letter concerning disaster relief for the victims of floods in the Midwest.

As you know, I recently experienced first-hand the devastation caused by this unfortunate event. The severe hardships caused by these floods cannot be underestimated and the struggles that remain for many hardworking Americans will continue for months to come.

These Americans deserve all the help that both Congress and the Administration can provide. The Federal Emergency Management Agency has responded quickly to the disaster and has helped in orchestrating both public and private relief efforts.

The Internal Revenue Service, under the direction of the Department of Treasury, has begun providing tax relief assistance to the victims of the flood. These relief efforts include abatements of penalties, extensions of various deadlines and broad efforts to publicize relief activities and services.

We have also proposed a multi-billion dollar relief package which is now before Congress. We hope to act quickly on this assistance and to receive immediate consideration by you and your fellow members of Congress of this emergency request.

In addition to the emergency assistance already requested, the Administration is in the process of considering additional assistance for the victims, including some of the items you mention in your letter.

Thank you again for your letter and support for the federal relief efforts our fellow Americans require in this time of need.

Sincerely,

Bill Clinton

The Honorable Robert J. Dole
Republican Leader
United States Senate
Washington, D.C. 20510

*I have asked Sec. Breidenbach
to call you & discuss these
issues -*

BOB DOLE
KANSAS

United States Senate

OFFICE OF THE REPUBLICAN LEADER

WASHINGTON, DC 20510-7020

July 20, 1993

The President
The White House
Washington, D.C. 20500

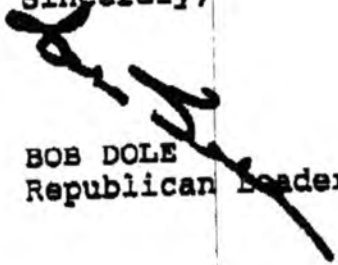
Dear Mr. President:

As you saw firsthand on your recent trip to the Midwest, thousands and thousands of Americans continue to struggle with one of history's most devastating floods. Those of us representing flood-ravaged states deeply appreciate your concern, and look forward to working with you in developing the most effective federal response to this disaster.

Seven of my colleagues joined me in sending the enclosed letter urging the Conference on the budget reconciliation to consider a six-point relief plan designed to protect flood victims from the impact of any new tax increases, and to help small businesses get back on their feet.

Your interest in this matter is greatly appreciated.

Sincerely,


BOB DOLE
Republican Leader

Enclosure

BOB DOLE
KANSAS

United States Senate

OFFICE OF THE REPUBLICAN LEADER
WASHINGTON, DC 20510-7020

July 20, 1993

The Honorable Bob Packwood
Committee on Finance
Senate Russell Office Building 259
Washington, D.C. 20510

Dear Bob:

We are writing to you in the hope that we may be able to provide some relief to the people affected by the disastrous floods in the Midwest.

Day by day, the Nation has watched the Mississippi, the Missouri and other rivers creep to dangerously record high levels. Families, businesses, and local governments in ten states have suffered tremendous losses. The impact of the recent flooding has been felt in Iowa, Missouri, Wisconsin, Illinois, Minnesota, South Dakota, Nebraska, Kansas, North Dakota and Kentucky.

The Federal Emergency Management Agency reported that it has received over 13,000 registrations for disaster assistance. The American Red Cross reports that more than 22,300 homes have been flooded.

The U.S. Department of Transportation has reported that the transportation disruption exceeds anything previously experienced. Over 1100 miles of the Mississippi and Missouri Rivers are closed to traffic. Rail, truck and barge traffic are all suffering delays and interruptions. Incoming cargo is backing up and outgoing cargo is missing shipment to destinations as far as west coast ports.

There is no doubt that the economy generally will suffer as a result of this disaster. The President has been cautious in his request for \$2.5 billion in emergency assistance. We think everyone will agree that once the waters recede more will be needed.

We continue to believe that the proposed tax legislation, as currently drafted, is wrong for America. It will not create jobs and already has stopped many businesses, especially small businesses, from hiring, expanding and growing. We rely on small businesses to create jobs and grow the economy. Yet, many of the provisions included in the pending legislation will hurt small

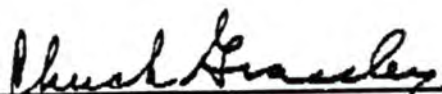
business the most. Tax increases will not help bolster a fragile economy and worse, could add to the costs incurred by the victims of the Midwestern and Mississippi River floods.

