

D. Baer
Good quiet - stuff
he can use - B.

THE PRESIDENT HAS SEEN 9/8

UNITED STATES DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY

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To the President -

Thought you'd find this
of some interest.

Enjoy the vacation.

Ba

THE STATE OF THE AMERICAN WORKFORCE 1994: THE OVER, THE UNDER, AND THE ANXIOUS

**Secretary of Labor
Robert B. Reich**

**Center for National Policy
Washington, DC
August 31, 1994**

On the eve of the second Labor Day of this Administration, there is much for America's working men and women to celebrate. We are enjoying a robust jobs expansion, without any signs of inflationary dangers. The unemployment rate was down to 6.1 percent at last month's reckoning. There are still a few hours left in August, and nobody -- including me -- knows what this month's jobless rate will turn out to be. But what matters is the trend, and the trend is very good. Between last Labor Day and the end of July, the economy added over 2.5 million new jobs -- more than in the full four years of the Bush Administration. In the Clinton Administration so far, the economy has generated 4.1 million new jobs, 93 percent of them in the private sector. [Chart 1]

Comparing parallel points in the last recovery gives some perspective on this accomplishment, and the odds against which it was brought about. Private payrolls have grown by 4.2 percent in the past year and a half. Over the corresponding period of the much-vaunted Reagan recovery, private job growth was 3.9 percent. And this recovery has had to struggle against the anchor of debt left by the spending that fueled the last one -- the legacy of a profligate decade in which federal debt grew from \$908 billion in 1980 to \$3.2 trillion in 1990.

Not only are we delivering job growth while shrinking deficits, but through expanding the Earned Income Tax Credit we're lowering taxes for 15 million working families with modest incomes. Only a tiny fraction of Americans -- the richest 1.2 percent, who are best able to shoulder an extra burden -- are paying slightly higher taxes. The dire forecasts that spending cuts would fail to materialize, or that a small tax increase on the fortunate few would bring the economy to its knees, have been proven dead wrong. The President's plan has worked.

And yet our mission is just begun. Getting our fiscal house in order and

reigniting job growth were essential to repair the damage of the recent past, but they are only the prerequisites to our broader agenda -- reversing the economic divisions that have undermined our sense of common destiny, and laying the foundation for a new middle class.

Even though it has been a long time since the picture was so bright for the average American worker, the experience of the average worker is becoming less and less relevant. Some workers are surging ahead, others are treading water, and still others are sinking fast -- in the same economy, at the same time. The state of the American workforce, in short, is divided.

In the late 1960's, as my generation was joining the workforce, the vast majority of Americans were middle class, in reality as well as perception. Their status and prospects differed only moderately from the average. In an astonishingly short time, the old middle class has splintered. The erosion of a sense of shared prospects poses what may be our nation's most critical challenge of the post-Cold War era. Reversing this erosion, giving all Americans a reason to believe once more that hard work will lead to a better life, is this Administration's central objective.

Broad trends that have converged and accelerated since the middle 1970's have split the old middle class into three new groups: An underclass largely trapped in center cities, increasingly isolated from the core economy; an overclass of those who are positioned to profitably ride the waves of change; and in between, the largest group, an anxious class, most of whom hold jobs but who are justifiably uneasy about their own standing and fearful for their children's futures.

Despite the progress of the past year, this division still casts a shadow over the state of the American workforce on Labor Day 1994. Let me describe this picture in greater detail -- with the help of new data, much of it recently compiled by the Bureau of Labor Statistics.

The fundamental fault line running through today's workforce is based on education and skills. Well-educated and skilled workers are prospering; those whose skills are out of date or out of synch with industrial change anxiously contemplate their prospects; those without education or skills drift further and further away from the economic mainstream. The notion that we're creating a bounty of bad jobs is a myth. Most new jobs are good jobs. The problem is that the jobs that remain for workers without skills or with the wrong skills are becoming grimmer and grimmer.

Skills have always mattered, to be sure, but they have not always been such potent determinants of economic destiny. As recently as 1979, a male college graduate earned 49 percent more than a similar man with only a high school diploma -- a sizable

difference, to be sure, but not too large for the two to share the label "middle class". By 1992, however, the average male college graduate was earning 83 percent more than his high-school graduate counterpart, and the notion of common prospects had faded considerably. More recent data are not available, but there is no reason to believe this trend toward inequality has been reversed. [Chart 2] The picture for women is similar, if slightly less stark. At every level of education and training, the pattern holds: The higher the skill level, the higher the earnings. And the gap has been growing. [Chart 3]

There is a similar divergence in employee benefits. Employer-sponsored health coverage for workers with college degrees has declined only slightly, from 79 percent in 1979 to 76 percent in 1993. But rates for high school graduates have fallen from 68 percent to 60 percent over the same period, and for high-school dropouts, the 1979 rate - already low at 52 percent - has plummeted to 36 percent. This inequality is one reason why the Clinton Administration remains committed to comprehensive health care reform. [Chart 4] Similar divisions apply to employer-sponsored pension coverage. Nearly two-thirds of workers with college degrees are included in pension plans at work, but fewer than a quarter of high-school dropouts.

Not only the wages and benefits that workers can command, but also their chances for holding a job at all, are divided along lines linked to skills. This gap, too, is widening over time. In the 1970s, the average unemployment rate for people who had not completed high school was 7 percent. By the 1980s, this rate averaged 11 percent, and in 1993 it was over 12 percent. High school graduates have also seen their risk of joblessness trend upward. By contrast, the unemployment rate for workers with a college degree or better has held fairly steady at around 3 percent. [Chart 5] Over the most recent ten-year period for which data are available -- the period from 1983 to 1993 -- the number of jobs in sectors that typically require higher levels of education has grown by an annual average of 2.8 percent, while job growth in sectors requiring less education has been only 1 percent. [Chart 6] This shift in favor of skills shows up not just in the United States, but in other advanced countries as well. Over the same period jobs in high-skill sectors have grown rapidly in Canada, Japan, France, Germany, Italy, and the United Kingdom, while job growth in low-skill sectors has been slow or nonexistent, narrowing horizons for workers without adequate education and training. [Chart 7]

In a seeming paradox of today's economic news, financial markets fret that unemployment is too low to contain inflation, even while 8 million willing American workers remain jobless. Part of the answer to the apparent contradiction is that markets for highly skilled labor are becoming tight in many parts of the economy, creating the conditions that can kindle inflation worries. But millions of less-skilled workers remain idle or underemployed. This wasted workforce is walled off by skill barriers from the

leading edges of the economy where capacity constraints loom. The best way to expand the economy's capacity and lower the level of unemployment needed to bridle inflation is to dismantle these walls by preparing underutilized workers for more productive work.

What lies behind these widening disparities within the workforce? Manufacturing jobs were once the gateway to the middle class, even for workers who started off without high-level skills. While it is a myth that international trade has robbed America of its manufacturing industries, technological changes have diminished the role of labor, especially unskilled labor, in the modern factory. And global trade and investment surely have hastened these technological changes. Even within manufacturing industries, a rising share of value is added before the assembly line begins (in the form of market research, design, and engineering) and after goods are produced (in the form of precision-scheduled delivery, customized installation, and maintenance).

Labor unions have long helped shore up wages and benefits even for workers without high-level skills. But today, only eleven percent of the private-sector workforce is represented by a union. Let there be no doubt: A revitalization of the labor movement would help reverse the erosion of the middle class. This Administration is committed to full enforcement of the laws guaranteeing workers' rights to form unions and bargain collectively.

But we cannot stop there. The forces unleashed by technology must be mastered, not merely buffered. As increasingly capable machines join ever more Americans at the workplace -- join them both as co-workers and as competitors -- the payoff to education and training has soared, and the penalty for lacking skills has stiffened.

The most striking change in the workplace has been the brash arrival of the computer. [Chart 8] In 1984, about 25 percent of American workers used computers on the job. Last year, almost 47 percent did. And contrary to the myth that computer-literate youngsters are running circles around their technophobic elders, workers between 40 and 54 comprise the group most likely to work with computers. We're talking about my generation. Fully half of them use computers at the workplace, compared to around a third of workers between 18 and 24. Even workplace communication has been transformed, as one in ten workers now uses electronic mail to communicate with colleagues around the corner or around the world. Not long ago I arranged for 60 people at the Labor Department to report to me directly on an e-mail system piped into my home computer. I haven't had a peaceful evening since.

But the computer revolution has deepened the division of the American workforce. Two-thirds of college graduates use computers at work, but only one third of high school graduates, and fewer than one in ten high-school dropouts. [Chart 9] The vast majority of managerial, technical, and professional workers use computers. But

people in lower-paying, lower-skill occupations use them far less frequently. The information highway promises to speed some people to desirable destinations, but it may be leaving others stranded in the high-tech version of inner-city ghettos. Indeed, a recent study of census data found that fully five percent of America's households -- disproportionately poor, or minority, or single-parent families -- lack access to a telephone, the basic ticket of entry to the information web. Other data show that minority children are less likely to use computers at school or at home. As personal computers become standard equipment for learning at home, children who are disconnected from the system will fall further and further behind.

Yet the long-term data also affirm the potential for building a new middle class. The skill-based divisions of today's workforce are in some ways more readily overcome than the divisions based on race or gender that have haunted America throughout our history.

Even as we celebrate the 30th anniversary of the Civil Rights Act, the road to opportunity is often much rockier for people of color. Last month, the national unemployment rate for black Americans was over 11 percent, more than double the rate for white Americans. Today, black men hold only three out of every 100 managerial, professional, and technical jobs in the American economy. The median income for black males working full-time, full-year in 1992 was \$22,400 -- just 72 percent of the median income for comparable white males.

Hispanic Americans seeking to join the middle class have confronted similar obstacles. Their unemployment rate tops 10 percent, and their earnings -- particularly for Hispanic men -- have been steadily eroding. And Hispanic workers are significantly less likely than their white counterparts to receive health insurance on the job.

Closing these gaps requires a long, painful process of national growth and healing to which we remain committed. But virtually every willing worker can expand his or her skills; indeed, information technology itself promises to vastly increase the productivity of learning as it makes top-flight teaching tools more widely available. In path-breaking training programs in the troubled heart of Detroit and the barrios of East Los Angeles, I have seen some of the country's most stigmatized young people learning some of the economy's most sought-after skills, earning themselves entree into the new middle class.

While visiting one such program, I talked with a young woman who said, "I used to hate math." But now her perspective had changed. Math class -- once a blizzard of abstract equations -- had become a concrete way to build skills for a good job. Now, she told me, "I love geometry."

America has hope enough to go around. There is no fixed number of good jobs to be parceled out, nor any natural limit to the ingenuity of the human mind and the new products and services it can concoct. We already see emerging all around us examples of the sophisticated yet accessible work that can form the platform for a new middle class. Some of the most notable job growth has occurred among technicians, who defy the traditional categories of the old economy. Their ranks are predicted to grow by nearly 40 percent over the decade to come. Data released recently by the Bureau of Labor Statistics show the most rapid job growth in high-paying occupations, even within traditionally low-paying industries — hinting at the proliferation of new kinds of middle-class jobs throughout the economy.

In my travels throughout America, I've met workers who repair vending machines using hand-held computers to identify problems and communicate with the home office, or who manage sections of retail stores by periodically tapping PCs to monitor sales and replenish inventories. Skilled workers use computers to monitor manufacturing machinery, or to link other computers as they install and test complex communications networks, or they go online to research cases and statutes at law firms. Some technical workers drive trucks equipped with a computer and modem and make just-in-time deliveries. Others orchestrate sophisticated spreadsheet and graphics programs to create value in ways unimaginable a decade ago.

The technician jobs that will sustain the core of the new middle class usually require some education beyond high school, but they do not always demand a four-year college degree. Degrees from community colleges -- the unsung heroes of the new middle class -- are paying off, and their enrollments are rising. Men with community college degrees earn 26 percent more, on average, than men with only a high school diploma. Women who have graduated from community colleges earn 33 percent more than women with a high school degree alone.

The Clinton Administration's workforce agenda is anchored by the proven facts that skills matter, and they can be learned. The fruits of our commitment to creating a new middle class are already emerging. We have begun to combat the forces dividing America's workers with an armory of new approaches to lifelong learning. (Ironically, many of these accomplishments have been little noticed because of the bipartisan consensus supporting them. Bipartisanship summons less attention than ideological brawls.)

Consider: An additional 130,000 children each year can now be made ready to learn at school through Head Start. School systems throughout America have millions of dollars in new incentives to improve their performance. During the summer just ending, some 120,000 disadvantaged young people who otherwise would have been on the street instead combined jobs with classroom instruction. Over the next six years,

almost half a million young Americans will be entering youth apprenticeships during the last two years of high school, many of them receiving special skill training beyond high school.

Starting this fall, 20,000 young people will enter National Service, earning money that they can apply to a college education. The three and a half million people who take out education loans each year now have the option of repaying their loans as a percentage of future income. We're delivering on our promise to make work pay -- offering tax relief for 15 million working families with modest incomes. We've begun transforming the old unemployment insurance system into a reemployment system, ensuring that this year alone an additional 150,000 Americans who have lost their jobs will get the skills or the job-search help they need to find new ones. (Community colleges are quietly evolving into a core component of the emerging reemployment system, as thousands of experienced workers who have lost their jobs are able to rejoin the middle class thanks to community-college training.)

And we remain committed to staying the course on health-care reform, not least because the workforce stakes are so high. Without delivering on the promise of health security, our mission of turning the anxious class into a new, more secure, more productive middle class cannot be completed.

American business also has a crucial role to play in building a new middle class. Skills learned on the job, or in a work-related setting, tend to be especially well-tailored to the requirements of the workplace. New data on work-related training -- even though they do not capture the vital but hard-to-measure effect of informal on-the-job training -- show that the impact of such training is of the same magnitude as more traditional schooling. In fact, men and women who graduate only from high school, but who have received work-related training, earn more than people who have attended some college but who have not received any additional training, and almost as much as college graduates who lack additional work-based training. [Chart 10]

A positive sign is the growing readiness on the part of labor unions to include training benefits in bargaining. A contract negotiated this year between Nynex and the Communications Workers of America encourages workers to earn a two-year technical degree. Employees can spend one paid day a week building their skills, with the guarantee of a \$50-per-week raise upon graduation. Workers employed for five years or more qualify for up to two years of education leave, and up to \$10,000 yearly for tuition.

Yet most companies are not yet doing enough training, and what training they do provide is not being directed to workers who need it most. Among young college graduates, about 35 percent now receive work-related training. That's nearly double the

rate for high school graduates and more than four times the rate for high school dropouts. The workers most likely to receive training are white, male, well-educated, and working in high-paying occupations. This imbalance serves only to harden the divisions within the workforce.

The payoff to work-based training, and the inadequacy and uneven distribution of such training, highlights the need for a new social compact among American workers, business, and government. In its first year and a half, the Clinton Administration has delivered much of what business has sought in order to bolster its competitiveness -- lower deficits, low inflation, more open world markets, promotion of American companies abroad. Now business needs to do its part in this new compact by bringing all workers along on the route to prosperity, investing aggressively in their skills and making them partners in productivity. For American businesses, this new social compact is an imperative not only of corporate citizenship, but also of their own long-term interests.

A constant theme of American history has been the challenge of forging unity out of diversity. Over and over, we have had to affirm our identity as one nation, even in the face of profound differences. We are at such a point once again. This time, though, the deepest divisions aren't based on race or on national origin or on geography. They're based on the ability of individuals to make their way in an increasingly turbulent economy. The overclass is doing fine, but questioning its connection to the rest of America. The underclass is isolated in marginal enclaves walled off from hope. The anxious class is being pulled and stretched -- by the need to work two or more jobs to keep a family solvent, by uneasiness about health care, by the specter that today's job will disappear tomorrow, and by fears that their kids will be denied the opportunity for a better life.

If unchecked, these divisions can corrode our society. Unlike the citizens of most other nations, Americans have always been bound together less by a shared past than by shared dreams of a better future. If we lose that common future, we lose the glue that holds our nation together. Even now, some aspiring demagogues, feeding on the fear and anger unleashed by the splintering of the old middle class, stoke the fires of hate on the airwaves, and conspire to conceal their own agendas behind the banners of fear and division. This Administration proudly claims these cynics as adversaries.

Nothing is more vital to fulfilling our nation's defining promise than preparing all Americans for meaningful, productive working lives. This is no simple undertaking -- especially with the most austere federal budget in a generation. But if we pledge our common efforts -- business, labor, government at all levels -- we can clear the path to opportunity for today's working men and women and their children.

In this century's waning years, in the hopeful, fearful confusion of the Cold War's end, our most important mission is to restore hope to the anxious class and lift despair from the underclass, to affirm with conviction that the American dream of broadly-shared middle class prosperity still endures.

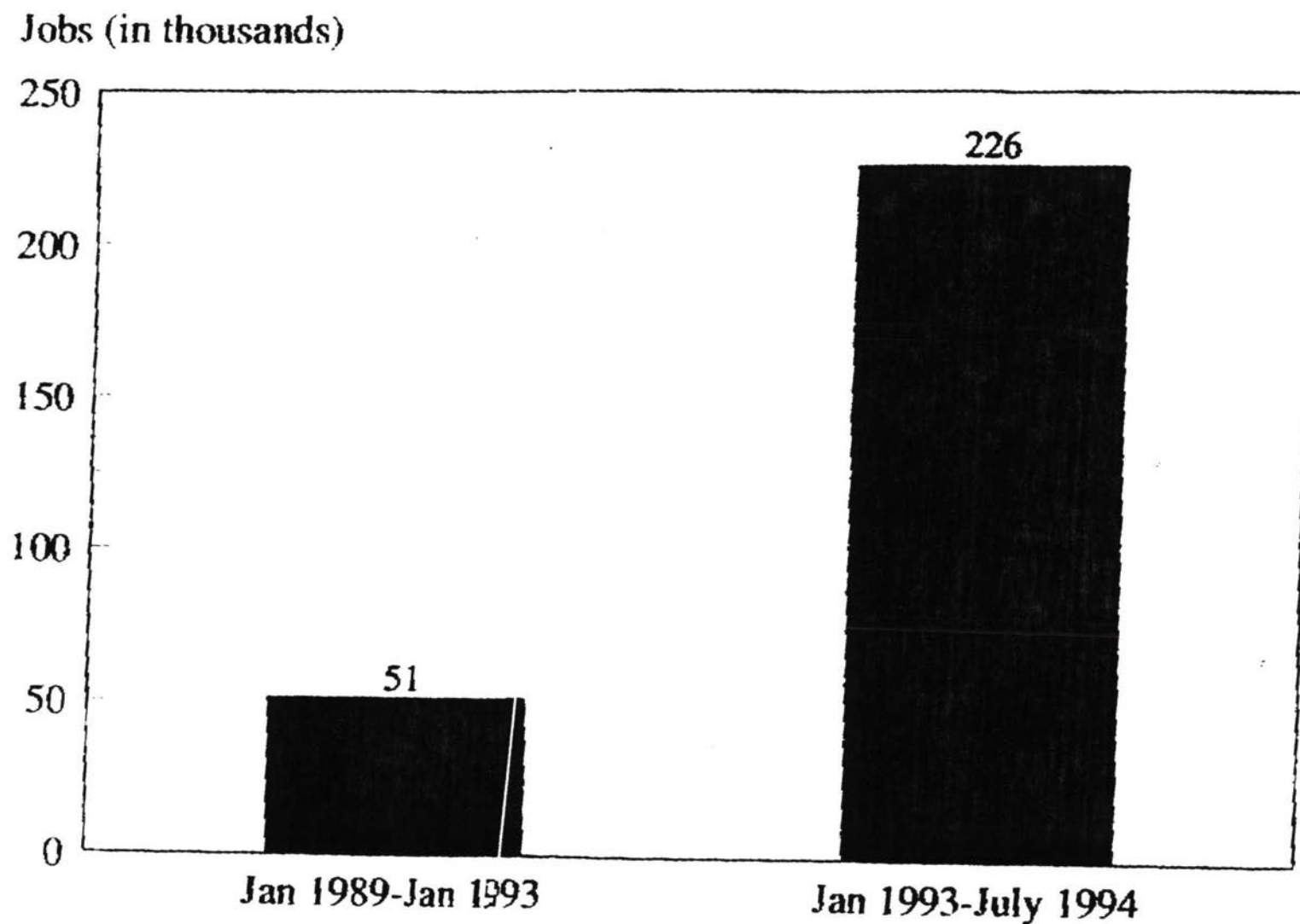
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**THE STATE OF THE AMERICAN WORKFORCE:
THE OVER, THE UNDER, AND THE ANXIOUS**