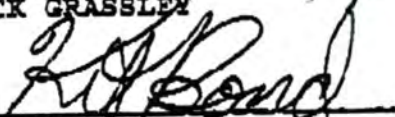
At a minimum, we should consider the following:

- modifications to the casualty loss provisions such as removing the \$100 minimum casualty loss or the 10% adjusted gross income threshold for disastrous personal casualty losses;
- waiving or abating interest on any tax for which an extension has been granted or late penalty abated in accordance with IRS' Federal Disaster Relief Guidelines;
- waiving the proposed tax increases -- especially the individual tax rate increase, the energy tax and barge tax -- if these are ultimately included in the compromise package;
- providing a targeted disaster tax credit aimed at assisting the affected small businesses to rebuild;
- providing an exemption to the state bonds caps for the reconstruction of damaged or destroyed facilities in disaster areas;
- extending all deadlines for complying with the low income housing credit in affected flood areas.

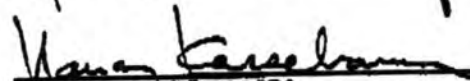
These suggestions are only a start. We need new tax recommendations that will help the flood disaster victims face the long and uphill road in mending their lives. As with all hardworking Americans, disaster victims need our support, they don't need new tax increases.

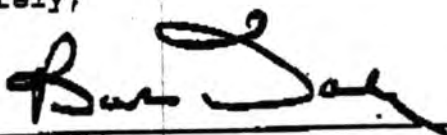
Sincerely,


CHUCK GRASSLEY

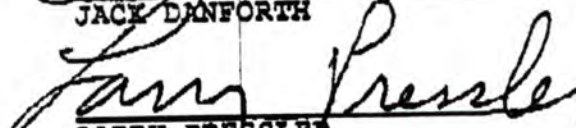

KIT BOND

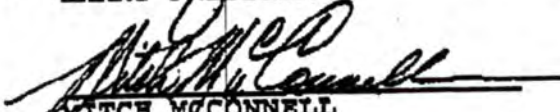

DAVE DURENBERGER


NANCY KASSEBAUM


BOB DOLE


JACK DANFORTH


LARRY PRESSLER


MITCH MCCONNELL

Crow

THE WHITE HOUSE
WASHINGTON

DATE: August 8, 1993

TO: Bill Burton

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

Do you want to do more?

THE WHITE HOUSE
WASHINGTON

August 6, 1993

Mr. and Mrs. Francois X. Bertaud
345 West Austin Avenue
Libertyville, Illinois 60048

Dear Mr. and Mrs. Bertaud:

Hillary and I were very sorry to learn of the loss of your son, Second Lieutenant Eric P. Bertaud, USMC, and our hearts go out to you. I hope that your sorrow will be eased by the love of your friends and family and by the knowledge that your son upheld the honorable tradition of military service. He will be remembered as one who served our country with distinction.

Our thoughts and prayers are with you.

Sincerely,

Bill Clinton

THE WHITE HOUSE
WASHINGTON

August 5, 1993

TO: JOHN PODESTA
STAFF SECRETARY

FROM: JOHN DWYER
DEPUTY DIRECTOR OF
CORRESPONDENCE AND
PRESIDENTIAL MESSAGES

We sent a letter on this a couple
days ago.

8/5
C. Sullivan
Getting
copy of
ltr. sent

S. (JP has not
seen this yet)

From the Office of the Chief of Staff
Phone: 202/456-6797 Fax: 202/456-1121

Date: 3 Aug 93 Response needed by: ASAP
COS Office Contact: Bill Burton

	Action	FYI		Action	FYI
Joan Baggett			Leon Panetta		
Rahm Emanuel			Howard Paster		
Mark Gearan			John Podesta	X	
David Gergen			Jack Quinn		
Jack Gibbons			Carol Rasco		
Marcia Hale			Bob Rubin		
Alexis Herman			Eli Segal		
Nancy Hernreich			Ricki Seidman		
Tony Lake			George Stephanopoulos		
Bruce Lindsey			Christine Varney		
Katie McGinty			David Watkins	X	
Regina Montoya			Maggie Williams		
Dee Dee Myers			MARSH SCOTT	X	
Roy Neel					
Bernie Nussbaum					

Remarks: *Is there anything special we might want to do on this? Please advise.*
Thanks.

Response:

John! we sent a letter on this a couple days ago.
John

03 AUG 93 14:45

2 Pages by ~~xxx~~ W/W

To:
Mr. T. McIntyre
Wash., D.C.

Libertyville mourns loss of Marine

By Andrew Martin
TREASURY STAFF WRITER

Eric Bertaud was just about all the U.S. Marine Corps could hope for, his family says.

A top-notch student with an engineering degree. An imposing athlete who excelled in wrestling and football. And a 23-year-old soldier who has wanted more than anything else to be a Marine since he was 14 years old.

Two weeks ago when Bertaud returned home to Libertyville for a wedding, a newly commissioned Marine second lieutenant, his family had "never seen him look happier or more at peace with himself," said older brother Marc Bertaud, 28.

It was the last time the family saw Eric Bertaud alive. He was killed Thursday in an apparent accidental shooting at a Marine base in Quantico, Va.

Details of the shooting were still being investigated, but authorities said Bertaud was apparently shot by another officer at close range during a training exercise that required live ammunition. He died an hour later at an area hospital.

The family declined to comment on the specifics of the shooting pending the outcome of the military investigation. They spent Sunday lining up pallbearers and accepting condolences from friends and neighbors.

A memorial was set up in the living room that included photographs of Bertaud hunting with his brothers, clowning with friends in a hot tub and posing with a date at a school dance. Two framed photographs of Bertaud in his Marine uniform were also on display, and the family flew a Marine flag, alongside the U.S. flag, in front of the house.

A 1988 graduate of Carmel High School in Mundelein, Bertaud became enamored with the Marine Corps in high school and talked endlessly about his plans to join the force.

Bertaud attended Iowa State University on an ROTC scholarship and received his degree in construction engineering in May.

Bertaud, whose nickname was "Recon," was commissioned as an officer in the Marine Corps two weeks later.

He sent his family a coffee-table sized book, titled "The Marines" in March, explaining that the book would give them a better understanding of his upcoming tenure in the military.

Bertaud's inscription reads like Marine Corp literature:

"The underlying reason for wanting to become a Marine officer is for God, my family, my country and preservation of a luxury we enjoy and many of us abuse: freedom," he wrote.

"I don't know if I will be in the corps for five years or forever ... that decision will be made after I have a better taste of the 'real corps,'" Bertaud wrote. "What I do know, whether I stay or not, is that I will have the honor of holding a title shared by few: U.S. Marine."

A memorial mass will be held at 11 a.m. Wednesday in St. Joseph's Catholic Church in Libertyville, followed by a burial with military honors in Ascension Cemetery in Libertyville.

I know
you're
busy w/the
budget, but
I (and others)
hope some-
one there
could take
some time
to send
condolences
to Francois &
Jeanne
Bertaud.
Their son

was killed at Quantico in a
target practice accident. They are immigrants whose
son was always encouraged to "give back" something
to the U.S. More important - Francois is an
Engineering Manager at Abbott Laboratories -- a
bastion of Republicans & even so - he was never
afraid to stand up for Clinton, no matter how
difficult it was in that environment. / CP 8/2/93

From: Cathy Pickhardt 7086236379

2082

ERIC BERTAUD
2ND LT.-U.S. MARINE CORP
PASSED AWAY, JULY 29, 1993

Eric is the son of François Bertaud, D-410, AP4B-2

Services are as follows:

Visitation Tues, August 3 from 3-9 p.m.
McMurrough Funeral Chapel
101 Park Place
Libertyville, IL

Mass Wed, August 4 at 11:00 a.m.
St. Joseph's Catholic Church
121 E. Maple Ave.
Libertyville, IL

In lieu of flowers memorials may be made to:

Navy Marine Corp Relief Society
Bldg. 42
NTC, Great Lakes, IL 60088

Habitat for Humanity
315 North Utica
Waukegan, IL 60088

Eric Bertaud Scholarship Fund
Mt. Carmel High School
Rt. 176 & Carmel Pkwy
Mundelein, IL 60060

Libertyville Marine shot, killed

The Associated Press

Quantico, Va. — Officials at the Quantico Marine Corps Base said Friday the shooting death of a Marine second lieutenant from Illinois during a training exercise was accidental.

Eric Bertaud was struck in the chest Thursday afternoon by a

bullet from another officer's gun, said. Warrant Officer Robert Jenks, base spokesman.

Bertaud, 23, of Libertyville, was taken to a Fredericksburg, Va., hospital but died an hour later.

There was no indication that safety rules were violated, Jenks

said.