CHART SUMMARY

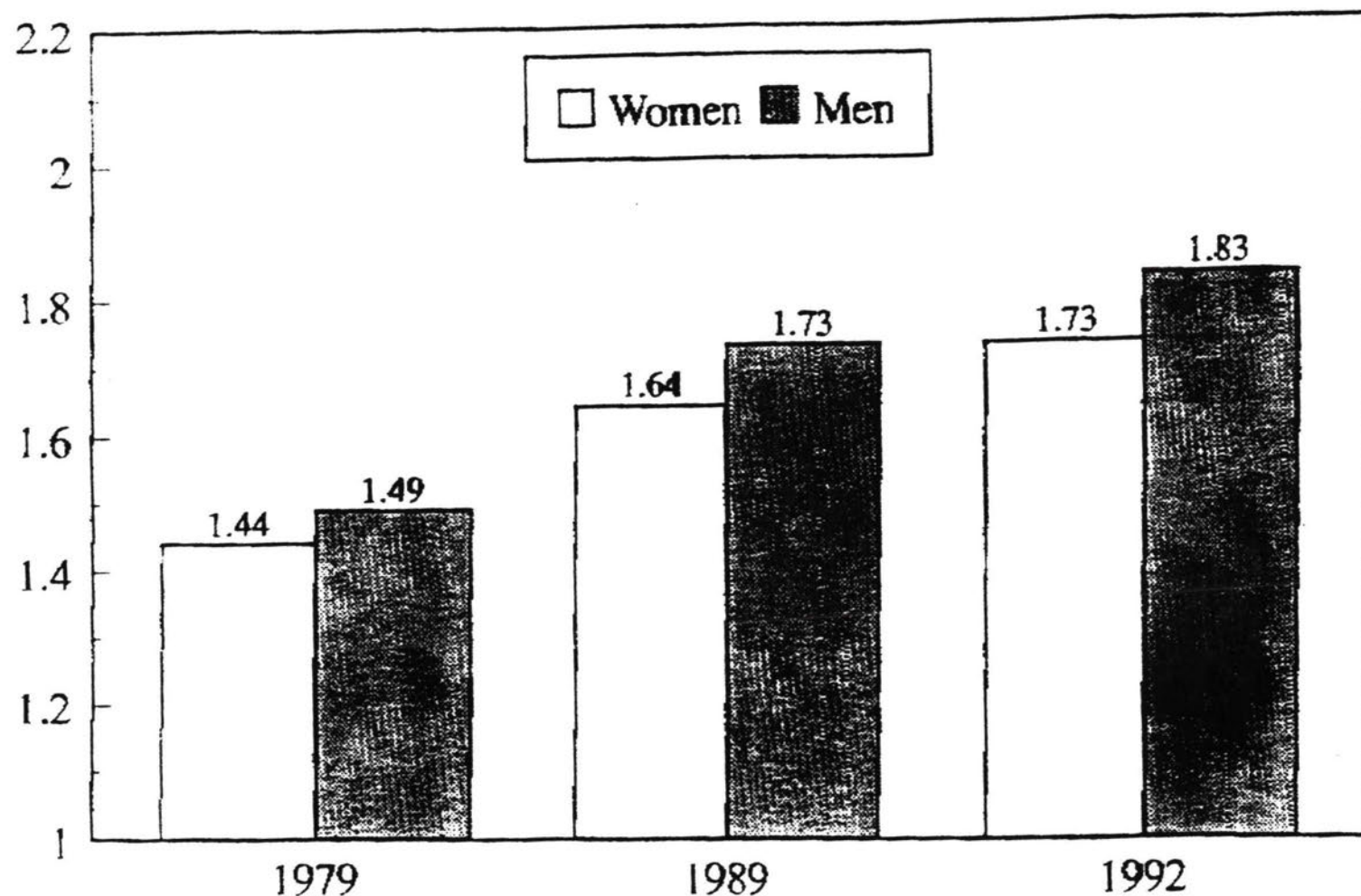
- 1 Average monthly change in nonfarm payroll employment
- 2 Ratio of average annual earnings of college graduates to high school graduates
- 3 Annual average earnings of workers by gender and educational attainment
- 4 Health care coverage rates under employer-sponsored plans by educational attainment
- 5 Unemployment rates of persons 25 to 64 years of age by educational attainment
- 6 Employment growth by higher and lower educational attainment sectors in the United States, 1983 to 1993
- 7 Employment growth by higher and lower educational attainment sectors, 1983 to 1993
- 8 Percent of workers who directly use a computer at work
- 9 Computer use at work by educational attainment, 1993
- 10 Average weekly earnings of full-time workers by educational attainment and training received, 1991

Average monthly change in nonfarm payroll employment



Source: Current Employment Statistics program

Ratio of average annual earnings of college graduates to high school graduates

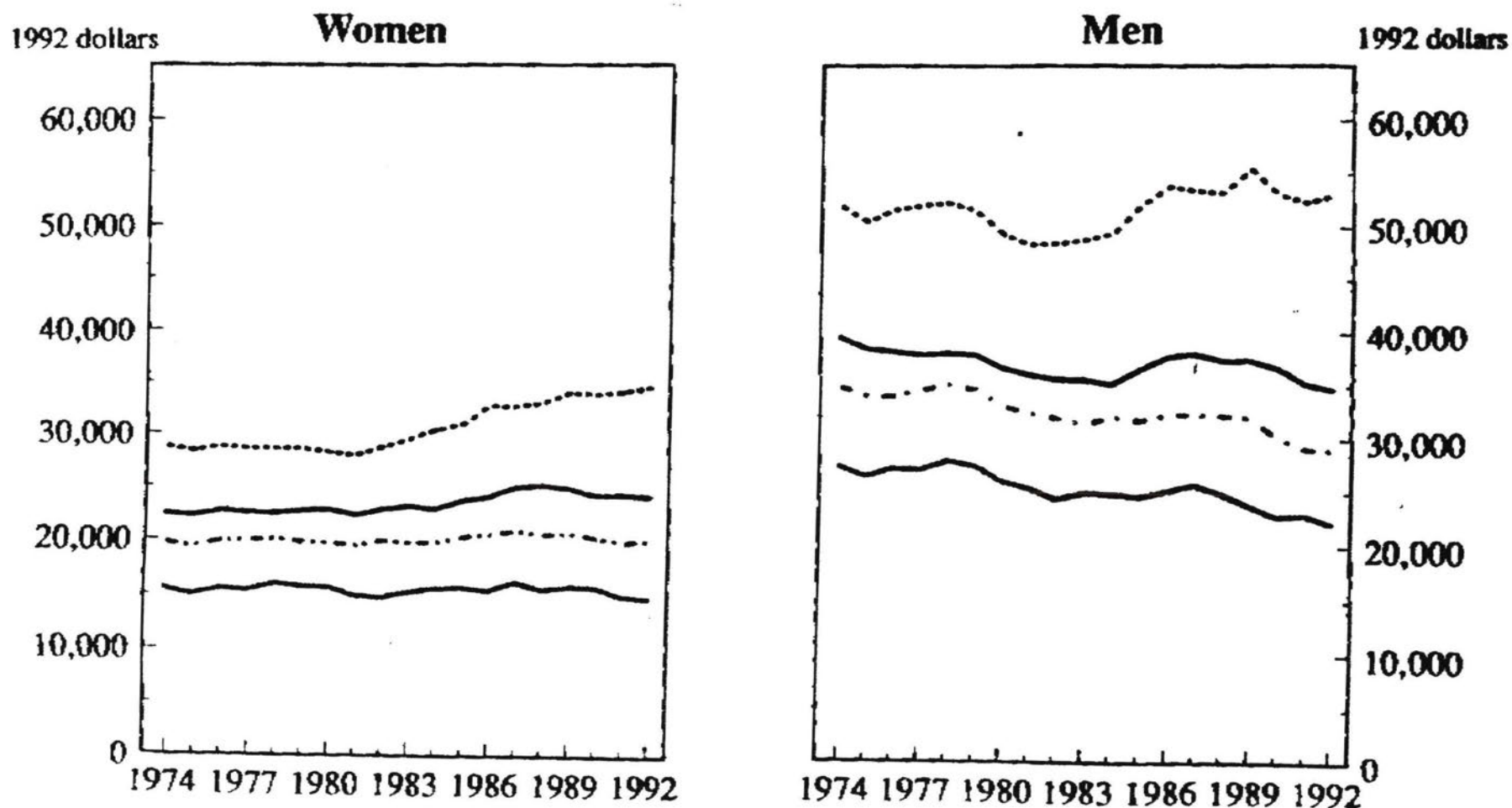


Note: Workers 25 years and older, year round, full time. Data on educational attainment for 1992 are not directly comparable to those from prior years.

Source: Current Population Survey

Annual average earnings of workers by gender and educational attainment

— Less than high school • • 4 years of high school — 1-3 years of college - - - - 4 years or more of college

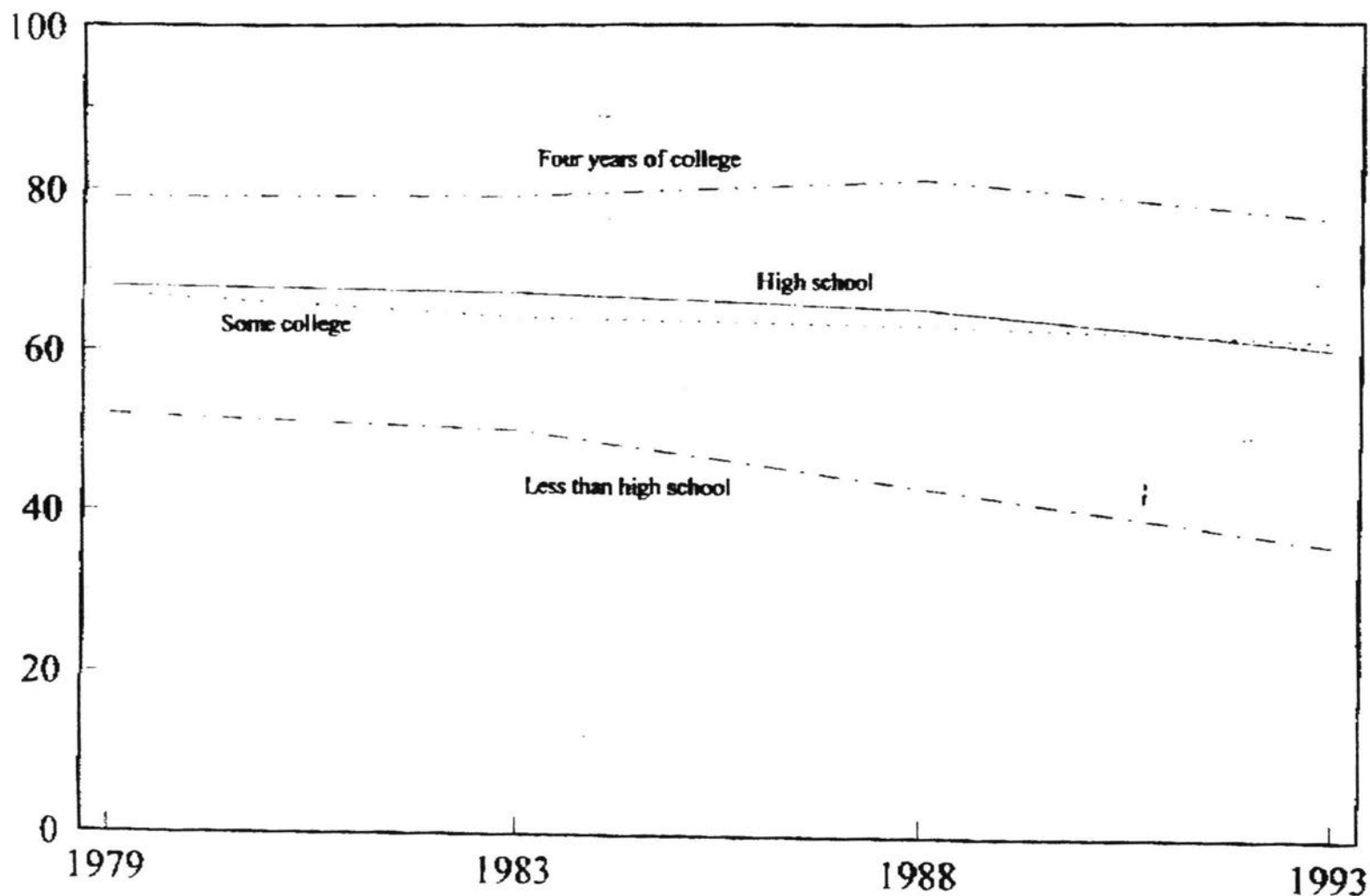


Source: Bureau of the Census, Current Population Survey

Note: Workers 25 years and older, working year round, full time. Data on educational attainment for 1991 and 1992 are not directly comparable to those from prior years.

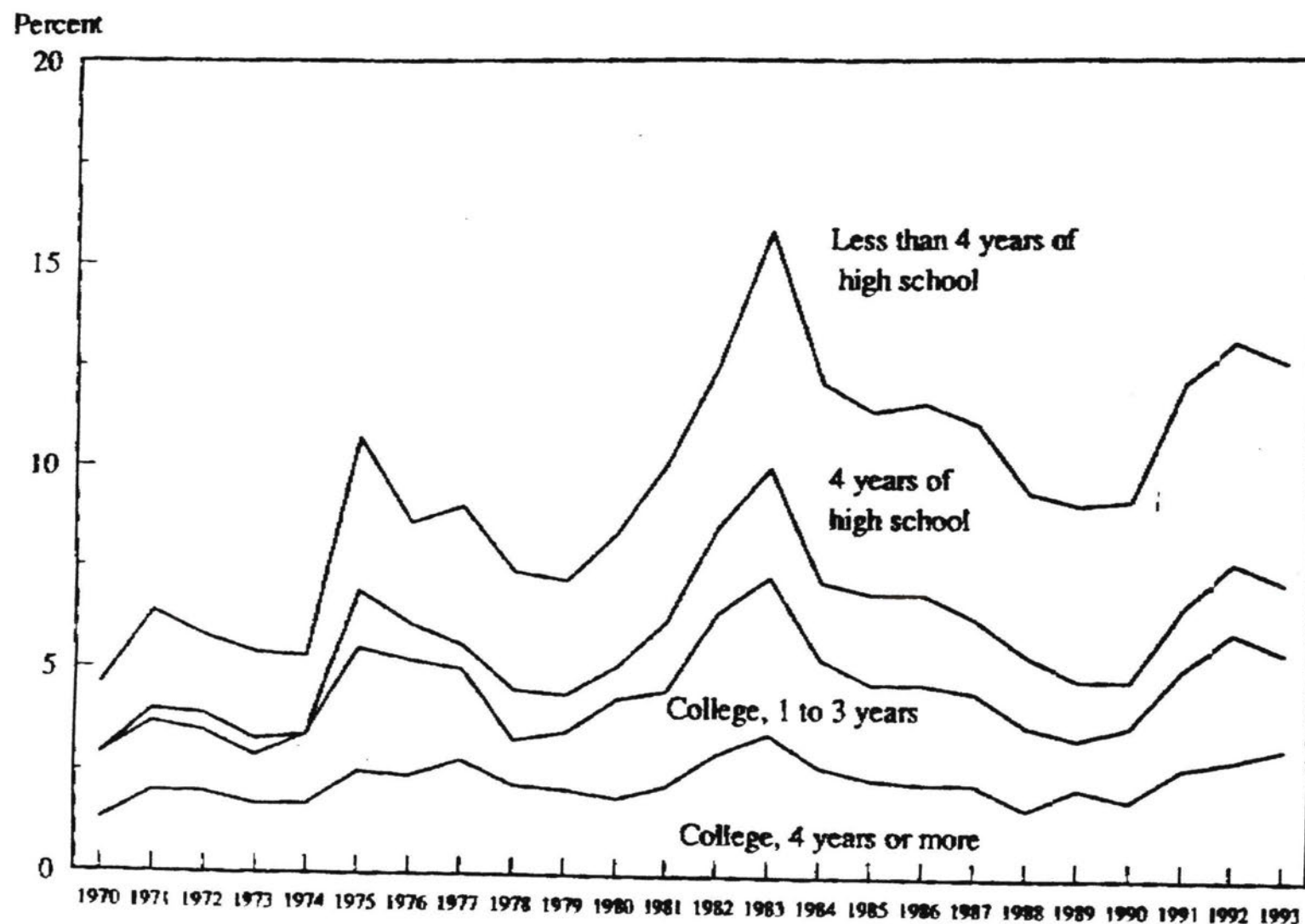
Health care coverage rates under employer-sponsored plans by educational attainment

Percent of all wage and salary workers



Source: Current Population Survey

Unemployment rates of persons 25 to 64 years of age by educational attainment

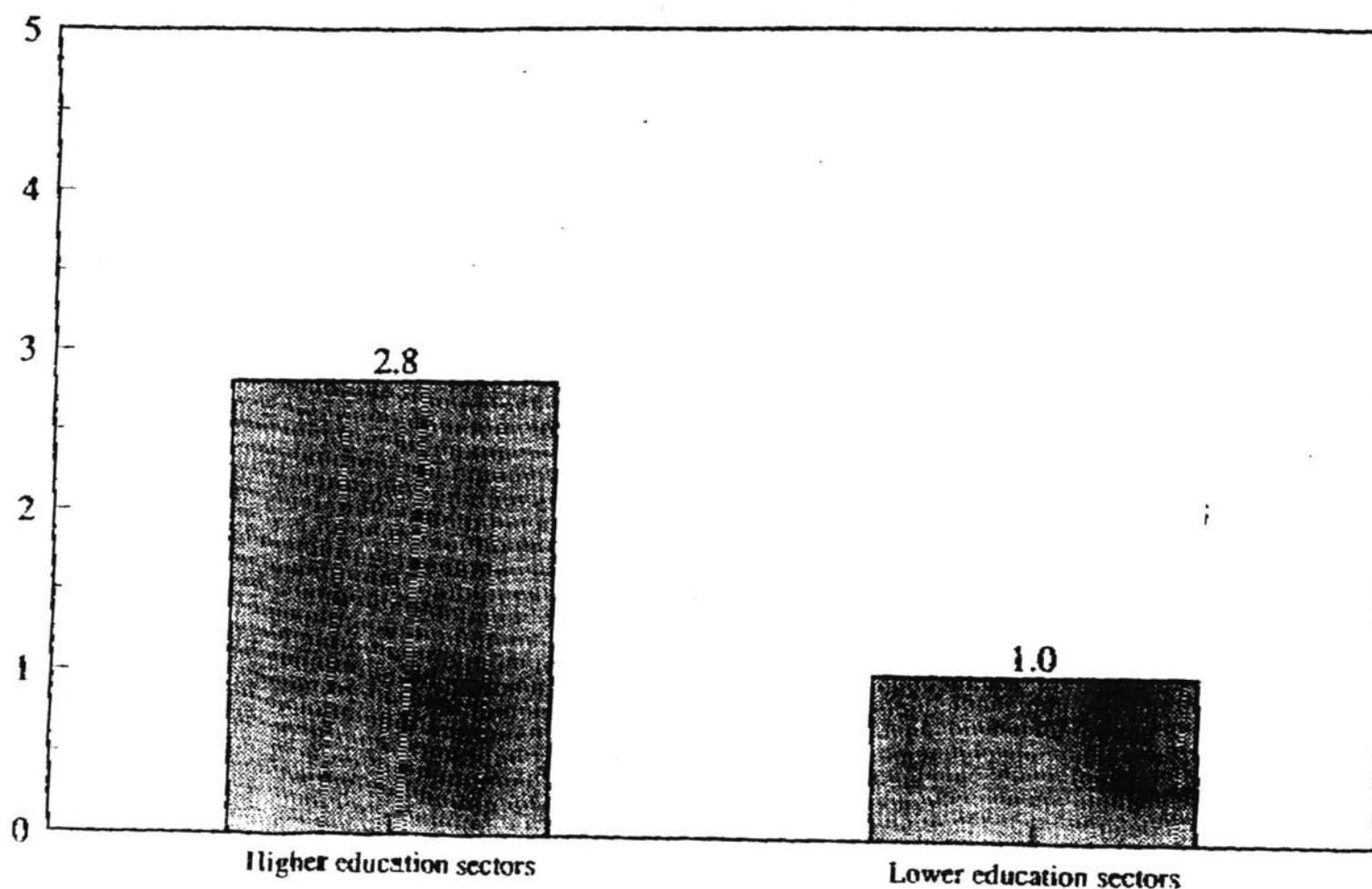


Note: Data on educational attainment for 1992 are not directly comparable to those from prior years.

Source: Current Population Survey

Employment growth by higher and lower educational attainment sectors in the United States, 1983-93

Average annual percent change

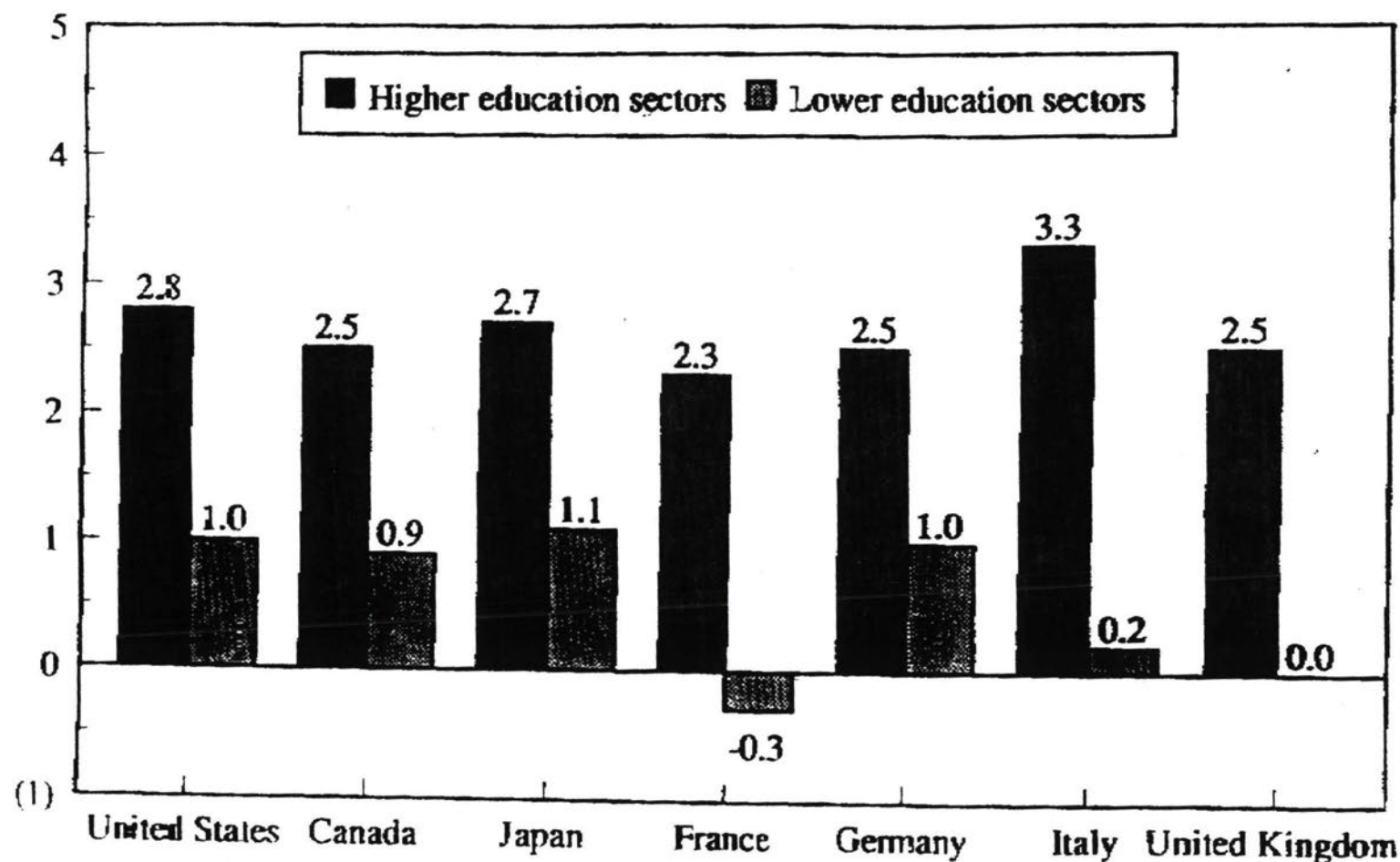


Note: Higher educational attainment sectors are those in which 30% or more of the full-time workers had college degrees in 1985.

Source: Current Population Survey.

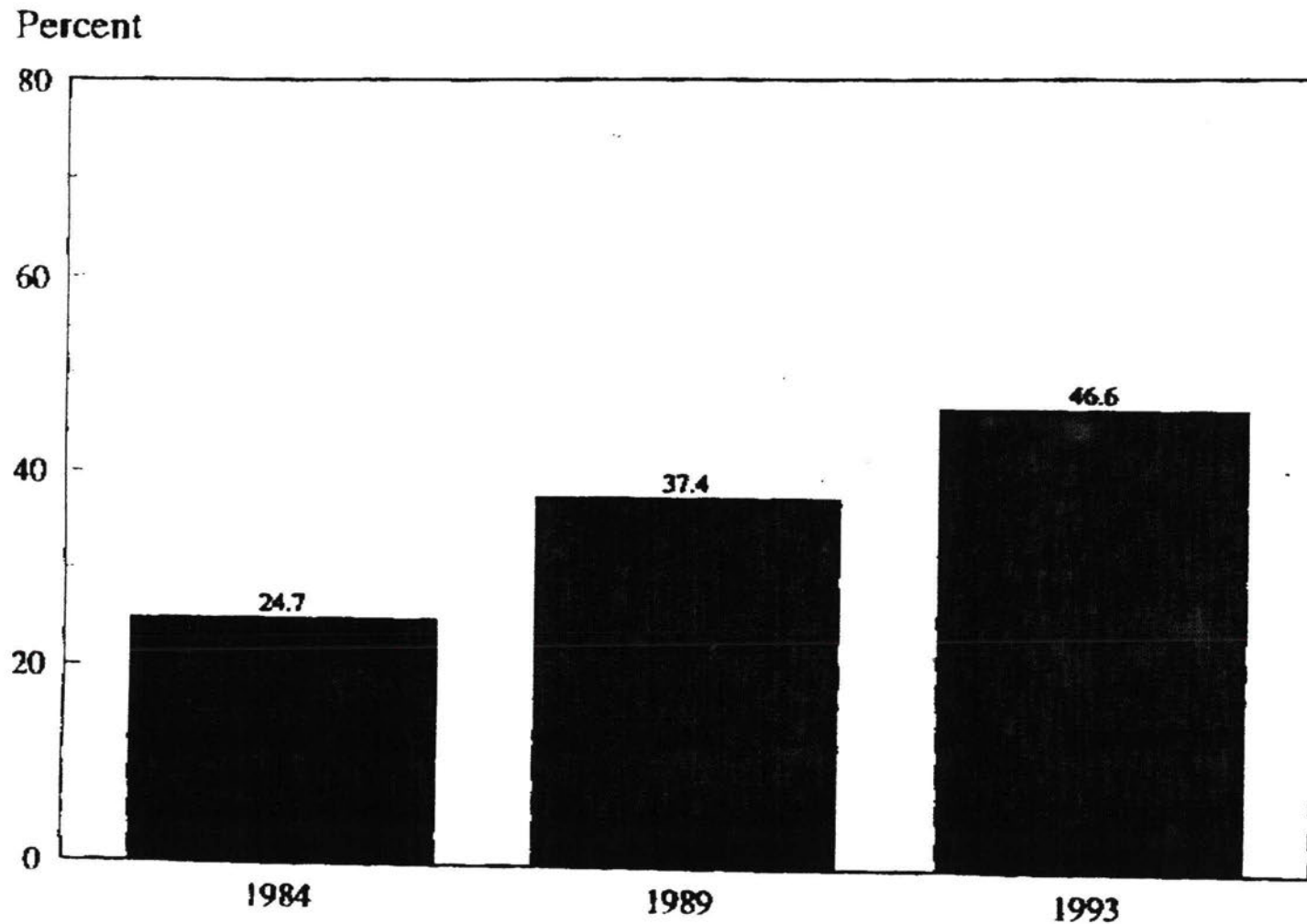
Employment growth by higher and lower educational attainment sectors, 1983-93

Average annual percent change



Note: For France, Germany, Italy, and the United Kingdom, the data are for 1983-91.
Higher educational attainment sectors are those in which 30% or more of the full-time workers in the United States have college degrees.

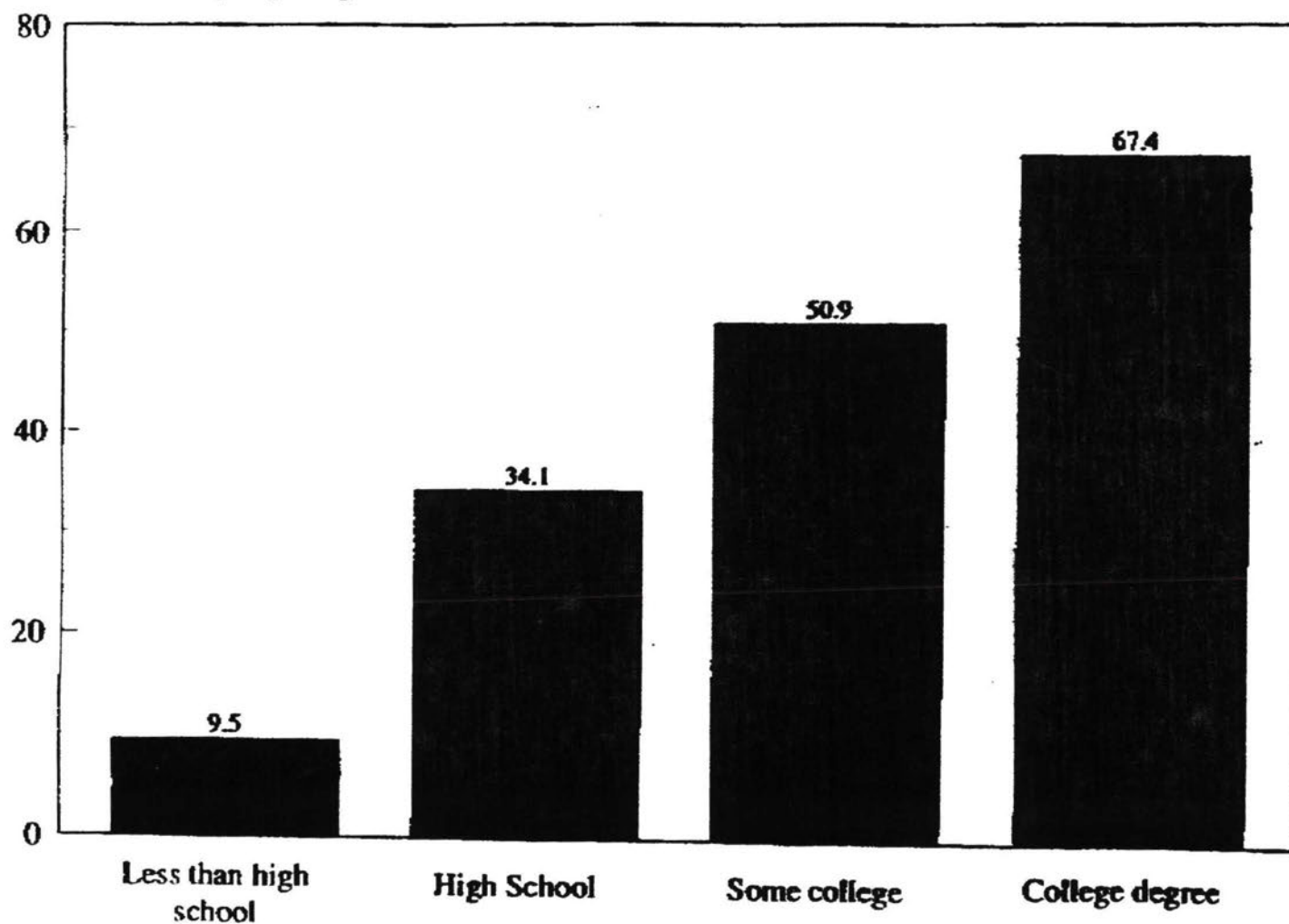
Percent of workers who directly use a computer at work



Source: Current Population Survey

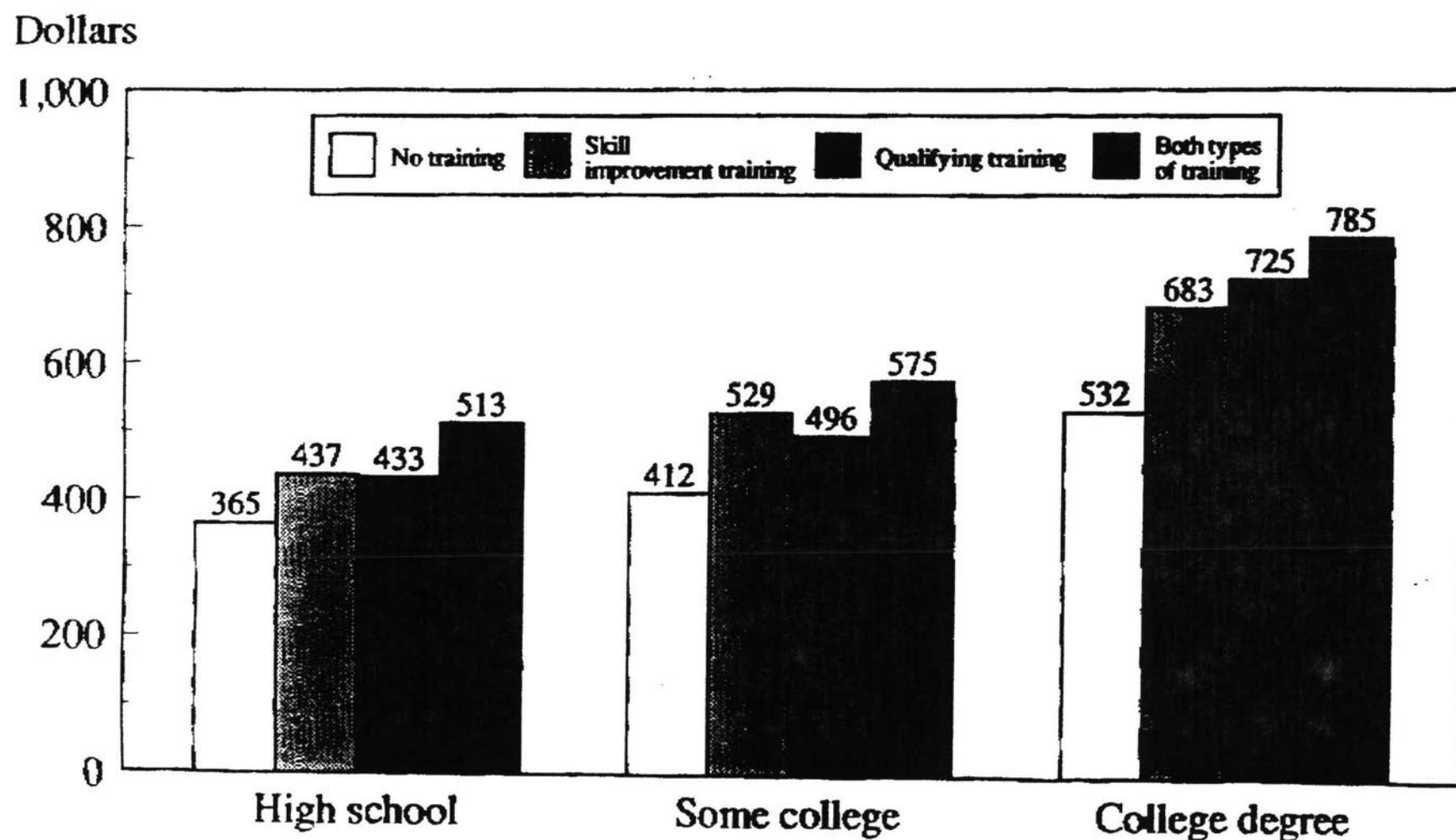
Computer use at work by educational attainment, 1993

Percent of employed persons



Source: Current Population Survey

Average weekly earnings of full-time workers by educational attainment and training received, 1991



Source: Current Population Survey

U.S. DEPARTMENT OF LABOR
SECRETARY OF LABOR
WASHINGTON, D.C.

SEP 1 1994

94 SEP 1 11 P3:09

CC VP
Lead
Pat G.
George

MEMORANDUM FOR THE PRESIDENT

cc: Robert E. Rubin
FROM: Robert B. Reich *BR*
SUBJECT: Update on Pension Reform Legislation

I write to update you on the Administration's Retirement Protection Act. Action on the bill is moving ahead in the Congress and may soon come to a head.

Background

When we came to office, we had concerns about pension underfunding and the solvency of the Pension Benefit Guaranty Corporation, the agency that insures pension benefits. In the last years of the prior administration, the pension failures at Pan Am and Eastern airlines cost the Government and pensioners over \$1.5 billion.

In March of 1993, I convened an interagency Task Force to review the situation and make appropriate recommendations. The Task Force included high level people from the National Economic Council and the Office of Management and Budget.

The Task Force found that while the majority of pension plans (75%) are well funded, pension underfunding and the PBGC deficit are growing and present a serious long-term problem. In the last five years, pension underfunding has grown from \$27 billion to \$53 billion. At the same time, the PBGC's deficit has doubled to \$2.9 billion. Funding problems are acute in the airline, auto, steel, and tires industries where there are large amounts of benefits owing for past service.

The Task Force concluded that reform legislation is necessary. The current rules on pension funding give companies the flexibility to set aggressive actuarial assumptions so they can minimize contributions. As an example, General Motors, whose underfunding now exceeds \$20 billion, uses a mortality table that assumes twice as many people die at any given age than the tables used by Ford. This lowers contributions for General Motors since earlier deaths mean fewer pension payments. Also, contribution schedules are too slow. They allow 30 years to pay for many new benefits.

The Retirement Protection Act

The Task Force developed a legislative package that was sent to the Congress in October after careful review by me and several other senior officials. Our reforms call for: (1) strengthened pension funding; (2) better compliance tools for the PBGC; (3) increased PBGC premiums for plans posing the greatest risk to the system; and (4) regular notice to workers and retirees about funding and PBGC guarantees.

The heart of the bill is the funding reforms. These reforms would prevent companies from using aggressive actuarial assumptions and speed up contribution schedules.

We worked hard to develop a balanced, affordable package. Our reforms apply only to underfunded plans, so the large majority of employers are not affected. For those affected, we seek to reduce underfunding steadily and reasonably. Our reforms would fund all vested benefits in 15 years and eliminate the PBGC deficit within ten years.

Congressional Action

This year, I testified on the reforms before three Committees -- the House Education and Labor Committee, the House Ways and Means Committee, and the Senate Finance Committee.

The reception was highly positive. The primary concern has been the increased pension costs that the bill would bring. I underlined the bill's reasonableness and pointed to the current economic upturn as providing a special opportunity to catch up on pension funding.

On July 22, the Ways and Means Committee adopted our bill with some modifications to the funding requirements. Our champion in the Ways and Means Committee is Jake Pickle, who has been working on this issue for a number of years. The Committee's support was unanimous.

On August 11, the Education and Labor Committee reported out the bill, again unanimously. Their bill further moderates the funding requirements, but on a whole it is positive. Bill Ford was most helpful, working to balance our needs and the views of the automobile companies. The auto industry has heavily underfunded plans and any reform bill must inevitably require auto companies to contribute more to their pension plans.

Along the way, we have picked up endorsements from the AFL-CIO, the United Autoworkers, and the Steelworkers. The primary opposition has come from the auto industry and a few other large companies.

Over the last month, Lloyd Bentsen, Leon Panetta and I each met with auto industry executives. Discussions are ongoing between Administration representatives and the auto companies.

GATT

With the House Committees endorsing our bill, the activity now moves to the Senate Finance Committee. Mr. Moynihan gave us a boost at his Committee hearing, but he has yet to signal that he is prepared to move forward.

With revenue coming from more PBGC premiums, the bill raises over \$400 million. The Ways and Means Committee has included the bill in its GATT financing package. The bill is not in the Senate Finance Committee package. The Committees will sort out the many GATT issues on return from recess.

Future Action

The legislation has made remarkable progress. With a short legislative season, GATT presents the best vehicle to pass our bill.

I think it is essential that we push for passage this year. The momentum provided by Mr. Pickle and then Mr. Ford will not be with us after this session.

We have steered clear of calling the PBGC situation a crisis, but this is a persistent problem that requires a legislative fix. Pension failures continue and it is hard to imagine that another major plan will not fail in the next year or two. It will be to our credit that we have addressed the pension funding problem.

Our bill has attracted editorial support from over seventy newspapers throughout the country. Attached are August editorials from the Washington Post and the Chicago Tribune.

Attachments

The Washington Post

AN INDEPENDENT NEWSPAPER

Pension Clock

TEN MONTHS ago the Clinton administration sent to Congress a carefully written bill to correct a serious financing problem in the nation's private pension system. Only now has Congress begun to respond, and the question is whether time enough remains to pass the bill this year. The legislation ought to pass. The problem now is manageable. It isn't clear it will always be.

Congress began the modern regulation of the private pension system in 1974. The regulatory system has generally been a success. A lot of private pension plans were in ragged financial condition then. Most are in sound condition today. But a relative few remain seriously underfunded, and the underfunding has put the government at risk, since under the law it is the pension insurer of last resort.

The risk is hard to measure. Most of the underfunding is in the plans of a few large companies in just four industries—autos, steel, airlines and tires. The fact that their plans are underfunded doesn't necessarily mean the companies won't meet their obligations over time. The method by which the underfunding is calculated is also arbitrary in some respects; it varies according to interest rates, which may or may not reflect the underlying ability of the companies to pay. Still, the last time the Labor Department looked, the unfunded liability among all insured plans was \$53 billion. That's how much less they had on hand than they would have needed at last year's interest rates to pay all the benefits they owed. It's a fair amount of change.