Both officers were participating in a training exercise on a range with pop-up silhouettes when the gun discharged. The officer was holding the gun, not shooting at silhouettes, when the weapon fired, Jenks said.

The other officer involved in the shooting was not identified.

2 pages

Young Marine pondered a career in Corps

8/24/93
 TO: T. [unclear] McKeeth
 Further to my
 fax of this A.M.
 1/2

■ Mourning: Funeral set for Carmel grad

By Bob Euenjara
 Staff Writer

Eric Bertaud wrote a letter to his family in Libertyville about four months ago, saying he didn't know whether he would be in the Marine Corps for five years or forever.

Although Bertaud had wanted to be a Marine since he was 14 and attending Carmel High School in Mundelein, he determined that he would wait to make a decision on whether to remain in the military after he had a better taste of "the real Corps."

Sadly, Bertaud made it only to the second month.

The 23-year-old Marine second lieutenant died after he was struck in the chest last Thursday by a bullet from another officer's gun during a training exercise in Quantico, Va.

Marine Corps officials called the shooting accidental, saying Bertaud and another officer were participating in a training exercise on a range with pop-up silhouettes when the gun discharged. The officer was holding the gun, not shooting at silhouettes, when the weapon fired.

As Marine and American flags flapped gently Sunday evening outside Bertaud's Austin Avenue home in Libertyville, his brother, Marc, recalled how he last visited with his brother July 18. Back for a wedding, it was the first and only time Eric's family saw him in full military dress.

"It has been a very difficult time for the family and our friends," said Marc, 26. "Normal has changed, and life can't just go back to the way it was."

Bertaud was one of only eight nationwide to receive a distinguished midshipman graduate award after he completed his



Decked out: The first and last time 2nd Lt. Eric Bertaud's family saw him in full military dress was July 18.

the play "South Pacific" and belonged to the National Honor Society — to name just a few accomplishments that also included a mention in "Who's Who Among American High School Students."

"I think to (Eric's) credit, he was an exceptionally well-rounded person," Marc said. "I mean,

FR: C. P. Pickhardt
 708 623 6379

THE NEWS-SUN MONDAY, AUGUST 2, 1993 ★★

him in full military dress.

"It has been a very difficult time for the family and our friends," said Marc, 26. "Normal has changed, and life can't just go back to the way it was."

Bertaud was one of only eight nationwide to receive a distinguished midshipman graduate award after he completed his studies at Iowa State University, where he earned a bachelor of science in construction engineering last May.

While at Carmel, he played football, wrestled, appeared in

the play "South Pacific" and belonged to the National Honor Society — to name just a few accomplishments that also included a mention in "Who's Who Among American High School Students."

"I think to (Eric's) credit, he was an exceptionally well-rounded person," Marc said. "I mean, he did everything — literally. ... He always had a strong leadership role in everything in

Turn to MARINE, 7A

Page 408

Marine

from page 1A

most things he had been involved with.

"I can't think of a finer individual who ever lived."

Bertaud is survived by his parents, Francis and Jeanne; brothers Marc and David, 22; and sister Christine, 19.

His wake will be from 3 to 9 p.m. Tuesday at McMurrough Funeral Chapel, 101 Park Place, Libertyville.

Memorial Mass will be at 11 a.m. Wednesday at St. Joseph's Catholic Church, 121 E. Maple Ave., Libertyville, followed by burial with full military honors in Ascension Cemetery in the village.

In lieu of flowers, Bertaud's family asks that those who want to honor him make a donation in his name to one of the following:

■ Navy Marine Corps Relief Society, Building 42, Great Lakes Naval Training Center, Ill. 60088.

■ Habitat for Humanity Lake County, 315 N. Utica St., Waukegan, Ill. 60085.

■ Eric Bertaud Scholarship Fund, Carmel High School, 1 Carmel Parkway, Mundelein, Ill. 60060.

Bertaud's family said they will decline comment on the accident at this time.

"There are several investigations that are under way, and we'll wait until those are concluded to talk about it," said Marc.

'Satisfaction of...challenge'

Eric Bertaud was looking forward to serving the Marine Corps as a second lieutenant, to lead "proud men to continued glory."

Commissioned on May 26, Bertaud wrote his family a letter 1½ months before he achieved that rank to explain his thoughts on being in the Corps for at least the next five years, as part of a program that got him a scholarship at Iowa State University.