The administration bill seeks to solve the problem gradually, lest it destabilize the companies. It would require them to make up the funding gaps over a number of years, and in the meantime to pay the government higher insurance premiums. The House Ways and Means Committee approved the bill with only minor amendments last week. But the measure is also subject to approval by Education and Labor in the House, and Finance in the Senate, neither of which has acted. Part of the problem is said to be resistance from some of the companies that would be affected. The more they have to put into their pension funds, the less they have available for other purposes—and the attitude of some industries and unions over the years has been, why have pension insurance if you're not going to use it? The steel industry in particular saw the pension insurance system for a while as a possible source of backdoor federal aid; a hard-pressed company could simply lay off its pension obligations on the government.

But pensions are too important to be kicked around like that. The committees should act. There's talk that the bill, because in the short run it would raise money, could eventually come up as part of the trade legislation on which Congress is supposed to vote this year. The trade bill would cost the government tariffs which Congress would have to make up, and the pension bill could thereby serve a double purpose. Maybe that will get it passed.

Chicago Tribune

FOUNDED JUNE 10, 1847

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20 Section 1

Friday, August 12, 1994

A good time to fix the pension system

The nation's pension safety net—the federal insurance system that protects benefits for 41 million workers—has been in need of repair for awhile.

The Bush administration warned of a steady deterioration in the system and proposed reforms, but Congress failed to act on its plan.

When the Clinton White House inherited the situation, it found no immediate crisis but a serious, long-term problem of underfunding of private pensions plans. In response, it proposed a series of targeted reforms called the Retirement Protection Act and vowed to get the legislation passed this year.

The House Ways and Means Committee unanimously approved the bill last month and the Education and Labor Committee okayed it Thursday, but it must still clear two Senate panels. With the economy strong and companies posting healthy profits, Congress should act now to mend the retirement net.

For two decades, the federal Pension Benefit Guaranty Corp. has been insuring workers' benefits with premiums paid by employers. It guarantees that most benefits will be paid to workers should a company fail. Today, there are more than 65,000 employers paying into the system, and the agency is paying benefits to more than 346,000 people.

Although an effort was made in 1987 to tighten the rules for pension funding, there's still a great deal of flexibility in the law. Companies—mostly in the steel,

auto and airline industries and many of them in the Midwest—have taken advantage of the wiggle room to underfund their pension plans, and the gap between pension obligations and pension assets has been growing steadily. Between 1987 and 1992, underfunding nearly doubled to \$53 billion.

In addition, demands on the agency have increased. Its deficit, or the difference between its liabilities and assets, has doubled in five years to \$2.9 billion. Because its payments are spread out over many years, however, it's in no immediate financial jeopardy.

The Clinton plan concentrates on increasing funding for underfunded plans. It would close legal loopholes and shorten the time in which companies must fund promised benefits. It also would raise insurance premiums for the plans most at risk, strengthen the agency's compliance powers and require employers to disclose more details of underfunded plans.

Under its plan, the administration estimates that vested benefits will be fully funded within 15 years and the agency's deficit will be wiped out within 10. Yet the proposal is running into opposition from auto and steel companies who want to preserve the option of conserving capital by not funding their plans.

Sorry, but these proposals won't financially handicap any company or jeopardize jobs. They will, however, fix some holes in the retirement system, and there's no better time to do that than now.

THE WHITE HOUSE
WASHINGTON

DATE: 09/09/94

TO: DAN BURKHARDT

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

Please prepare a Presidential
response to Ambassador Spiegel
and also one for Amedee Granges,
clearing both with NSC.

Thanks.

August 26, 1994

Dear Mr. President:

Your friends and admirers at Restaurant les Armures in Geneva asked me to send you and Mrs. Clinton a memento of your trip to Geneva in January. Your presence contributed to a very memorable evening for all of them.

Best regards.

Sincerely,



Daniel L. Spiegel
Ambassador
Permanent Representative

The President
The White House,
Washington, D.C. 20050.

PR

Don't you think we
shd have NSC draft?

Tim

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: April 6, 1989

94 SEP 9 P6:50

Date of Request: 8/31/1994
Request for: POTUS
Type of Request: Patron
Requestor Name: Mr. Walther Leisler Kiep
Title: Chairman
Organization: Atlantik-Brucke
Adenauerallee 131
53113 Bonn, Germany
Contact Tel. #: 228/21.41.60
Event Date: 12/07/1994
Event Description: Fund-raising dinner for Youth for Understanding
Notes: Mr. Leisler Kiep claims that Helmut Kohl is waiting on the President's acceptance before he (Kohl) accepts. President Bush and Chancellor Kohl were co-patrons of the last event. Julien LeBourgeois says that he supports the request on behalf of the NSC. All money received will go to Youth for Understanding to provide one-year scholarships for German high school students to study in the U.S. and U.S. inner city high school students to study in Germany.

Recommendations:

JP

yes

PL

9-9-94

Robert D. Novak

Flat Tax Tonic

Reubin/Speaking
See me re: Tuli

Be

BOSTON—The long-odds contender for the right to wage an uphill fight against Teddy Kennedy bases his campaign on something rare among current Republican office-seekers: a positive, innovative and daring proposal.

Tuesday in historic Faneuil Hall, at the fourth debate between the two contestants in the Sept. 20 GOP primary, heavily favored Mitt Romney mixed Republican boilerplate with me-too liberalism ("Sometimes I'll vote with Ted Kennedy"). His opponent, John Lakian, opened by commenting that Romney, in emphasizing crime and welfare, did "the traditional things that politicians do."

Calling for "the empowerment of the individual vs. the state," Lakian advocates a 17 percent flat tax, the plan drafted by Rep. Dick Armey of Texas, the House Republican Conference chairman (whom Lakian never has met). It would excuse from taxes lower-middle-income wage earners. For example, a family of four earning \$36,800, now paying \$3,100 in federal taxes, would pay nothing.

Like Armey, Lakian wants the flat tax in the 1996 national party platform and as the centerpiece of the presidential election.

At age 38 in 1982, businessman Lakian was the party's endorsed candidate for governor. But he was badly beaten in the primary when a campaign news release incorrectly giving him a Vietnam "battle-

THE PRESIDENT HAS SEEN 9/9
field promotion" to first lieutenant (he was promoted, but not on the battlefield) was transformed into the crime of the century. Lakian went off to New York City to make millions in investment banking.

He returned two years ago but was nobody's first choice to challenge Sen. Edward M. Kennedy, who seems unusually vulnerable after 32 years in the Senate. The first choice was Gov. William Weld, who for about a week last year was ready to run ("until," he says, "I remembered I didn't want to be a senator").

When other Republican stars also proved reluctant, the 47-year-old millionaire business-consultant son of former Michigan governor George Romney appeared from nowhere. Nobody here knew transplanted Michigander Mitt Romney, who was still voting Democratic in the 1992 primary. While not nearly as interesting or dynamic as his father, he is articulate, handsome and able to raise money—good enough for Massachusetts Republicans.

Against Romney, Lakian last May barely collected the 15 percent of state convention delegates needed to qualify for the primary. Romney asked Weld and Republican State Chairman James Rappaport to persuade Lakian to quit.

They did not. Weld urged Lakian to stay in, the same advice Lakian had given Weld when he lost the convention's en-

dorsement for governor in 1990. Rappaport felt primary competition made him a better Senate candidate in 1990 and might do the same for Romney. He needed improvement. Republican optimism dwindled after the convention when Romney emerged bland and issue-less.

At that point, Lakian embraced the Armey flat tax and energized his candidacy. Weld and Rappaport, strictly neutral, make no secret of their affection for the flat tax. The governor told me, "I like it very much. I'm a supply-sider."

Lakian is a libertarian whose support for abortion rights, gun-owners rights and homosexual rights could help him in a low-turnout primary. Still, his hopes are tied to the flat tax. He made clear Tuesday night that, with all deductions eliminated, his proposal would "liberate the economy" by totally repealing the noxious capital gains and inheritance taxes.

Supply-sider Jude Wanniski compares Lakian's campaign with Jeffrey Bell's 1978 New Jersey Republican primary win over liberal Sen. Clifford Case, which established the Kemp-Roth tax cut as the focus of Ronald Reagan's 1980 campaign. Another Senate candidate, New Jersey Assembly Speaker Chuck Haytaian, is about to endorse the flat tax. Republicans may be ready to follow the path blazed by John Lakian.

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THE PRESIDENT HAS SEEN ^{4/9} Clinton's education goals put to the test

By Dennis Kelly
USA TODAY

The Clinton administration says it wants tough academic standards for schools but has shown "weak knees" backing up that talk, says a new report from a group led by former Republican administration education officials.

Clinton's Goals 2000 legislation, passed this year, put in writing eight education goals, including that all students will be competent in challenging subjects. The legislation also offers federal grants to states that voluntarily pursue demanding standards and tests.

But implementation of those ideas is the target of the report, out today, by the Educational Excellence Network of the Hudson Institute. It is chaired by former assistant education secretaries Chester Finn and Diane Ravitch. They say:

► The Education Department's Office of Civil Rights investigated an Ohio exam for

graduating seniors after white students passed at a higher rate than blacks. Finn calls the investigation "schizophrenic" for an agency that supports tough standards for all.

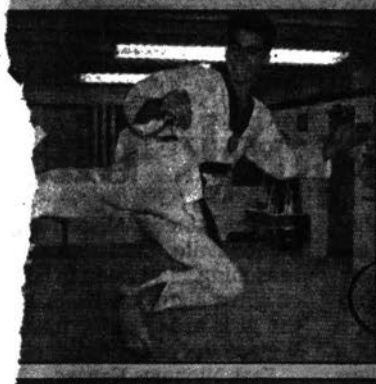
Undersecretary Marshall Smith says there's "no contradiction in having high standards and in what OCR is doing" — ensuring that students aren't penalized for unequal educational opportunities.

► The Goals 2000 legislation blocks states from using their grants to develop statewide exams that then become graduation requirements.

Smith says some categories of grants will prevent states from using new exams for "high stakes" such as graduation, but most grants will allow states to use their tests for whatever purpose they want.

The Hudson group gives the nation a "C+" for education reforms the past year, but Finn says little progress has been made in reaching education goals set back in 1989.

ataasha Lane, AP; below by J. Pat Carter, AP
Alexis Kerschner, 17, cleaning
believes 'the tendency is for boys
better in math and science and for
English and social studies.' But tae
wn belt Jade Shaklee, 17, below,
t of this (gender bias) is fabricated.'



Bliss in 'Beverly Hills'

Tiffani-Amber Thiessen
makes all the right moves

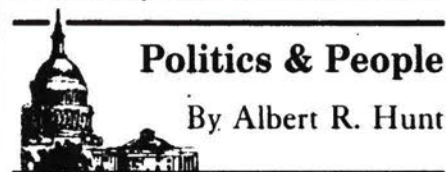


The Republicans Look Forward to Nov. 8

Twenty years ago on the eve of the midterm elections Jack Calkins, who ran the House Republican Campaign Committee, summoned a handful of reporters to pore over each race. The bottom line: Republicans would lose a net of one seat.

On Election Day the Democrats picked up 43 seats. Jack Calkins was a straight shooter, but his micro-analysis of those Watergate-driven elections missed the macro tidal wave.

That's why the conventional wisdom that this year the Democrats will lose about 20 House seats and three to four Senate seats may understate the case. Most of



Politics & People

By Albert R. Hunt

the leading political indicators point to a banner day for Congressional Republicans on Nov. 8.

There are two reasons a landslide, guaranteeing the GOP the 40 seats it needs to win control of the House and the seven to take over the Senate, remains unlikely. One, the anti-Democratic feelings are directed personally against the president and aren't issue-driven. A corollary is that the GOP pluses are almost all negative; there is no Republican agenda taking hold in the country.

But this sour mood only reinforces the historical reality that the presidential party invariably loses in midterm elections. Republicans, riding the anti-Clinton wave, expect a good turnout. Democrats may stay home in droves. "Democrats are not motivated this year," says Charles Cook, the Picasso of election analysts. "Many Democratic voters had such high expectations after 1992, but they are a pretty disillusioned lot right now."

The starting point for the Senate, now controlled 56 to 44 by the Democrats, is the

nine open seats, six of which are held by Democrats. Republicans are confident that they can win three of those Democratic seats in Ohio, Arizona and Maine, and that they have a good shot in one or two of the others. There are a handful of Democratic incumbents, such as Harris Wofford in Pennsylvania, Chuck Robb in Virginia and Frank Lautenberg in New Jersey, who have long been considered to be in tight races by both parties. But here GOP prospects, if anything, are brighter than several months ago.

And Republican strategists now are targeting three Democratic incumbents who in early summer were considered strong favorites. They are Tennessee's Jim Sasser, Jeff Bingaman of New Mexico and Nebraska's Bob Kerrey.

There are a few Democratic-held seats where takeover prospects have dimmed. It's unlikely that Ted Kennedy's 32-year tenure in Massachusetts will end, and California challenger Michael Huffington's chances may be diminishing after the brilliant dissection of his record and veracity by The Wall Street Journal's John Harwood. Moreover, Republicans are worried about a few of their own seats, including open ones in Minnesota and Wyoming and incumbent Bill Roth's in Delaware.

The most probable outcome is for Republicans to pick up five or six Senate seats, within striking distance of control.

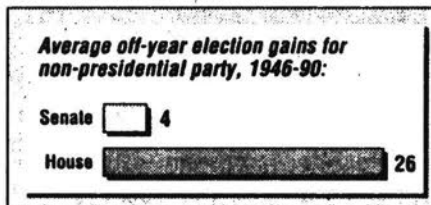
In the House, one top GOP strategist claims that the only Republican incumbent in trouble is California's Ken Calvert; Rep. Calvert's election prospects weren't enhanced when he was caught by Riverside police having sex in his car with a prostitute. But Democratic operatives think that some GOP freshmen who knocked off scandal-ridden incumbents in 1992, such as Massachusetts Reps. Peter Torkildsen and Peter Blute, are beatable this time.

Moreover, Democrats believe the religious right will cost the GOP a few seats—

even that of Ron Lewis of Kentucky, who won a special election this spring. They claim GOP boasts of sweeping the dozen open seats in the South are exaggerated; for example, a private poll last week in North Carolina's Second District shows the Democrat, state legislator Richard Moore, ahead by four points.

But these are the exceptions. A recent Republican National Committee analysis privately projects a GOP gain of 34, which would take the minority party to 212 seats, its strongest position in 40 years. A deal then might well be struck with a half-dozen conservative Democrats, making Newt Gingrich the next speaker.

Regionally, Republicans see big gains in the South, still expecting to win at least



two-thirds of those Democratic-held open seats, and as well as to knock off more than a half-dozen incumbents. But prospects also are bright in some major Northern states, especially Ohio with the outlook for an across-the-board GOP landslide led by incumbent Gov. George Voinovich.

And like 1980, when some entrenched veterans such as the House Democratic whip and the Ways and Means Committee chairman were toppled, the GOP expects a few election night shockers. At the top of this wish list is speaker Tom Foley and the current Ways and Means Committee chairman, Sam Gibbons.

Overall, look for the GOP gains to be closer to 30 seats than to the 20 to 25 most often projected. Moreover, Republican leaders like Rep. Gingrich anticipate a more diverse freshman class, including

blacks such as J.D. Watts in Oklahoma and Hispanics such as Bobby Ortiz in Texas.

In the gubernatorial races, Republicans also are buoyant. Currently there are 29 Democratic governors, 19 Republicans and two independents. After Nov. 8, the GOP thinks it will control a majority of the governors' mansions for the first time since 1971, including as many as eight of the 10 largest states.

The prospects of passing a compromise health care bill no longer worry Republicans, especially since any bill would be so diluted from President Clinton's initial proposal. "If they adopt our ideas on health care, that's going to hurt Democrats who campaigned on something else," gloats David Carney, the deputy executive director of the National Republican Senatorial Committee. "Half a loaf will be worse for them." (In the next few weeks the White House will soon shift its focus away from health and more toward a push for campaign finance, lobbying and congressional reform.)

A number of endangered Democrats probably are making a mistake trying to run away from the president and the Congress. Bill Clinton is not very popular, but many of these Democrats have a case to make: The deficit reduction package last year has helped produce a better economy and not the dire things many Republicans predicted; the crime bill directly addresses voters' concerns, and its components—more police, tougher sentencing, an assault weapons ban and midnight basketball—win widespread public support; other issues ranging from parental leave to the North American Free Trade Agreement are appealing achievements.

Instead, many of these threatened Democrats are trying to localize their elections. On Nov. 9 they may awake to learn what Jack Calkins found out two decades ago: In politics the macro sometimes overwhelms the micro.

THE PRESIDENT HAS SEEN 9/9

~~16 US~~

NO POT OF GOLD: A group of Cuban refugees, picked up in the Florida Straits, sits aboard the Coast Guard cutter Chandelour with a rainbow as a backdrop. Instead of reaching the USA, the refugees will be taken to Guantanamo Bay Naval Base, Cuba, where thousands are awaiting resolution of the showdown between Fidel Castro and the Clinton administration.

been rescued.

► Panama agreed to allow up to 10,000 Cuban refugees to be housed at a U.S. base there, to relieve overcrowding at

Guantanamo Bay Naval Base.

► U.S.-operated Radio Marti stepped up warnings to refugees of the risk of drowning. And the Coast Guard re-

By Walter Michot, pool photo via AP

peated warnings against Cubans in Florida venturing south to pick up relatives.

► What's at stake, 4A

who are risking their lives.

She also warned that without a tough population plan, "people's needs will suffocate under their numbers."

Protests erupted in several Muslim countries Monday.

And James McHugh, a U.S. bishop, warned unless the administration drops support of abortion rights, Catholics should "make their political choices" based on the issue.

► Islamic debate, 4A

► Population Q&A, 11A

COVER STORY 9/9

THE PRESIDENT HAS SEEN

Chaos in adoption law hurts kids

Proposal offers states guidelines to help avoid heartbreaking court battles

By Mimi Hall
USA TODAY

Richard FitzGerald's courtroom is testament to the battle over the USA's children.

Every day, the Louisville, family court judge faces another adoption or custody fight, another divorce battle, another charge of child abuse.

And like thousands of judges, FitzGerald balances

between his role as arbitrator and demands he be everything from social worker to guardian.

His cases rarely make news. But when stories like the Baby Jessica or Baby Richard adoption battles make headlines — or when a mother loses custody because she must put the child in day care while going to college — an angry nation is left to wonder: Who is protecting the children?

Please see COVER STORY next page ►

'Where are we getting these judicial decisions? They're coming out of the ozone.'

— Ann Sullivan, Child Welfare League



By Web Bryant, USA TODAY

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Few rules for custody cases

Continued from 1A

"The single biggest failing in our system today is that the voice of the child is not heard," says family court Judge Leonard Edwards of San Diego. "That goes for the adoption cases and custody."

With just half the USA's children now living in traditional nuclear families, efforts are being made to update the maze of vague, old state adoption laws and give judges better guidelines to decide complicated cases.

After five years behind closed doors, a group of judges, lawyers and scholars has emerged with a model law called the Uniform Adoption Act — a measure designed to close legal loopholes and to better protect the rights of both biological and adoptive parents and, most important, the children.

"With the cases we have seen surfacing in recent times, we've come to see how chaotic the adoption laws are with differences from state to state," says Rhoda Billings, a Wake Forest University law professor who helped draft the act.

The new adoption act, approved earlier this month by the National Conference of Commissioners on Uniform State Laws, is expected to be introduced in state legislatures next year. It will provide judges stricter guidelines as they decide about 50,000 adoptions annually nationwide. Its provisions:

► A biological mother would have eight days after the birth to change her mind about placing her child for adoption.

► Courts would be required to try to give biological fathers notice that their children are being placed for adoption. If a father can't be located, his rights would be terminated after 30 days. He would have six months to appeal that decision; after that, he would have no legal recourse.

A father contesting an adoption also would have to prove he would be a good parent — and his record with other children he had fathered would be examined.

► Adoptions could not be denied based solely on the race or ethnicity of the adoptive parents or children.

► Adoption records would be sealed. Medical information would be given to adoptive parents, but children and birth parents could not contact each other unless both agreed and had signed up with state registries.

Advocates say the act will help eliminate countless protracted court battles that have left children in limbo for years.

In court, "the parents on both sides agree to extensions after extensions," says Carol Larson, a lawyer with the Center for the Future of Children. "But who is speaking for the kids? Maybe the extension isn't so hot for them."

In the famous Baby Jessica case, for example, it took 2½ years of court battles before Jessica DeBoer — now Anna Schmidt — was returned to her biological parents.

But like almost everything that has to do with adoption, the act itself is steeped in controversy.

Many groups, including the Child Welfare League, oppose the act and are vowing to fight its passage in the states.

The League's Ann Sullivan complains the act doesn't give biological fathers enough time to come forward and doesn't give biological mothers enough time to change their minds.