His letter of March 13 read, in part:

"As a leader and dad to about 30 other Marines, I will face many challenges rarely faced by other people fresh out of college. Besides the day-to-day challenges, I will have to work hard to gain the respect and trust of men who have been in the Corps awhile, some for many years.

"Besides the satisfaction of a personal challenge, the underlying reason for wanting to become a Marine officer is for God, my family and my country, and preservation of a luxury we enjoy and many of us abuse: freedom.

"I don't know if I will be in the Corps for five years or forever ... that decision will be made after I have a better taste of the 'real Corps.' What I do know, whether I stay or not, is that I will have the honor of holding a title shared by few: U.S. Marine."

To Terry Good 8/9
ASW

THE WHITE HOUSE
WASHINGTON

33-1065
PRIVILEGED AND CONFIDENTIAL
5:27

August 5, 1993

DETERMINED TO BE AN ADMINISTRATIVE

MEMORANDUM FOR JOHN PODESTA
TERRY GOOD
JEFF GUTMAN

MARKING INITIALS: M DATE: 10/31/14
2014-0662-S

FROM: STEPHEN R. NEUWIRTH *[Signature]*
ASSOCIATE COUNSEL TO THE PRESIDENT

RE: PETITIONS

I agree with the attached, as long as:

1. The documents at issue were not addressed to the health care interdepartmental working group, and
2. NARA approves of their disposal in writing.

I would note, however, that if it is not a burden to store these documents for several more months, we might want to retain them until all proceedings in the FACA suit have been completed.

*Good has #2 -
Terry happened?
Do we need
to request
advice from NARA
- John*

August 3, 1993

93 AUG 3 P3:13

MEMORANDUM FOR STEPHEN NEUWIRTH

FROM: TERRY GOOD *TG*

RE: PETITIONS

The President receives large quantities of petitions from the public. The subjects are wide ranging. They are sorted, counted and boxed by the Mail Room before being sent to the Office of Records Management (ORM). National Archives (NARA) representatives sample and approve them for disposal. ORM then arranges for their disposition, depending on their substance, by maceration, burning or other means.

For some time now, we have been receiving from the Mail Room a constant stream of boxes of petitions appealing for consideration of various health care matters. Were it not for Judge Richey's interest in the records of the President's Task Force on Health Care Reform, ORM would have routinely disposed of them. However, out of concern that they might fall within the judge's sphere of interest, we have temporarily held them.

It now appears to ORM that a convincing argument can be made that they are Presidential not Task Force materials. And if so, then we would like to dispose of them. The envelopes are addressed to the President, or occasionally to both the President and Mrs. Clinton, but never to the Task Force. There are a few that carry a salutation, "Dear President Bill and Hilary Clinton: . . ." but these, also, are addressed to the President.

Yesterday, Jeff Gutman of the Department of Justice reviewed some sample petitions and was persuaded that they were Presidential not Task Force materials.

I am attaching some samples with the hope that you will agree that they are (1) Presidential and (2) of insufficient historical value to warrant permanent retention.

cc: John Podesta
Jeff Gutman

Steve
do you agree?
TG
8/4/93

Dear President Clinton:

Congratulations on your victory and on your pledge to provide all Americans with universal, affordable health care. We think a single payer national health plan that covers all of us under the same terms and conditions best meets these goals. When you write your bill, please:

- ☒ Make health care a right, NOT tied to employment.
- ☒ Cover everyone under a single, progressively financed plan.
- ☒ Provide comprehensive benefits from preventive to long-term care.
- ☒ Get rid of out-of-pocket costs like co-payments and deductibles.
- ☒ Cut administrative waste and set budgets to lower medical costs.
- ☒ Let consumers choose their own health professionals without having to pay more.

**You have my support
for a bill that meets
these principles and
lets the American
people—not the
insurance companies—
run our health care
system.**

Name Allen L Newell
Street 15643 Forest Hills^{6L}
City E CLEVELAND
State OH Zip Code 44112

It's Time for Real National Health Insurance.

President & Mrs. Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear President and Mrs. Clinton;

I am a chiropractic patient who sees a chiropractor as my primary health care provider.

I believe too much money is wasted in our country on drug therapy and unnecessary surgeries. Alternative approaches to health care management and prevention should be the main focus of health care reform.

Please give Americans the freedom to choose what kind of health care is best for them. Please do not deny them the right to seek chiropractic care. It is cost effective, and should not be ignored.

I would greatly appreciate it if you would include chiropractic care coverage in your core health care package.