"If a young woman is in a crisis of an unplanned pregnancy, she may feel pressured into making a decision and then she'll end up regretting it later and end up in court," she says. "We want it done right from the beginning."

Sullivan and others also oppose the sealing of adoption records at a time when open adoptions are becoming the norm.

A better plan to protect the children, she says, would be to place time limits on court cases.

"The courts are swamped," she says, "but we must find a way for the courts to give priority to children's cases."

Children's rights advocates say the same goes for custody disputes, where there are even fewer guidelines.

Until recently, under the "tender years" presumption, most judges ruled that young children belonged with the parent most available and capable of nurturing them to adulthood. In most cases, that parent was believed to be the mother.

But today, judges across the country are faced with families where both parents work, where children are placed in day care or where the parents live in different states.

"Now what's happening with women working is that conventions are being challenged," says Ellen Effron, chairwoman of the American Bar Association's Child Custody Committee.

In Michigan, women's groups were outraged when a judge awarded custody of a child to the father because the mother put the child in day care while she took college classes.

And in Washington, D.C., lawyers for Sharon Prost are appealing a judge's decision to award custody of her two sons to her ex-husband because, in the judge's view, Prost spent too much time at the office.

Asks Sullivan: "Where are we getting these judicial decisions? They're coming out of the ozone." But others say it's not much of a surprise that custody rulings are all over the map.

FitzGerald, who struggles to "be an advocate for the children," says part of the problem is a lack of training. "Traditional law schools do not prepare judges," he says.

Right now, says Effron, "a judge can basically do what he wants. Judges' political and personal biases come into play. . . . In some cases it's better and some it's worse for the children."

As custody cases have become more complicated, "the law has been slow to respond," she says. And as with adoption cases, she says, the No. 1 question has to be: "Do you have the best interest of the child at heart?"



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THE PRESIDENT HAS SEEN

9.8.94

THE WHITE HOUSE

WASHINGTON

September 7, 1994

MR. PRESIDENT:

Attached for your signature are the following:

- (1) Response to Ambassador Swanee Hunt re George McGovern op-ed piece and comments on Bosnia;
- (2) Response to Rep. William F. Goodling re Haiti policy;
- (3) Response to former Speaker Jim Wright re Cuba and Haiti;
- (4) Response to Senator Mark O. Hatfield re CTB Negotiations;
- (5) Response to Rep. Richard J. Durbin re Haiti;
- (6) Response to Senator Dave Durenberger re POW/MIAs;
- (7) Response to Rep. Robert E. Cramer, Jr. re naturalization for non-nationals who served during the Gulf War.

Leon - please
This is done

Send to VP

John Podesta

→ Send to VP/Leon

THE WHITE HOUSE
WASHINGTON

Dear Representative Goodling:

Thank you for writing to reiterate your concerns regarding Haiti. Let me assure you that I have carefully read your earlier correspondence on this issue. We share a common concern about the impact of sanctions on innocent Haitians. I continue to believe that sanctions are an appropriate tool to achieve our policy objectives in Haiti, but we must and do continue to work to maintain the flow of humanitarian aid. At the same time, we know that Haiti cannot endure sanctions indefinitely, especially when the *de facto* authorities interfere with humanitarian fuel and aid deliveries in a variety of ways. That is one important reason why international patience with the Haitian military leaders has grown so thin.

Although Haiti suffers from widespread illiteracy and many other social problems, the aspirations of the Haitian people for democracy is undeniable. Their efforts bore fruit in the 1990 elections which were judged by international observers to be free and fair. It is that democracy, aborted in the brutal coup led by General Cedras and Colonel Francois, that I am determined to restore, along with the President elected by a large majority of Haitians in those elections.

We and the international community recognize the novelty and fragility of Haitian democracy. We can help Haiti move beyond the chronic instability which impacts important U.S. interests in many ways only if there is in place a legitimate government with which we can cooperate. The international aid program that will start once the elected authorities are restored will help Haiti build democratic institutions as well as remedy social ills such as illiteracy. In this and other ways, we will work to help Haitians build a better future in their own country.

Sincerely,

A handwritten signature in black ink, reading "Bill Clinton". The signature is written in a cursive, flowing style with a large initial "B" and a long, sweeping underline.

The Honorable William F. Goodling
House of Representatives
Washington, D.C. 20515

BILL GOODLING
19TH DISTRICT, PENNSYLVANIA

TOLL FREE DISTRICT NUMBER:
800-832-1811

RANKING MINORITY:
COMMITTEE ON
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Congress of the United States
House of Representatives
Washington, DC 20515-3819
August 11, 1994

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44 FREDERICK STREET
HANOVER, PA 17331-3598

President Bill Clinton
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500-0001

Dear Mr. President:

I am in receipt of your August 2, 1994, letter which responds to my several letters concerning Haiti. I am doing my best to save you from your advisors, although I have no way of knowing whether you actually have seen my letters of concern.

In your letter, you indicate that your policy toward Haiti is consistent with our support for democracy throughout the region and the world. You go so far as to say that your policy "seeks to restore democracy in Haiti." There has never been democracy in Haiti. A real democracy is unlikely in Haiti when 50 percent or more of its people are illiterate.

I have met with missionaries, a young Haitian minister, and an American doctor who has volunteered his time at the Albert Schweitzer Hospital in Haiti, all of whom believe the policy pursued by President Bush and now your Administration to be wrong, as do I. I do not know much about General Cedras or his regime, but I suspect it is the national police commander, Michel Francois, who is creating the most problems. I question the wisdom of your intention to replace General Cedras, whom we know little about, with a man, Mr. Aristide, whose political tactics and commitment to democracy can only be considered questionable at best.

Again, we can't restore something to Haiti that the people have never experienced. Second, we can't wish, and certainly can't impose, a democracy on Haiti until we deal with the problem of illiteracy. Third, I would hope you would never use the excuse that we are sending troops to Haiti to protect American lives. Every American I have met or spoke with who is living or has lived in Haiti has indicated they don't need any U.S. military presence to protect them.

Finally, keep in mind that if you do decide to send young American troops into Haiti, after the first few are killed or butchered with machetes, such an outrage will ensue in this country that we'll need all of our troops to protect the White House and the Congress.

President Bill Clinton
August 11, 1994
2

If I may, I would say that the letter of August 2nd does not appear to be your style at all. I would hope that you would review this and my previous letters and arrive at a sound, practical, and humanitarian Haitian policy that does not risk American lives.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill", written over the printed name.

BILL GOODLING
Member of Congress

WFG/ts

THE WHITE HOUSE
WASHINGTON

Dear Dick:

Thank you for your thoughtful letter conveying your concerns about prior Congressional approval of any military action in Haiti.

As I have assured your colleagues who have written to me on this matter, I would welcome the support of the Congress and hope to have it should I decide that use of force to resolve the crisis in Haiti is required. For that reason, I am committed to ongoing and intense consultations with the Congress as I formulate my policy toward Haiti. That commitment extends to all aspects of the policy.

I know that Sandy Berger conveyed my commitment to you when you met with him on August 3, and I reiterated that commitment publicly in my press conference that evening. Members of my Administration and I will continue to work to build understanding among the American people of the implications of the Haitian crisis for important U.S. interests and the unacceptability of its indefinite continuation.

As we face the continuing challenge which Haiti presents to our national interests and the best manner in which to respond to it, I will be deeply mindful of the considerations which you have highlighted. I appreciate your engagement on this issue and I welcome your advice.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Clinton". The signature is fluid and cursive, with a large initial "B" and a long, sweeping underline.

The Honorable Richard J. Durbin
House of Representatives
Washington, D.C. 20515

RICHARD J. DURBIN
20TH DISTRICT, ILLINOIS

AT-LARGE WHIP

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON AGRICULTURE AND
RURAL DEVELOPMENT
SUBCOMMITTEE ON TRANSPORTATION
SUBCOMMITTEE ON THE DISTRICT OF COLUMBIA



Congress of the United States

House of Representatives

Washington, DC 20515-1320

August 5, 1994

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(618) 692-1082

221 EAST BROADWAY, SUITE #106
CENTRALIA, IL 62801
(618) 532-4265

94 AUG 8 P2:12

The Honorable Bill Clinton
The White House
1600. Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

Recently I joined over 100 of my colleagues in the House of Representatives in writing to you to make clear our belief that the Constitution requires the prior approval of Congress before any invasion of Haiti.

Since sending that letter, I have followed closely comments made by yourself, Secretary Perry, and Sandy Burger in a private meeting. It is my clear impression that you have decided not to seek congressional approval should a military invasion of Haiti be warranted.

I am sure you understand that as a Member of Congress I feel an institutional responsibility to protect our constitutional mandate. Article I, Section 8, is not permissive. It is a clear directive that before the United States commits itself to a war, a congressional declaration is necessary.

Few Presidents appreciate that constitutional requirement and most, including yourself, are protective of a President's powers as Commander in Chief and the flexibility that comes with that power.

Let me step aside from the clear constitutional standard and ask you to consider several other aspects.

First, you and I are both children of the Vietnam experience. We both struggled with the personal and moral question of that tragic conflict. I felt then, as I do now, that the Gulf of Tonkin Resolution was scant justification for a war which ultimately claimed almost 50,000 American lives. We can only guess what a full congressional debate on the Vietnam war might have led to. But this much we can be certain of. That full debate would have engaged the American people in a thought process which might have led us to a different role in the conflict and a different result, possibly saving many of the lives of our personal friends.

As you reflect on the Haiti invasion, I hope you will be mindful of the fact that although the scope of military engagement is certainly less than Vietnam, the principle which guided many of our late-night debates with fellow students is the same.

Second, as President you have been asked to chart our nation's course under this so-called "New World Order". Your predecessors were indeed fortunate to have a road map written by Harry Truman almost 50 years ago which defined the course America would follow in dealing with the Cold War World. You do not have that luxury and I am sure you and your successors will struggle with a new definition of foreign policy consistent with the world we live in.

I would urge you to view the role of your Presidency and later Presidents in this new context. There is a clear and bright line which separates defensive military actions to protect American citizens from offensive actions where there is time for deliberation and preparation.

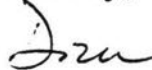
Haiti falls in the second category. I believe that you can and should set a standard for your Presidency and others which requires strict adherence to the Constitution when we ask the people of this nation to risk the lives of their sons and daughters in future offensive conflicts.

Third, I am aware that seeking congressional approval for any Haitian action complicates your strategy in pressuring the Haitian Military Junta and runs the risk of being rejected. But it is hard to rationalize why you would seek the approval of the United Nations before taking an offensive military action in Haiti and not seek the approval of the American people through their elected representatives in Congress. Many of us are prepared to keep an open mind on the question of a Haitian invasion and to give you and the foreign policy and military leaders in your Administration every opportunity to make their case.

Should any invasion take place, I would join you in praying that it would be bloodless on both sides. History tells us that it will not. I have served in Congress for 12 years. On three different occasions I have attended the funerals of servicemen from my district killed in the line of duty. One was a victim in the Marine Corps barracks bombing in Lebanon; another a casualty of "friendly fire" in the closing moments of the Persian Gulf War; and the last another victim of "friendly fire" when our helicopter was shot down while assisting Kurdish refugees. Each time I have had to look deep into the eyes of parents to express my sorrow. Nothing Congress did or could have done would change the pain and devastation those families endured. But their families and families like them across America are entitled to the constitutional process which guarantees that such life and death decisions will be made openly and deliberately.

My prayers are with you.

Yours truly,



Richard J. Durbin
Member of Congress

RJD:ka

THE WHITE HOUSE

WASHINGTON

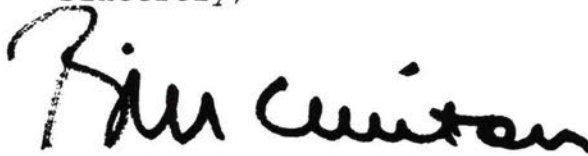
Dear Bud:

Thank you for your letter regarding an Executive Order to expand naturalization opportunities to those non-nationals who served in the military during the Gulf War.

There is a long and proud tradition of non-U.S. nationals serving with our Armed Forces and many have an exemplary record of service to this country. For this reason, I believe your request deserves careful consideration and I have asked the Secretary of Defense and the Attorney General to review this issue and report back to me on it.

Once again, thank you for writing.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Clinton". The signature is written in a cursive, flowing style with a large initial "B".

The Honorable Robert E. Cramer, Jr.
House of Representatives
Washington, D.C. 20515

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0112 / 5924

BUD CRAMER
5TH DISTRICT, ALABAMA

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION
COMMITTEE ON SCIENCE,
SPACE, AND TECHNOLOGY
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

Congress of the United States
House of Representatives
Washington, DC 20515-0105
July 12, 1994

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403 FRANKLIN STREET
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MORGAN COUNTY COURTHOUSE
Box 688
DECATUR, AL 35602
(205) 356-9400

President Bill Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

My constituent, Sgt. Manuel Bojorquez has asked me to forward to you his letter wherein he respectfully requests you to consider his plea to issue an Executive Order.

Sgt. Bojorquez served in active duty status during the period of the Persian Gulf War and continues to serve as an exemplary soldier of the United States Army.

I would greatly appreciate it if you could review this matter and advise me of any assistance that can be provided in this regard.

Thank you for your time and consideration.

Sincerely,

Bud Cramer
Bud Cramer

BC/mh

Enclosures

12 July 1994

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

Dear Mr. President:

I recently received a Decision from the Board of Immigration Appeals (BIA). This decision informed me that my petition to reopen or reconsider a previous decision of the BIA has been denied.

The significance of this decision is critical, because I will not be able to be naturalized as a United States citizen. INS doesn't consider me a permanent resident. In reality this is the only technicality preventing me from being naturalized.

If nothing is done to overcome this technicality I will be excluded and deported from the United States.

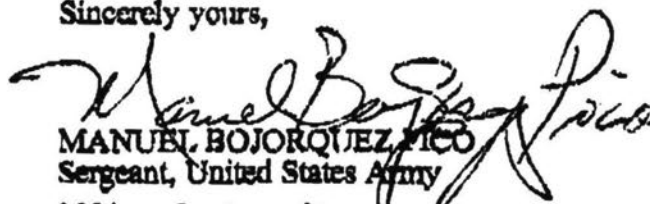
Mr. President the benefit of seeking naturalization when an alien who has served honorably in an active duty status in the Armed Forces during a period of military hostilities may be eligible for naturalization even though he is not a permanent resident. The basic policy of Congress is of rewarding those aliens who have served the United States in time of war.

The President of the United States designates the periods of military hostility where aliens like myself could qualify. I served in an active duty status during the Persian Gulf War, a period of military hostility, although not in the direct theatre of operations.

Mr. President, I am respectfully requesting that you consider issuing an Executive Order that would recognize the Persian Gulf War as a period of military hostility where aliens like myself could qualify for naturalization.

In the interest of justice, I am respectfully requesting your full support and assistance in the process of becoming a citizen of the United States of America. I will appreciate your consideration on this important matter.

Sincerely yours,


MANUEL BOJORQUEZ, MCO
Sergeant, United States Army
1304 B Jupiter Street
Redstone Arsenal, AL 35808
A 30 293 547

A soldier fights for justice

Manuel Bojorquez joined the U.S. Army to serve our country.

However, it now seems his country would rather he leave it than love it.

But the Mexican-born native isn't going down without a fight. And the rest of us ought to be jumping to his aid.

You see, the U.S. wants to deport the Redstone Arsenal-based soldier because of a technicality. Sure, a technicality is a technicality, but if this country is big enough to make exceptions, he is surely a legitimate exception.

Manuel just happens to have more military experience than Presidents Reagan, Bush and Clinton combined. He is a calibration specialist with the Test Measurement and Diagnostic Equipment support activity at Redstone.

His trouble with the Immigration and Naturalization Service began in 1990 when an immigration judge's decision to re-admit Manuel to the United States was overturned.

The INS said he abandoned his permanent residency (his family moved

Budd McLaughlin



to California from Mexico in 1971 when he was 8) by leaving the United States for more than a year. In 1976, his parents retired and moved back to Mexico. Since he was only 13 and still a minor, he had to move with them. In 1984, at the age of 21, he returned to the U.S.

Two years later, an immigration judge in Phoenix ruled to re-admit him to the United States. In February 1988, Manuel enlisted in the Army and has been at Redstone since 1992.

Manuel is also married, his wife is a Mexican native, and has two sons who are American-born. He has ap-

plied for citizenship, but was denied, because the INS ruled he was no longer a permanent resident.

He's got a couple of allies in Congress in Rep. Bud Cramer and Sen. Howell Heflin and has his superior officers coming to his defense. Right now, however, Manuel is on the ropes in the fight of his life.

He can be deported at literally a moment's notice.

So, here we have a man who joined the Army because he wants to serve this country. He is a taxpayer and has two sons born on American soil.

Meanwhile, on the West Coast, the state of California is considering giving social services to illegal immigrants. They don't pay taxes and aren't in the service of this country.

Manuel said the Board of Immigration Appeals has the latitude to reverse decisions "if it is in the interest of justice."

If he isn't allowed to remain in this country and illegals are, then, by God, there isn't any justice.

(c) Huntsville News Co. Inc.

Huntsville (AL) News
July 11, 1994

BIRMINGHAM (AL) NEWS - 07/04/94



Manuel Bojorquez, with his wife, Ruby, and children Jose, left, and Manuel, is looking for a way to stay in U.S.A.

NEWS STAFF PHOTO/STEVE BARNETTE

'In last round,' Mexico-born man pleads to keep life built in U.S.A.

By Buster Kantrow
News staff writer

Mexico native Manuel Bojorquez does not dispute that the immigration laws are stacked against him.

So he hopes, he says, that someone — a member of Congress, the Immigration and Naturalization Service or the Board of Immigration Appeals — will step in to overturn a 1990 order for his deportation since his options to fight it are exhausted.

Seeking to evoke the spirit of law, Bojorquez and his Birmingham lawyer point to his two American-born children and his six years of honorable service in the U.S. Army — service which could have earned him a passport to his citizenship by now if not for the 1990 decision.

"I really do believe in liberty and justice for all," said Bojorquez. "It's just not there for my family. We haven't been able to find it."

His parents were from Mexico, but they settled in Los Angeles and gained permanent resident status. Bojorquez was born in Mexico when the family was visiting there in 1962, but he gained permanent residency status as a child.

That allows an immigrant to live in the United States but not to vote, Jaffe said.

When his family moved to Mexico in 1976 to care for an ailing relative, Bojorquez ended up staying eight years and technically losing that status.

When he decided to return in the mid-'80s, an Arizona judge restored his permanent residency status, but the INS appealed. And four years later, when the INS won its case before the BIA, Bojorquez was ordered to leave the country.

HUNTSMIRE (AL) NEWS 07/00/94 ✓

On the ropes

Mexican-born soldier based here fighting to avoid deportation

By GEORGE POAGUE
and PATRICK GRAHAM
News Staff Writers

A soldier stationed at Redstone Arsenal is fighting to avoid deportation to Mexico.

Although he has enlisted U.S. Rep. Bud Cramer and Sen. Howell Heflin in his quest, he is running out of time.

"I've exhausted all my legal remedies," Manuel Bojorquez told the Huntsville News. "I've worked within the system, and the system has failed me."

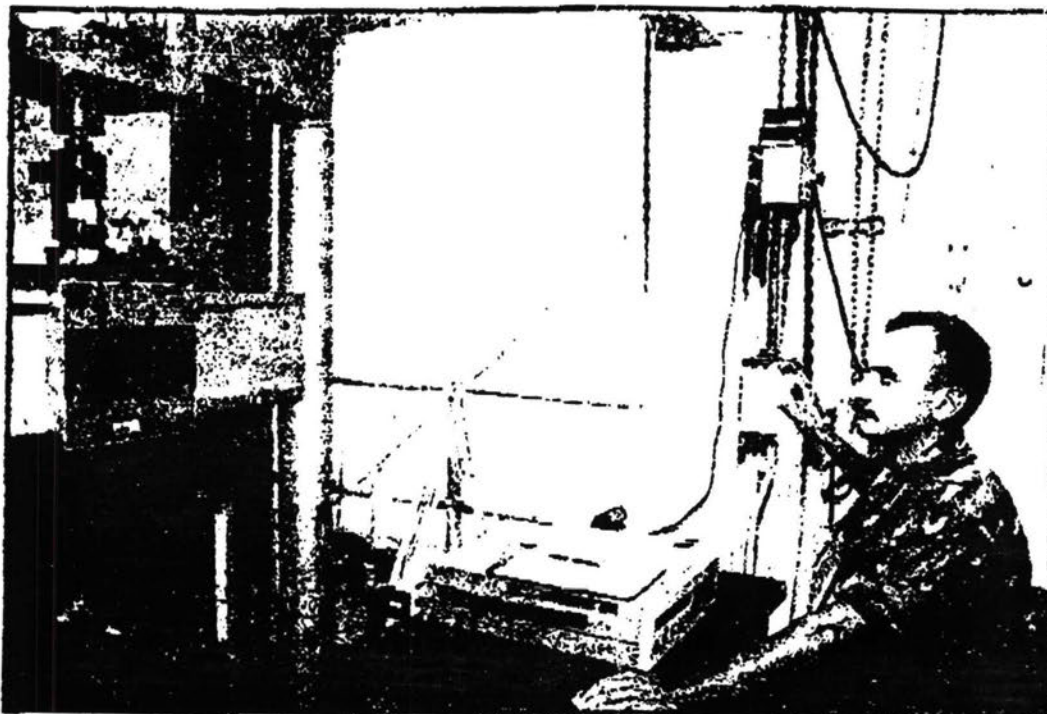
Bojorquez, 31, was born in Ensenada, Mexico, near the California border. His family moved to California in 1971. In 1976 his parents retired and moved back to Mexico; as a minor, he had to move with them. He returned to the United States in 1984.