Thank you for your time and consideration of this important issue.

Sincerely yours,

Jacqueline S. Anstey
4026 Hoffman Road
Medina, NY 14103

We pay a lot for our medical insurance, and fought a long time to get coverage that would pay for chiropractic office visits. It would be just awful if we couldn't get chiropractic care covered by insurance. Please don't discriminate.

PRESIDENT BILL CLINTON
THE WHITE HOUSE
1600 PENNSYLVANIA AVENUE
WASHINGTON D.C. 20500

Dear President Bill and Hillary Clinton:

I am a Chiropractic Patient. I use my Chiropractor as a primary source for health care and prevention. Please do not ignore, deny or limit my freedom or choice in our new and much needed health care system reform.

Signed: Marta Neely Lucas
Date: 4.15.93

Print Name: Marta Neely Lucas
Address: 3112 Valencia NE
Albuquerque, New Mexico 87110

Age: 38

ESTIMADO PRESIDENTE CLINTON:

SOY PACIENTE DE UN DOCTOR QUIROPRACTICO. HE ELEGIDO USAR EL TRATAMIENTO QUIROPRACTICO COMO MEDIO PRINCIPAL DE CUIDADO Y PREVENCIÓN DE MI SALUD.

CON ESTA CARTA LE PIDO QUE NO LIMITE MI LIBERTAD DE ELEGIR A MI DOCTOR. POR FAVOR INCLUYA TRATAMIENTO QUIROPRACTICO EN LA REFORMA DE SALUD QUE TANTO NECESITAMOS.

DEAR PRESIDENT CLINTON:

I AM A CHIROPRACTIC PATIENT. I HAVE CHOSEN TO USE CHIROPRACTIC CARE AS A PRIMARY SOURCE OF HEALTH CARE AND PREVENTION.

I AM ASKING YOU NOT TO LIMIT MY HEALTH CARE FREEDOM OF CHOICE. PLEASE INCLUDE CHIROPRACTIC CARE WITHIN YOUR MUCH NEEDED HEALTH CARE REFORM PACKAGE.

SIGNED,

Juan Mendoza

NOMBRE IMPRIMIDO:
PRINTED NAME :

JUAN MENDOZA

DIRECCION/ADDRESS:

Box 55331 H.F. Houston Tx

EDAD/AGE :

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THE WHITE HOUSE
WASHINGTON

August 8, 1993

Mr. Mark Stodola
Prosecuting Attorney
Sixth Judicial District
State Of Arkansas
P.O. Box 1979
Little Rock, Arkansas 72203

Dear Mark:

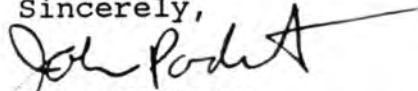
I received the videotape of Dr. Elder's speech that you forwarded. I appreciate your prompt attention to this matter.

As you may be aware, a number of statements made by Dr. Elders during that speech have been taken out of their original context and rearranged and published in a sequence that distorts their original meaning.

It's extremely helpful to have the tape of the speech as originally given.

Thank you again for promptly responding to our request.

Sincerely,

A handwritten signature in dark ink, appearing to read "John Podesta", with a long, sweeping horizontal stroke extending to the right.

John Podesta
Assistant to the President
Staff Secretary



STATE OF ARKANSAS

OFFICE OF THE
PROSECUTING ATTORNEY

MARK STODOLA
PROSECUTING ATTORNEY
SIXTH JUDICIAL DISTRICT
PULASKI & PERRY
COUNTIES

P.O. Box 1979
LITTLE ROCK, ARKANSAS 72203
PHONE 501/372/8560
FAX 501/372-8576

August 6, 1993

Mr. John Podesta
Staff Secretary of the White House
1600 Pennsylvania Avenue
Washington D.C. 20500

Dear Mr. Podesta:

Per Skip Rutherford's request I am sending to you a copy of the Dr. Joycelyn Elders speech given on January 18, 1992. This tape was received by me from the Little Rock Police Department pursuant to a citizen request for prosecution. Previous material sent to the Labor Committee of the Senate outlines our reasons for declination of prosecution.

Should you have any further questions please do not hesitate to contact me. My direct line is (501) 340-8120.

Most sincerely,

A handwritten signature in blue ink, appearing to read "Mark Stodola", written over a horizontal line.

Mark Stodola
Prosecuting Attorney
Sixth Judicial District

MS:th