In 1986, an immigration judge in Phoenix, Ariz., ruled to readmit him to the United States. However, the judge's decision was overturned in 1990 by the Immigration and Naturalization Service (INS) and he was ordered back to Mexico.

According to Bojorquez, the INS argued that he abandoned his permanent residency status by leaving the United States for more than a year.

He enlisted in the U.S. Army in February 1988 and has worked at Redstone Arsenal for the last two years. He and his Mexican-born wife have two American-born children.

Bojorquez has applied for U.S. citizenship, noting that "there are naturalization benefits when you serve in the Army." He said he was denied cit-



Staff Photo/Charles Scott

Bojorquez, shown at work calibrating, has more military service than Presidents Reagan, Bush and Clinton combined

izenship because of the INS's ruling that he was no longer a permanent resident.

The Board of Immigration Appeals (BIA) has the latitude to reverse decisions "if it is in the interest of justice," he said. "They denied my motion to reconsider my case."

Bojorquez praised Cramer's staff for being "very effective, very cooperative and very helpful." Cramer has contacted the district director of the INS in Atlanta, U.S. Attorney General Janet Reno and other offi-

cials.

"Everything I've asked, he's done," Bojorquez said, adding that Heflin's office has also helped him. "Unfortunately I'm stuck with INS."

The agency has not even been swayed by letters from the chain of command at Redstone Arsenal supporting Bojorquez's efforts, he said.

Bojorquez said he has been on active duty for 6 1/2 years and is a graduate of the basic Non Commissioned Officer (NCO) course. He was selected

as the post NCO during one quarter at Redstone and has been made an "honorary citizen of Huntsville."

Asked when he could be deported, he said, "It could be tomorrow, it could be next month. INS is driving the train."

Bojorquez said he would not gain anything in another INS hearing. "They're just going to hear the same evidence," he said.

(See Deport. Page A3)

Report

(Continued from Page 1)

"My nights are not very healthy right now," he said. "There's a lot of stress. ... I have to continue being a soldier and serving my country, and I consider this my country. I've sworn to defend this country."

"In this country, which is a land of immigrants, I can't understand why so much attention is paid to one little rule instead of seeing the whole picture. The system is not willing to make any considerations. There may be other people who have fallen in the cracks as well."

"I think I should be entitled to stay here. I pay my taxes just like you do. ... I think I should be treated like you do."

"I think I should be treated like you do."

Immigrant

BHAM NEWS 07/04/94

From Page 1E

Cramer, D-Huntsville; and his military commanders have written letters for him to the BIA.

Bojorquez has been unsuccessful in convincing the BIA to reconsider his case, although he has argued his military service and American children justified a discretionary exemption to allow him to regain his permanent resident status.

"I feel like a fighter on the ropes in the last round," Bojorquez said. "I'm tired. ... I'm maxed out."

Bojorquez would have been eligible for citizenship last year under a special clause of the naturalization law that takes into account military service, but that chance vanished because his permanent resident status had been voided.

Bojorquez said he never intended to relinquish his permanent resident status, but he had no choice but to accompany his parents to Guadalajara in 1976. His stay there was so long, he said, because he was caring

for his father, who was in an accident shortly after the move, and running the family restaurant.

The immigration judge in Arizona agreed with Bojorquez when she renewed his permanent resident status.

The INS successfully contested that judgment, contending that Bojorquez had not left "temporarily," as required for reinstatement of the status. The government argued he had made arrangements to live in Mexico, including buying a car and marrying a Mexican woman.

Bojorquez said he continues to hope his hopes for a military career won't be lost and his wife and two sons, who have been with him in Huntsville for about two years, will not be uprooted.

"As an NCO (non-commissioned officer), I set the example for my soldiers to do the best for my country," Bojorquez said, his voice breaking. "But the system can't do anything for me. That's frustrating."

to convince them of that. Is this how you want to treat your soldiers?"

When his family moved back to Mexico in 1976, he never felt he was permanently abandoning America. "Circumstances beyond my control prevented me from coming back sooner. I've not been able to visit my family in Mexico for five years. I'd basically be deporting myself out of the country."

"I hope I can make a difference, even if I have to go back to Mexico. I hope I can enlighten people that we immigrants make a contribution to our country. Sometimes the system is blindfolded."

Cramer spokesman David Butler said, "(Bojorquez) had worked extensively with our of-

file on this issue and we have provided him with all the resources, information and contacts that we could make available.

"This has been a really frustrating situation," he said.

Along with letters from Bojorquez's superior, Butler said Cramer recently sent a letter to the INS office in Washington D.C. pleading Bojorquez's case. He said Cramer is now waiting for a response from the Washington office concerning the matter.

"We'll continue to help with the situation in any way possible," Butler said. "Providing outreach to constituents having extensive problems with federal agencies is an essential part of Congressman Cramer's office."

Huntsville News

07/08/94

PUBLIC LAW 102-110—OCT. 1, 1991

105 STAT. 555

Public Law 102-110
102d Congress

An Act

To amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years.

Oct. 1, 1991
[S. 296]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Armed Forces
Immigration
Adjustment Act
of 1991.
8 USC 1101
note.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Armed Forces Immigration Adjustment Act of 1991".

SEC. 2. SPECIAL IMMIGRANT STATUS FOR ALIENS WHO HAVE SERVED HONORABLY (OR ARE ENLISTED TO SERVE) IN THE ARMED FORCES OF THE UNITED STATES FOR AT LEAST 12 YEARS.

(a) IN GENERAL.—Section 101(a)(27) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(27)) is amended—

- (1) by striking "or" at the end of subparagraph (I),
- (2) by striking the period at the end of subparagraph (J) and inserting "; or", and

(3) by adding at the end the following new subparagraph:
"(K) an immigrant who has served honorably on active duty in the Armed Forces of the United States after October 15, 1978, and after original lawful enlistment outside the United States (under a treaty or agreement in effect on the date of the enactment of this subparagraph) for a period or periods aggregating—

- "(i) 12 years and who, if separated from such service, was never separated except under honorable conditions, or
 - "(ii) 6 years, in the case of an immigrant who is on active duty at the time of seeking special immigrant status under this subparagraph and who has reenlisted to incur a total active duty service obligation of at least 12 years,
- and the spouse or child of any such immigrant if accompanying or following to join the immigrant, but only if the executive department under which the immigrant serves or served recommends the granting of special immigrant status to the immigrant."

(b) NUMERICAL LIMITATIONS.—Section 202(b) of the Immigration and Nationality Act (8 U.S.C. 1153(b)), as inserted by section 121(a) of the Immigration Act of 1990, is amended by adding at the end the following new paragraph:

"(6) SPECIAL RULES FOR 'K' SPECIAL IMMIGRANTS.—

"(A) NOT COUNTED AGAINST NUMERICAL LIMITATION IN YEAR INVOLVED.—Subject to subparagraph (B), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in a fiscal year shall not be subject to the numerical limitations of this subsection or of section 202(a).

* ENLISTMENT WAS INSIDE THE U.S.
OTHERWISE BORQUEZ COULD QUALIFY
UNDER PL 102-110.

105 STAT. 556

PUBLIC LAW 102-110—OCT. 1, 1991

"(B) COUNTED AGAINST NUMERICAL LIMITATIONS IN FOLLOWING YEAR.—

"(i) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS.—The number of visas made available in any fiscal year under paragraphs (1), (2), and (3) shall each be reduced by $\frac{1}{3}$ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K).

"(ii) REDUCTION IN PER COUNTRY LEVEL.—The number of visas made available in each fiscal year to natives of a foreign state under section 202(a) shall be reduced by the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(iii) REDUCTION IN EMPLOYMENT-BASED IMMIGRANT CLASSIFICATIONS WITHIN PER COUNTRY CEILING.—In the case of a foreign state subject to section 202(e) in a fiscal year (and in the previous fiscal year), the number of visas made available and allocated to each of paragraphs (1) through (3) of this subsection in the fiscal year shall be reduced by $\frac{1}{3}$ of the number of visas made available in the previous fiscal year to special immigrants described in section 101(a)(27)(K) who are natives of the foreign state.

"(C) APPLICATION OF SEPARATE NUMERICAL LIMITATION.—

"(i) IN GENERAL.—Subject to clause (ii), the number of immigrant visas made available to special immigrants under section 101(a)(27)(K) in any fiscal year (other than as a spouse or child described in such section) may not exceed—

"(I) in the case of aliens who are nationals of a foreign state for which there is a numerical limitation treaty or agreement (as defined in clause (iii)), 2,000, or

"(II) in the case of aliens who are nationals of any other state, 100.

"(ii) EXCEPTION FOR ALIENS CURRENTLY MEETING REQUIREMENTS.—The numerical limitations of clause (i) shall not apply to individuals who meet the requirements of section 101(a)(27)(K) as of the date of the enactment of this subparagraph.

"(iii) NUMERICAL LIMITATION TREATY OR AGREEMENT.—In clause (i), the term 'numerical limitation treaty or agreement' means a treaty or agreement in effect on the date of the enactment of this subparagraph which authorizes and limits the number of aliens who are nationals of such state who may be enlisted annually in the Armed Forces of the United States."

(c) ADJUSTMENT OF STATUS.—Section 245 of the Immigration and Nationality Act (8 U.S.C. 1255) is amended—

(1) in subsection (c)(2), by striking "or (I)" and inserting ", (I), or (K)", and

(2) by adding at the end the following new subsection:

"(g) In applying this section to a special immigrant described in section 101(a)(27)(K), such an immigrant shall be deemed, for purposes of subsection (a), to have been paroled into the United States."

PUBLIC LAW 102-110--OCT. 1, 1991

105 STAT. 557

(d) **EFFECTIVE DATE.**—This section shall take effect 60 days after the date of the enactment of this Act.

8 USC 1101
note.

SEC. 3. DELAY UNTIL APRIL 1, 1992, IN IMPLEMENTATION OF PROVISIONS RELATING TO O AND P NONIMMIGRANTS.

8 USC 1101
note.

Section 214(g)(1)(C) of the Immigration and Nationality Act shall not apply to the issuance of visas or provision of status before April 1, 1992. Aliens seeking nonimmigrant admission as artists, athletes, entertainers, or fashion models (or for the purpose of accompanying or assisting in an artistic or athletic performance) before April 1, 1992, shall not be admitted under subparagraph (O)(i), (O)(ii), (P)(i), or (P)(iii) of section 101(a)(15) of such Act, but may be admitted under the terms of subparagraph (H)(i)(b) of such section (as in effect on September 30, 1991).

SEC. 4. CONTINUATION OF DERIVATIVE STATUS FOR SPOUSES AND CHILDREN OF THIRD AND SIXTH PREFERENCE IMMIGRANTS; DEEMED CONTINUED EFFECTIVENESS OF CERTAIN EMPLOYMENT-BASED PETITIONS.

Effective as if included in the Immigration Act of 1990, section 161(c) of such Act is amended by adding at the end the following new paragraphs:

Effective date.
8 USC 1101
note.

"(3) In the case of an alien who is described in section 203(a)(8) of the Immigration and Nationality Act (as in effect before October 1, 1991) as the spouse or child of an alien described in section 203(a)(3) or 203(a)(6) of such Act and who would be entitled to enter the United States under such section 203(a)(8) but for the amendments made by this section, such an alien shall be deemed to be described in section 203(d) of such Act as the spouse or child of an alien described in section 203(b)(2) or 203(b)(3)(A)(i), respectively, of such Act with the same priority date as that of the principal alien.

"(4)(A) Subject to subparagraph (B), any petition filed before October 1, 1991, and approved on any date, to accord status under section 203(a)(8) or 203(a)(6) of the Immigration and Nationality Act (as in effect before such date) shall be deemed, on and after October 1, 1991 (or, if later, the date of such approval), to be a petition approved to accord status under section 203(b)(2) or under the appropriate classification under section 203(b)(3), respectively, of such Act (as in effect on and after such date). Nothing in this subparagraph shall be construed as exempting the beneficiaries of such petitions from the numerical limitations under section 203(b)(2) or 203(b)(3) of such Act.

"(B) Subparagraph (A) shall not apply more than two years after the date the priority date for issuance of a visa on the basis of such a petition has been reached."

105 STAT. 558

PUBLIC LAW 102-110—OCT. 1, 1991

SEC. 5. AUTHORIZATION OF APPROPRIATIONS FOR REFUGEE RESETTLEMENT PROGRAMS FOR FISCAL YEAR 1992.

Subsection (a) of section 414 of the Immigration and Nationality Act (8 U.S.C. 1524) is amended to read as follows:

"(a) There are authorized to be appropriated for fiscal year 1992 such sums as may be necessary to carry out this chapter."

Approved October 1, 1991.

LEGISLATIVE HISTORY—S. 296:

HOUSE REPORTS: No. 102-185 (Comm. on the Judiciary).
CONGRESSIONAL RECORD, Vol. 137 (1991):

Jan. 30, considered and passed Senate.

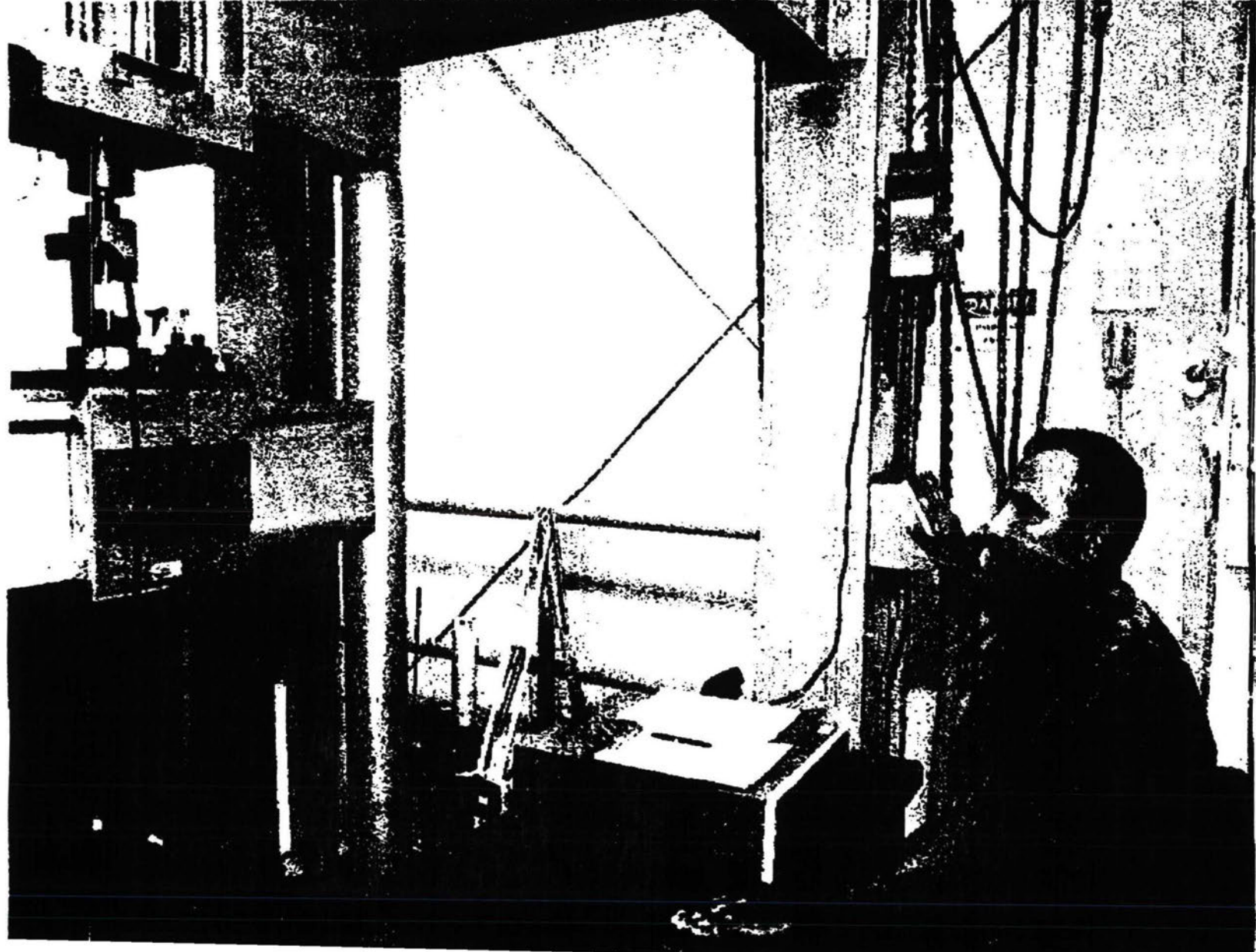
Sept. 16, considered and passed House, amended.

Sept. 24, Senate concurred in House amendment with an amendment.

Sept. 28, House concurred in Senate amendment.

○

6AUI188-July 8 1994)REDSTONE ARSENAL,AL. USA--Hector Bejarquez, shown at work July 7, 1994 calibrating a test cell for the U.S. Army Primary Standards Laboratory in Redstone Arsenal, Ala., faces deportation to Mexico by the Immigration and Naturalization Service after six and a half years active duty for the U.S. Army. Bejarquez, who has had more military service than President's Reagan, Bush and Clinton combined, has support from Rep. Bud Cramer and Sen. Howell Heflin in his quest to remain in the U.S. Despite the full support of his superiors, the order to deport him could come any day. (AP Photo/Huntsville News, Charlie Scott) CREDIT:AP by CHARLIE SCOTT SLUG:SOLDIER DEPORTATION@W CS) AP LEADDESK



ID:

JUL 21 '94

8:24 No. 001 P.13

JUL 12 '94 17:01

Check

→ we should
help him if we can

WHITE HOUSE
WASHINGTON

September 9, 1994

Larry E. Crane
8001 Evergreen Street
Little Rock, Arkansas 72227

Dear Larry:

Thanks for your letter of September 2. I'm sorry to hear about the problems you're having at work. I don't know specifically what may be available, but I'll see if there's anything I can do. In the meantime, I've shared your note and resume with Veronica Biggins, my Director of Presidential Personnel.

We're just back from our vacation, relaxed and ready to tackle the challenges that await us.

See you soon.

Sincerely,

Bob

Thank for
your assessment
(positive not negative)

cc V. Biggins
Craig Smith
Still to talk see
if we can help -

Larry E. Crane
8001 Evergreen Street
Little Rock, Arkansas 72227
(501)324-9240 (501)227-9331

September 2, 1994

President Bill Clinton
The White House
Washington, D.C. 20500-2000

Bill
Dear Mr. President,

Well, they finally got me. That is, the Chamber, Georgia Pacific, the car dealers, and, specifically, Barbara Hersom, of Little River County. I saw it coming. I truly believe that if a person in my job does their job they shouldn't expect to last very long (no parallels intended). You have to spend too much political capital to achieve anything worthwhile! Sam agrees both with the concept and that I can no longer be effective in this job. I need to move on in the near future, if possible.

While Sam and Joyce Wroten are both trying to find a relatively soft landing spot for me in government, we agree that it is not guaranteed that a place will be found. Thus, I ask your help to see if there is anything in the Justice Department or other federal job within driving distance of Little Rock. (I still would like to stay here through May of 1996 to allow Cassie to graduate from Central High School.)

You've had several fine wins lately. I believe it is getting harder for the pugs to sling any old kind of mud and have it stick on you all. Every day, it seems that you get a little stronger. Not a lot. Not anything spectacular, but imperceptible movement that is beginning to add up. A win here, a draw there. You are turning the public to where they should have been a long time ago: on your side!

In any event, I'd appreciate anything you could do for me... but, I don't expect miracles.

Love & faith,
Larry
Larry E. Crane

Larry E. Crane
8001 Evergreen Street
Little Rock, Arkansas 72227
(501) 324-9240 (501) 227-9331

Employment History

Director, Assessment Coordination Division **1988 - present**

I direct a state agency with a staff of 44 and a budget of approximately \$1.8 million. In this position, I have worked closely with the legislative and executive branches of all levels of state and local government to implement a fair and coherent statewide property taxation system. Primary functions of the Division are establishing policy and practice guidelines for valuation of all real and personal property assessed in Arkansas, auditing performance of 75 counties, overseeing local reassessment programs, coordinating computer software and system development, and directing a statewide education program for 75 elected assessors and approximately 450 local appraisal employees.

Attorney At Law **1981 - 1988**

My private law practice in Little Rock, Arkansas, was a general practice before federal, Circuit, Chancery and Municipal courts and various state administrative agencies and boards. I was a legislative lobbyist for the 75th and 76th Sessions of the Arkansas General Assembly. Periodically, I sat as Special Judge for the First and Fourth Divisions of Pulaski County Chancery Court, as appointed expert in custody cases in the Second and Third Divisions of Pulaski County Chancery Court, and as an Administrative Hearing Officer for the Special Education Division of the Arkansas Department of Education.

Special Assistant/Legal Counsel to the Governor of Arkansas **1979 - 1981**

My responsibilities for Governor Clinton included executive budget policy development; drafting, review and advocacy of legislation; Governor's representative to the Legislative Council, Joint Budget Committee, Revenue and Taxation Committee, to the City, County and Local Affairs Committee, State Agency and Governmental Affairs Committee, and to the Personnel Committee of the Arkansas General Assembly; and policy liaison with the PSC, the Highway Department, DPC&E, the Judicial branch, and with Prosecuting Attorneys.

Assistant Attorney General, State of Arkansas **1977 - 1979**

My responsibilities included policy and legal review of constitutional and environmental issues; Amendment 55-County Government transition and liaison; drafting legal opinions for state agencies and officers; liaison with the Arkansas General Assembly, the PSC, DPC&E, the Highway Department, and the Judicial branch; Attorney General's representative on the Local Government and Hazardous Waste Task Forces; and coordination of the property tax litigation leading to Amendment 59.

Educational History

Bachelor of Arts	Henderson State College Arkadelphia, Arkansas	1967-1972
Juris Doctor Law Review President, S.B.A.	University of Arkansas School of Law Fayetteville, Arkansas	1973-1975
	Institute of Politics and Government Little Rock, Arkansas	1976
Continuing Education	University of Arkansas at Little Rock	1983-1985
Hearing Officer Training Course	Arkansas Department of Education	1986
ACD Courses 1, 2, 3, 4, 5 & 6	Assessment Coordination Division Little Rock, Arkansas	1988-1990
IAAO Courses 1, 2, 201, 302, 303, 4, 6 & numerous workshops	International Association of Assessing Officers Chicago, Illinois	1988-present
Program for Senior Executives in State and Local Government	JFK School of Government Harvard University Cambridge, Massachusetts	1989
Instructor Certification Course 4, Administration	International Association of Assessing Officers Chicago, Illinois	1992

Professional Honors & Associations/Civic Involvement

1993-1994	Chairman, State & Provincial Council, IAAO
1992	Arkansas Certified General Appraiser License, Arkansas Appraiser Licensing & Certification Board
1991-1992	Chairman, Ad Hoc Legal Committee, IAAO
1991	State of Arkansas Certification, Level 4 Senior Appraiser
1989-1990	Chairman, Ad Hoc Legal Committee, IAAO
1989-present	Arkansas State Democratic Committee
1988-present	Pulaski County Democratic Central Committee
1987	V.O.C.A.L.S. - "Outstanding Lawyer" Award
1984-1985	President, River City Civitans Arkansas Bar Association Pulaski County Bar Association Pulaski Heights United Methodist Church

THE WHITE HOUSE
WASHINGTON

cc: Crane/GS
Decker
Dad
Martin
Seth

September 8, 1994

Mr. Jim Martin
Director of State-Federal Relations
National Governors' Association
Hall of States
Suite 267
444 North Capitol Street
Washington, D.C. 20001-1572

Dear Jim:

Thanks for your words of encouragement and the chart on federal aid to state and local governments. I appreciate your sharing this information with me, and I'm grateful for your continuing support and friendship.

Sincerely,

Bar

NATIONAL
GOVERNORS'
ASSOCIATION

M. Hille
F41



Fri. Aug 19, 94

Dear Mr. President,

You are doing a great
job on domestic
program funding.

The chart gives
all Fed-Aid to all
State and local govt
(over 100 million)
for all purposes on
one page!

A loyal friend
Jim

1995 APPROPRIATIONS SUMMARY -- SENATE ACTION
GRANTS-IN-AID: MAJOR DISCRETIONARY AND MANDATORY PROGRAMS

(federal fiscal years; dollars in millions)

August 15, 1994

MAJOR DISCRETIONARY	FY 1994 EST.	FY 1995			1995 PRES. BUD. vs. 1994		1995 HOUSE vs. 1994		1995 SENATE vs. 1994	
		PRES. BUDGET	HOUSE	SENATE						
					\$	%	\$	%	\$	%
DEPARTMENT OF AGRICULTURE										
EMERGENCY FOOD ASS'T (TEFAP) ADMIN.	\$40	\$40	\$40	\$40	\$0	0.0%	\$0	0.0%	\$0	0.0%
WOMEN, INFANTS & CHILDREN (WIC) 1/	3,210	3,564	3,470	3,470	354	11.0%	260	8.1%	260	8.1%
RURAL WATER & WASTE DISPOSAL GRTS. 2/	488	525	500	500	38	7.7%	13	2.6%	13	2.6%
DEPARTMENT OF COMMERCE										
ECONOMIC DEVELOPMENT ASSISTANCE	323	327	339	412	4	1.4%	16	4.9%	90	27.8%
DEPARTMENT OF EDUCATION										
COMPENSATORY EDUCATION 3/	6,912	7,579	7,246	7,233	667	9.6%	334	4.8%	322	4.7%
EDUCATION REFORM INITIATIVE 4/	155	858	528	528	703	453.5%	373	240.9%	373	240.9%
IMPACT AID 3/	798	750	728	728	-48	-6.0%	-70	-8.8%	-70	-8.8%
CHAPTER 2 EDUCATION BLOCK GRANT 5/	370	0	0	0	-370	n/a	-370	n/a	-370	n/a
EISENHOWER PROFESSIONAL DEV. GRTS. 5/	251	752	668	668	501	199.6%	417	166.0%	417	166.0%
DRUG-FREE SCHOOLS & COMMUNITIES	375	580	457	457	205	54.7%	82	21.9%	82	21.9%
SPECIAL EDUCATION:										
BASIC STATE GRANTS	2,150	2,270	2,150	2,270	120	5.6%	0	0.0%	120	5.6%
PRESCHOOL, INFANT, & FAMILIES GRTS.	592	658	592	658	66	11.1%	0	0.0%	66	11.1%
CHAPTER 1 HANDICAPPED PROGRAM	117	117	117	117	0	0.0%	0	0.0%	0	0.0%
VOCATIONAL & ADULT EDUCATION	1,481	1,447	1,456	1,476	-34	-2.3%	-25	-1.7%	-5	-0.4%
HEALTH AND HUMAN SERVICES										
SUBSTANCE ABUSE BLOCK GRANT	1,177	1,473	1,227	1,237	296	25.1%	50	4.2%	60	5.1%
MENTAL HEALTH BLOCK GRANT	278	275	275	275	-3	-1.2%	-2	-0.9%	-2	-0.9%
MATERNAL & CHILD HEALTH BLK GRANT	687	668	681	687	-19	-2.8%	-6	-0.9%	0	0.0%
COMMUNITY HEALTH CENTERS 1/	604	594	617	617	-10	-1.7%	13	2.1%	13	2.1%
HEALTHY START INITIATIVE	98	96	100	110	-2	-1.7%	3	2.6%	13	12.8%
PREVENTIVE HEALTH BLOCK GRANT	157	154	156	160	-3	-2.0%	-1	-0.8%	3	1.8%
FAMILY PLANNING	181	195	187	195	15	8.1%	6	3.4%	15	8.1%
IMMUNIZATION GRANTS 6/	528	464	464	464	-64	-12.1%	-64	-12.2%	-64	-12.1%
TUBERCULOSIS GRANTS	117	118	120	118	2	1.4%	3	2.8%	2	1.4%
RYAN WHITE AIDS GRANTS 7/	579	672	626	634	93	16.1%	47	8.0%	55	9.4%
HEAD START 2/	3,325	4,026	3,535	3,545	701	21.1%	210	6.3%	220	6.6%
CHILD WELFARE SERVICES	295	295	292	292	0	0.0%	-3	-0.9%	-3	-0.9%
COMMUNITY SERVICES BLOCK GRANT	386	400	386	394	14	3.7%	0	0.0%	8	2.1%
CHILD CARE & DEV. BLOCK GRANTS 2/	893	1,091	935	935	198	22.2%	42	4.7%	42	4.7%
LOW INCOME HOME ENERGY ASSIST 2/	1,437	730	1,225	1,385	-707	-49.2%	-212	-14.8%	-52	-3.6%
REFUGEE ASSISTANCE 2/	400	414	400	400	14	3.5%	0	0.0%	0	0.0%
STATE LEGALIZATION ASSIS. GRANTS 8/	812	9	9	0	-803	-98.9%	-803	-98.9%	-812	n/a
ADMINISTRATION ON AGING--STATE GRTS	804	804	797	804	0	0.0%	-8	-0.9%	0	0.0%
HUD AND INDEPENDENT AGENCIES										
COMMUNITY DEVEL BLOCK GRANTS	4,400	4,400	4,600	4,600	0	0.0%	200	4.5%	200	4.5%
COMMUNITY DEVEL PROJECT GRANTS 9/	0	1,000	0	570	1,000	n/a	0	n/a	570	n/a
HOMELESS ASSISTANCE INITIATIVE 10/	823	1,120	1,120	1,120	297	36.1%	297	36.1%	297	36.1%
HOPE GRANTS 2/	43	100	100	50	57	131.5%	57	131.5%	7	15.8%
HOME INVESTMENT PARTNERSHIP PROGRAM	1,275	1,100	1,275	1,500	-175	-13.7%	0	0.0%	225	17.6%
OPERATION OF LOW-INCOME HOUSING	2,621	2,496	2,900	2,900	-125	-4.8%	279	10.7%	279	10.7%
EPA WASTEWATER STATE REV. FUND 11/	1,795	2,300	1,987	2,678	505	28.1%	192	10.7%	883	49.2%
EPA WASTEWATER CONSTRUCTION GRTS 12/	660	350	653	680	-310	-47.0%	-8	-1.1%	20	3.0%
DEPARTMENT OF THE INTERIOR										
ABANDONED MINE REC. FUND	135	126	131	142	-9	-6.8%	-4	-3.1%	7	5.0%
DEPARTMENT OF JUSTICE										
DRUG CONTROL & SYS IMPROV GRTS. 13/	420	100	866	485	-320	-76.2%	446	106.3%	65	15.5%
CRIMINAL ALIEN ASSISTANCE 13/	0	350	0	350	350	n/a	0	n/a	350	n/a
JUVENILE JUSTICE & DELINQUENCY PREV.	107	152	147	144	45	42.1%	40	36.9%	37	34.6%
COMMUNITY POLICING 14/	0	1,720	1,332	1,300	1,720	n/a	1,332	n/a	1,300	n/a
DEPARTMENT OF LABOR										
DISLOCATED WORKERS	1,118	1,465	1,296	1,296	347	31.0%	178	15.9%	178	15.9%
ADULT & YOUTH TRAINING GRANTS	1,647	1,729	1,643	1,663	82	5.0%	-3	-0.2%	17	1.0%
SUMMER YOUTH TRAINING GRANTS	888	1,056	1,056	1,056	168	18.9%	168	18.9%	168	18.9%
SCHOOL-TO-WORK (LABOR)	50	150	140	100	100	200.0%	90	180.0%	50	100.0%
EMPLOYMENT SERVICE STATE ADMIN.	833	847	842	847	14	1.7%	9	1.1%	14	1.7%
ONE STOP CAREER CENTERS	50	250	120	120	200	400.0%	70	140.0%	70	140.0%
UNEMPLOYMENT COMP STATE ADMIN	2,460	2,443	2,433	2,427	-17	-0.7%	-27	-1.1%	-33	-1.4%

MAJOR DISCRETIONARY (con't)	FY 1994 EST.	FY 1995			1995 PRES. BUD. vs. 1994		1995 HOUSE vs. 1994		1995 SENATE vs. 1994	
		PRES.	HOUSE	SENATE						
		BUDGET			\$	%	\$	%	\$	%
DEPARTMENT OF TRANSPORTATION										
AIRPORT OBLIGATION CEILING 15/	\$1,690	\$1,690	\$1,500	\$1,450	\$0	0.0%	-\$190	-11.2%	-\$240	-14.2%
HIGHWAY OBLIGATION CEILING 16/	17,590	18,332	17,160	17,543	742	4.2%	-430	-2.4%	-47	-0.3%
HIGHWAY EXEMPT FROM CEILING 16/ 17/	2,411	2,117	2,268	2,268	-294	-12.2%	-143	-5.9%	-143	-5.9%
MASS TRANSIT:										
FORMULA GRANTS	2,415	2,881	2,506	2,500	466	19.3%	91	3.8%	85	3.5%
INTERSTATE TRANSFER GRANTS	45	39	48	39	-6	-14.4%	3	6.7%	-6	-14.4%
URBAN DISCRETIONARY GRANTS	1,785	1,501	1,725	1,725	-284	-15.9%	-60	-3.4%	-60	-3.4%
SUBTOTAL: DISCRETIONARY	\$75,277	\$81,758	\$78,168	\$80,363	\$6,481	8.6%	\$2,891	3.8%	\$5,086	6.8%

MANDATORY/ENTITLEMENT	FY 1994 EST.	FY 1995			1995 PRES. BUD. vs. 1994		1995 HOUSE vs. 1994		1995 SENATE vs. 1994	
		PRES.	HOUSE	SENATE						
		BUDGET			\$	%	\$	%	\$	%
CHILD NUTRITION	\$7,271	\$7,753	\$7,753	\$7,753	\$482	6.6%	\$482	6.6%	\$482	6.6%
TEFAP, COMMODITY PURCHASES	80	0	40	0	-80	n/a	-40	-50.0%	-80	n/a
FOOD STAMPS	28,137	28,831	28,817	28,831	694	2.5%	681	2.4%	694	2.5%
SOCIAL SERVICES BLOCK GRANT 18/ 19/	3,800	2,800	2,800	2,800	-1,000	-26.3%	-1,000	-26.3%	-1,000	-26.3%
FAMILY SUPPORT WELFARE PAYMENTS	15,393	15,935	15,935	15,935	542	3.5%	542	3.5%	542	3.5%
AFDC JOBS 18/	1,100	1,300	1,300	1,300	200	18.2%	200	18.2%	200	18.2%
CHILD SUPPORT ENFORCEMENT	896	1,027	1,027	1,027	131	14.6%	131	14.6%	131	14.6%
FOSTER CARE, ADOPTION ASSISTANCE, AND					0	n/a				
INDEPENDENT LIVING 20/	2,993	3,441	3,441	3,597	448	15.0%	448	15.0%	604	20.2%
FAMILY SUPPORT AND PRESERVATION	60	150	150	150	90	150.0%	90	150.0%	90	150.0%
MEDICAID OBLIGATIONS 21/	87,156	96,388	96,388	96,391	9,232	10.6%	9,232	10.6%	9,235	10.6%
VOCATIONAL REHAB. STATE GRANTS	1,974	2,029	2,029	2,074	55	2.8%	55	2.8%	100	5.1%
SUBTOTAL MANDATORY/ENTITLEMENT	\$148,859	\$159,654	\$159,680	\$159,858	\$10,794	7.3%	\$10,821	7.3%	\$10,999	7.4%

TOTAL: SELECTED GRANTS-IN-AID	\$224,136	\$241,411	\$237,848	\$240,221	\$17,275	7.7%	\$13,712	6.1%	\$16,084	7.2%
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FOOTNOTES

- 1/ Unlike all other discretionary programs in this section, WIC and community health center spending is subject to special sequestration rules.
- 2/ The 1994 funding level for this program reflects a rescission (i.e., reduction) of appropriated 1994 funds.
- 3/ The Elementary and Secondary Education Act (ESEA) reauthorization bill currently being considered by Congress would significantly modify the structure and allocation of funds under this program.
- 4/ The 1995 funding levels include funding for Goals 2000 (House \$388.4 million; Senate \$428.4 million) and school-to-work (House \$140 million; Senate \$100 million).
- 5/ The 1995 funding levels reflect the proposed merger of the Chapter 2 and Eisenhower math and science programs into a new Eisenhower professional development grant program.
- 6/ Proposed 1995 funding levels reflect a \$46 million increase for immunization infrastructure grants and a \$110 million reduction in vaccine purchases. The childhood immunization entitlement included in OBRA 93 would increase medicaid spending on vaccines by \$424 million in 1995.
- 7/ The Senate includes \$199 million for Title II grants to states, the House \$196 million, the Administration \$214 million, and the 1994 level is \$184 million.
- 8/ While no new appropriation is proposed for SLIAG in 1995, the 1995 Budget assumed \$243 million in unspent SLIAG funds would be available in 1995. Since the release of the 1995 Budget, the Administration has revised its estimate of unspent funds available in 1995 to \$8.9 million. The Senate bill would transfer these funds to other programs.
- 9/ The Administration's revised request and the Senate proposal would fund these new programs within the annual contributions for assisted housing account.
- 10/ The House and Senate support the Administration's proposal to consolidate five existing homeless programs (i.e., emergency shelter grants, supportive housing, shelter plus care, Sect. 8 moderate rehab - SRO, and innovative homeless initiatives) into a new homeless assistance program.
- 11/ The House and Senate would provide includes \$1,287 million and \$1,987 million, respectively for clean water revolving funds. The availability of clean water funds under the House bill would be delayed until Congress reauthorizes the Clean Water Act. Both the House and Senate would provide \$700 million for drinking water state revolving funds.
- 12/ The House would delay the availability of \$500 million for construction grants until Congress adopts authorizing legislation.
- 13/ The House would provide \$804 million for an expanded Byrne formula grant program. Some of these funds could be used for state costs of incarcerating illegal aliens. The Senate would provide a separate appropriation of \$350 million for grants to states for the costs of incarcerating illegal aliens.
- 14/ Legislation authorizing the community policing program is included in the omnibus crime bill being considered by Congress.
- 15/ Full 1994 and 1995 funding will not be available until aviation authorizing legislation is enacted.
- 16/ The estimate of the 1995 highway obligation limit does not reflect the Administration's proposal to include previously exempt funds within the limitation.
- 17/ The President's Budget 1995 estimate reflects the proposed rescissions originally included in the President's Budget.
- 18/ Unlike all other mandatory programs in this section, spending for these programs is currently subject to sequestration.
- 19/ The 1994 funding level includes \$1 billion for empowerment zones.
- 20/ The Senate 1995 funding level includes \$156.5 million for prior year foster care and adoption assistance claims.
- 21/ Medicaid estimates reflect estimated obligations for each year. The 1995 level includes \$424 million for vaccine purchases for the new childhood immunization program. The Senate also includes \$3 million for fraud control demonstration projects.

FFIS Contact: Chris Nolan (202) 624-5382 NGA Contact: Jim Martin (202) 624-5315

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THE PRESIDENT HAS SEEN

9.8.94

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BL/Leon/Loyd

On
Sentelle

^bc-yoder-column adv29<

^EDWIN YODER COLUMN<

^(Advance for Monday, August 29, 1994, and thereafter)

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

GREENSBORO, N.C.--North Carolinians woke up one day recently to find two of their native sons hip deep in what might be called Whitewater Jr.

One was David Sentelle, a U.S. appeals court judge in the District of Columbia who hails from the Appalachian foothills and is remembered here as a very partisan Republican county chairman. Sentelle has now led a panel of judges in Washington to dump Robert Fiske as the Whitewater special prosecutor. The panel did not explain. It said only that Fiske, an eminent New York lawyer whose inquiry was already well along, might be "perceived" as less than impartial.

Soon after the judicial panel acted, it was revealed that Sentelle lunched in the Senate dining room on Capitol Hill with North Carolina's turncoat Republican senator, Lauch Faircloth, while Fiske's status was in the bosom of Sentelle's court. Faircloth is a bitter Clinton foe who had been screaming that Fiske was too soft on Clinton. The judge and the senator explained that it was a social get-together and that they talked mainly about prostate examinations--a story dismissed with ribald skepticism in Democratic circles here.

To add to the flavor of down-home coziness, the new Whitewater prosecutor appointed by Sentelle's panel is Ken Starr, an amiable Texan who served as George Bush's solicitor general after legal training at Duke Law School.

The Fiske ouster might be mistaken by suspicious-minded people--speaking of appearances of impropriety--for a bit of Republican home cooking. No one has charged actual conspiracy. But as Thoreau once said, there are times when circumstantial evidence is compelling--as when one finds a trout in the milk.

(more)

Certainly the ex-parte meeting between Sentelle and Faircloth has vitiated the confidence of Democrats that President Clinton can expect a detached investigation of Whitewater. That suspicion may be unfair to Ken Starr. But Starr has been astonishingly naive, given the tainted circumstances of his appointment and given that he has publicly expressed views inimical to the president's interest on the Paula Jones sexual harassment suit.

Chief Justice Rehnquist clearly has a stronger case for purging Sentelle from the special judicial panel that chooses and monitors special prosecutors, and deposing Starr, than Sentelle had for removing Fiske.

["Surely of all the federal judges in the land, Rehnquist could find someone whose independence is beyond question," commented the Raleigh News & Observer in an Aug. 16 editorial, noting Sentelle's "record of political activism" and finding him "unsuitable."]

Sentelle indeed looks like damaged goods; but the issue goes well beyond the unseemliness of his Senate dining room luncheon with Lauch Faircloth and Jesse Helms, North Carolina's gruesome twosome in the U.S. Senate.

The separation and dispersion of power is a basic principle of American government and of the Constitution. Significant exercises of executive power--emphatically including the extraordinary power special prosecutors hold over our lives and liberties--should be checked by political accountability. The lone exception to this essential rule was introduced 16 years ago by the special counsel statute (recently renewed) under which Sentelle and his panel were operating when they dumped Fiske.

This mischievous law transfers the power to appoint and check these powerful officials from the hands of president and Congress to those of a panel of judges who are immune to the discipline of the ballot box.

That makes it vital for judges administering the law to bend over backward to avoid the least suspicion of partisan purposes, a test

(more)

Sentelle flagrantly failed. But not even the most scrupulous regard for judicial propriety could redeem a law that tends to derail presidencies over penny-ante suspicions while degrading the integrity of the judicial branch.

Unfortunately, many Democrats in Congress, and even in the Clinton Justice Department, have supported the ``independent counsel`` law and its renewal. If, to imagine the easily imaginable, they have thereby handed partisan enemies a blade on which Clinton may be skewered, they will have their own folly to blame.

The probing and meddling of independent counsel may have been a laugh for partisan Democrats when the Republicans held the White House. But who will have the last laugh now?

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^bc-yoder-column adv31<

^EDWIN YODER COLUMN<

^(Advance for Wednesday, August 31, 1994, and thereafter)

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

1150 15TH STREET, N. W., WASHINGTON, D. C. 20071-9200
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THE PRESIDENT HAS SEEN

9. 8. 94

Ha

By health care

WASHINGTON--Our dysfunctional Congress, mirroring the fragmentation and fatigue of a feckless electorate, seems to have decided that comprehensive health care reform is dead.

But do the writers of its obituaries live on the same planet as we do? Do they know what unbridled health-care costs are doing, every hour of every day, to the national pocketbook?

Here is a little cautionary tale, one of many.

Recently, my elderly mother-in-law entered a hospital in Knoxville, Tenn., to be treated for an infected toe. Her condition was serious and it was worsened by a bone-marrow condition that lowers her white-cell count and impairs her immune system. She emerged from the hospital two minor operations, several blood transfusions and five weeks later.

No one expected a bargain. But nor did anyone expect the bill. It was \$46,000, exclusive of physicians' fees. Forty-six thousand dollars! Multiply that experience by millions and you can see why medical entitlements--she is of course covered by Medicare--are eating the federal budget alive.

Unless you actually pay such a hospital bill or plead indigence, you may not ordinarily wonder why the hospital treatment of a toe infection costs twice as much as a year's study at Harvard. These experiences are common, though I personally haven't heard of a medical bill so outlandish since Woody Morcott, CEO of the Dana Corporation, described the \$8,000 cost of the surgical repair of an employee's broken wrist.

(more)

I am not sufficiently conversant with hospital cost-accounting to analyze my mother-in-law's bill; but if you know just a bit about what is going on in the weird world of health-care charges, you can attempt a few well-informed guesses.

The pharmacy bill alone was, as usual, astonishing--almost \$10,000 of the \$46,000 total. Close scrutiny of the indecipherable chemical terminology would show that perhaps \$1,000 represented the actual value of ingredients and manufacturing costs. To those would have to be added advertising costs (including the cost of the lavish advertising campaign the pharmaceutical industry is conducting against any regulation of drug prices). You could throw in handsome dividends for the lucky holders of pharmaceutical stocks, now benefiting from research often substantially subsidized by public funds. No doubt there's also a hidden subsidy, too, for overseas purchasers of American medications who buy them at a fraction of their cost to American patients.

Beyond these hidden drug costs, you could add the taxpayers' contribution in the patient's behalf to the amortization of expensive high-tech diagnostic equipment which is of little or no value in treating an infected toe. You could throw in a contribution to investment in empty beds and a donation toward the cost of treating indigent patients who use the hospital's emergency room for routine medical care, from sniffles to stab wounds. And finally, more than a few dollars for the hospital's liability insurance premiums.

Some of these indirect costs, in moderation, would count as legitimate costs of doing business. But these days an inflated hospital bill reflects far more than treatment plus reasonable cost. The health care industry--including private insurers, with their 10 percent to 15 percent administrative overheads--is unique. It is one money-gobbling enterprise that we dare not allow to price itself out of business. It is both immune to the usual checks of the market and, so far, equally immune to sensible regulation.

(more)

Certainly no health care reform bill that fails to address all the concealed transfer payments, pass-throughs and subsidies that flow beneath the swollen surface of medical billing--and their often inequitable distribution--makes the slightest sense. Nor will reform address the monumental threat that health care entitlements pose to the nation's fiscal sanity.

The talk about ``incremental`` reforms is of little or no value in itself; it is merely a handy way to dodge responsibility for inaction in an election year. Minor first aid for the health care system may not do harm, but it will leave the great issue of the cost and apportionment of American health care unaddressed.

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*On No Release -
Yoder doesn't
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Boyle

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^EDWIN YODER COLUMN<

^(For IMMEDIATE RELEASE--Normally Advance for Monday, September 5, 1994)<

^(For Yoder Clients Only)<

^By EDWIN M. YODER, JR.=

WASHINGTON--The Clinton administration was quick to boast, this week, of its role in promoting the cease-fire in Northern Ireland.

A harmless vanity, perhaps. This administration seems to view foreign policy as a minor extension of domestic politics: If its Irish-American constituents are happy, God's in his heaven and all's right with the world.

The rest of us must take a more complicated view. The Irish Republican Army's announced cease-fire is a slender ray of hope, but no more. If the IRA may be taken at its word--a big if--it is admitting that a quarter century's campaign to break the will of the British government by violence has failed. Bombings and assassinations--including the assassination of Lord Mountbatten and the attempted assassination of Prime Minister Thatcher and principal members of her Cabinet, acts worthy of North Korean or Libyan thuggery at their worst--have not forced the British government to abandon majority rule. That is the essence of what the IRA is admitting, if again it means what it says.

The issue has never been well understood in the United States, where IRA propaganda goes far to muddle it, especially in Washington and Hollywood. Not long after the present troubles began, Sen. Edward Kennedy articulated the romantic "Irish-American" view of the struggle when he compared the role of the British army in Ulster to the role of U.S. forces in Vietnam.

The senator's comparison was not well received and little has been heard of it since, at least from him. But behind the scenes, militant Irish-American organizations continue to supply financial aid and

(more)

comfort to the IRA, its gunmen and bombers. Their sanctimonious hands are spattered with the blood of IRA victims. Worse still, the appeasement of militant pro-IRA elements has been the centerpiece of Clinton administration policy, highlighted by the visa given last spring to the IRA's political front man, Gerry Adams, to tour the New York talk shows.

They're still at it. The announcement of the cease-fire was accompanied by the news that the White House has again broken the rule against American visits by known terrorists by granting a visa to the IRA operative Joe Cahill. His errand is said to be to explain to American sympathizers why the terror has been called off. Did he tell them the truth--that it has been called off because it failed?

While celebrating their role in Irish realpolitik, the White House optimists should pay attention to the demands which Sinn Fein, the IRA's political front, continues to make: The British army must get out of the Six Counties, and the Six Counties must become a part of the Irish Republic. The Protestant fanatics, of course, say never.

If the IRA really is going to give up trying to bomb the British out of Northern Ireland, the British army can be thinned out and no one will be happier than the British public. You don't learn from IRA propaganda, so plentiful in the American media, that the Tommies were sent as much to protect Catholics from Protestant rowdies as to protect the peace against terrorists. But it is true. Now as before, the presence of the British army is a token of London's attachment to majority rule and to the principle that legal political arrangements must not be changed by--must in fact be reinforced in the face of--terrorism.

Assuming that all goes well, the three-month trial of good faith and after that the peace talks, what might the Irish future look like? Both London and Dublin agree that the issue must be settled by talk, not by communal violence. The IRA and Sinn Fein are at least pretending to agree. We may all wish that Ireland had a less embittering history--that Irish patriots had never made their island a

(more)

springboard for the attempted Catholic reconquest of England in the distant past, or that British officers had not mutinied over the home-rule issue in this century. But no party to this tragic argument can escape history. It must be lived with and, if possible, transcended.

The case for transcendence has never been stronger. With the end of the Cold War, the world has re-entered an age of destructive nationalist and tribal passions. Yugoslavia stands as the chilling example of what happens when fossilized religious, communal and ethnic hatreds boil over into civil war. Ireland is not immune to such an outcome. But the now ancient enmities to which Irish fanatics of both Catholic and Protestant persuasion are so wedded make less sense today than ever.

Some peoples remember too little history. The Irish, tragically, remember too much.

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France's Balladur Is Under Pressure To Run for President Against His Patron

By THOMAS KAMM

Staff Reporter of THE WALL STREET JOURNAL

PARIS—Prime Minister Edouard Balladur is France's most popular politician. And that's where the problem begins.

For Mr. Balladur, who has built his popularity on avoiding painful decisions, is now being forced by the coming presidential elections to make a crucial decision: Should he betray the hopes of millions of French people and not run for president? Or should he betray Jacques Chirac, the leader of his party and his ally of 25 years by running against him?



Edouard Balladur

For many on the French right, the possibility of having to pick one over the other is an agonizing choice. "To choose between Chirac and Balladur is like asking us to choose between our father and our mother," said Simone Rignault, a Rally for the Republic member of parliament, earlier this summer. But it is also far more than just a human drama: The prospect of a divided right could relaunch the left and turn what has seemed like a certain victory for the right next May into a close race.

For the time being, both men pretend to have better things to do than announce their candidacies. Yet, Mr. Chirac is publishing books and traveling through France to campaign. Mr. Balladur, for his part, says he won't even mention the presidential election until the beginning of next year. But, says Patrick Devedjian, a member of parliament and close ally of Mr. Balladur: "He'll be a candidate, without a doubt. Nothing will stop him."

And that means that a major conflict is brewing. Pierre Lellouche, a member of parliament and close adviser of Mr. Chirac's, says: "It's war."

Part of Game Plan

This wasn't supposed to happen. When the right won a resounding victory in the 1993 parliamentary elections, forcing Socialist President Francois Mitterrand to appoint a Prime Minister from within conservative ranks, Mr. Balladur's designation seemed part of a carefully worked out game plan. Mr. Balladur, the longtime adviser to Mr. Chirac, would take over the Prime Minister's job and absorb all the blows, thus shielding Mr. Chirac and allowing him to concentrate on his presidential campaign.

Hadn't Mr. Balladur written in a 1990

front-page article in *Le Monde* that the ideal prime minister in a new period of "cohabitation" between right and left emerged would be one without presidential ambitions? "Thank God, there are still enough politicians who don't want to be presidential candidates," he wrote.

But, Mr. Balladur wrote in that same article, "it's true that intentions can change and ambitions can be born or reveal themselves in full daylight. It's true that in politics, commitments aren't always eternal."

What happened between 1993 and today to change Mr. Balladur's views is something that once seemed completely unthinkable. He has become phenomenally popular.

When he was Mr. Chirac's Economics Minister from 1986 to 1988, Mr. Balladur was viewed as a haughty and aloof man whose aristocratic manners were constantly lampooned by cartoonists.

Now, the French like his style. The latest poll by the French Institute for Public Opinion showed that 63% of French people are satisfied with his performance — the highest popularity rate of any prime minister in 24 years. And a poll yesterday by pollsters CSA says that 53% of the French think he would be a better president than Mr. Chirac, while only 17% say Mr. Chirac would be better.

For his part, President Mitterrand, speaking in an interview published in today's *Le Figaro*, said he looks on Jacques Delors, the current president of the European Union commission, as his logical successor. The 77-year-old Mr. Mitterrand, who is suffering from prostate cancer, also said he expects to finish out his term, which ends next May, despite his ill health.

The gray-haired, 65-year-old Mr. Balladur's popularity is all the more astounding in that his stewardship has been more notable for its retreats than its accomplishments, many analysts say.

When a controversial plan to restructure ailing state-owned *Air France* ran into opposition, he withdrew it. He did the same with a controversial plan to undercut the minimum wage to give unemployed youths jobs.

In recent weeks, his government floated the idea of privatizing auto maker *Renault SA*, and then said it would sell at most a minority stake when union and political opposition surfaced. "His popularity is largely due to the fact that he didn't do much," says Philippe Moreau-Defarges, a professor of political science. "He can be credited with gently managing French society, nothing more."

But, many say, that is precisely what the French were looking for. "What some criticize as irresolution in a society made very fragile by the economic crisis and unemployment, appears to others like being attentive to what people want," says Mr. Lellouche.

Moreover, Mr. Balladur has other accomplishments to point to: He has privatized such major concerns as insurer *Union des Assurances de Paris*; *Banque Nationale de Paris*; chemical and pharmaceutical group *Rhone-Poulenc SA* and the oil company *Societe Nationale Elf Aquitaine*.

Economy Is Picking Up

His government got Sudan to arrest and turn over to France the terrorist Carlos the Jackal. France won kudos for its intervention in Rwanda — even if Mr. Balladur himself was cool to it. And he had some luck too: The economy is starting to pick up and unemployment has fallen two consecutive months, stealing the thunder of those who criticized France's strong franc monetary policy.

Mr. Balladur now clearly hopes to parlay this into a seven-year term in the Elysee Palace, and that means winning his standoff with Mr. Chirac. The fight is much more over power than policies. "It's harder to be closer ideologically and politically than Chirac and Balladur," says political scientist Alain Duhamel. "What separates them today is ambition."

Mr. Chirac, who was twice prime minister and has twice been defeated in presidential elections, thinks he's the natural candidate since he is leader of the RPR and polls show he too would defeat a left-wing candidate, albeit narrowly.

He criticizes Mr. Balladur for being too technocratic and lacking a grand design. But Mr. Balladur's supporters retort that what Mr. Balladur does seems just fine with the French and so he should be the candidate. "Why should we present a candidate with a lesser chance of winning than Balladur?" asks Mr. Devedjian.

The battle is expected to grow bloodier as the election nears. "They will fight like dogs," says Mr. Devedjian.

But in the end, he and others say one of the two men might see reason and step aside if it looks like the split will cost the right a victory. "Right now, it's like a World War I dogfight," says Mr. Lellouche. "They're trying to scare each other. But sometimes one of the two planes chickens out and ducks at the last second. Other times, they crash. All three options are possible."

THE WALL STREET JOURNAL, THURSDAY, SEPTEMBER 8, 1994

THE PRESIDENT HAS SEEN
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Clinton Taiwan Policy Is Criticized

Major Moves Would Prod Mainland China on Rights, Lawmakers Say

By John M. Goshko
Washington Post Staff Writer

President Clinton has approved some minor changes in U.S. dealings with Taiwan. But they were not enough to quiet congressional criticism of the administration's continued refusal to recognize Taiwan's separate identity.

The congressional critics believe Taiwan can be an important lever in forcing China to improve its human rights record.

A senior U.S. official, who spoke with reporters yesterday on condition he not be identified, said that after a comprehensive administration review of relations with Taiwan, Clinton had decided to continue "our fundamental one-China policy" of recognizing Beijing's claim that Taiwan is part of China.

Congressional critics argue that more overt moves toward formal ties with Taiwan, the fifth largest U.S. trading partner, could have the effect of forcing Beijing to be more cooperative in human rights matters.

However, the official said the decisions about Taiwan were not made with the idea of establishing a link between U.S.-Taiwan relations and Beijing's human rights practices.

"The United States is committed to maintaining unofficial commercial, cultural and other contacts with the people of Taiwan," the official said. He added that some adjustments would be made to facilitate contacts with Taiwanese officials, including "from time to time at a relatively senior level."

But the changes he described were largely cosmetic, such as stating more clearly practices already in use and permitting Taiwan to change the name of its unofficial mission here from "The Coordination Council for North American Affairs" to "The Taipei Economic and Cultural Representative's Office in the United States."

He stressed that any contacts would be solely "for the purpose of solving practical problems and doing business. They carry with them no implication that we consider the relationship to be official."

The United States ended diplomatic recognition of Taiwan Jan. 1, 1979, and established formal relations with the communist government on Beijing the same day. Since then, successive U.S. administrations—Democratic and Republican—have been careful not to go against Beijing's insistence that China can have no relations with any country that recognizes Taiwan as a separate entity.

The United States even contends its representation office in Taipei is a private entity rather than an embassy and that the U.S. diplomats staffing it are private citizens without official connection to the U.S. government.

Sen. Hank Brown (R-Colo.) immediately denounced the administration's policy as "treating one of our closest democratic allies in the Pacific worse than we treat North Korea, Cuba or Libya. . . . The policy does not even recognize Taiwan as a political entity."

Sen. Paul Simon (D-Ill.) welcomed these "slight improvements," but added that "we continue to give Taiwan

the cold shoulder. Taiwan has a multi-party system, free elections and a free press—the things we profess to champion—while we continue to coddle up to the mainland government, whose dictatorship permits none of those."

Rep. Robert G. Torricelli (D-N.J.) called the new policy "an attempt to have things both ways. We ignore the significant movement toward democracy in Taiwan, while we seek its trade and, having retreated from the idea of using trade preferences to influence China's behavior, we now shrink from the possibility that better treatment of Taiwan could exert pressure for better behavior from China."

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U.S. Judge Says Tailhook Report Won't Fly

John F. Harris
Washington Post Staff Writer

A Pentagon report that described in devastating detail the debauchery and alleged sexual harassment that pervaded the 1991 Tailhook convention of naval aviators isn't reliable enough to be used as evidence in a civil lawsuit, a federal judge has ruled.

Judge Philip M. Pro, a district judge in Las Vegas, ruled Friday that a report issued last year by the Defense Department's inspector general "is largely conclusory and based upon hearsay and double hearsay indicating its lack of trustworthiness."

The ruling was a setback for Paula Coughlin, a former Navy lieutenant, helicopter pilot and admiral's aide who became the most celebrated Tailhook accuser after publicly telling her story of being pawed and fondled by drunken aviators. In a civil case, she is suing the private Tailhook Association, the event's sponsor, and the Las Vegas Hilton, for what she says was a failure to provide appropriate security.

Some conservatives hailed Pro's ruling as evidence that the Pentagon

used shoddy investigative techniques and that the report presented an exaggerated view of what happened at Tailhook.

"There was misconduct, and nobody denies it," said Elaine Donnelly, who runs the Center for Military Readiness and has often battled with liberals on issues concerning women in the military. But she says some of the reports of harassment were "very much exaggerated," and that "the worst scandal of Tailhook was the way the investigation was handled."

Donald Mancuso, a Defense assistant inspector general, said the judge's decision, first reported by the Washington Times, was not surprising, because the report was not intended to stand up in court as legal evidence and was never presented as such. Instead, he said, it was meant to be "simply an overview of the events of Tailhook '91," in response to heavy interest by Congress and others.

"We still stand by" the report, Mancuso said.

The report is a 200-page catalogue filled with vivid descriptions of vulgar behavior, including men prowling the

halls with testicles exposed, wearing T-shirts with the slogan "Women are property," and slurping shots of tequila from the navels of willing women.

The report was assembled by a team of 40 investigators who conducted interviews with about 2,900 people who attended the convention. The report found that 117 officers had been "implicated in one or more incidents of indecent assault, indecent exposure, conduct unbecoming an officer, or failure to act in a proper leadership capacity."

Although the uproar over Tailhook resulted in the resignation of former Navy secretary H. Lawrence Garrett III, accelerated retirement of former chief of naval operations Frank B. Kelso II and derailed dozens of other Navy and Marine careers through administrative penalties, it resulted in no courts-martial.

THE PRESIDENT HAS SEEN

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JACK ANDERSON and MICHAEL BINSTEN

Special Interests Gang Up Against Synar

It's been a brutal summer for Rep. Mike Synar (D-Okla.), who's on the "Most Wanted" list of nearly every special interest group in America.

After slugging it out as one of the main players in round-the-clock negotiations over the crime bill, Synar is now fighting for his political life back home. Various special interests have bloodied the 16-year House veteran to the point that he was recently forced into a runoff for the Democratic nomination against a political unknown.

Even if Synar wins that contest on Sept. 20, he faces a well-funded Republican challenger in November.

As he trolled for votes last week in Oklahoma, Synar was inspired by a constituent who ran across the street, grasped his hand and told him: "You don't know who I am. I don't really care that you do. But I've watched your career and I've always admired you and I want you to know one thing: Go out on your legs, not your knees. Fight them."

In this case, the fight is against a veritable army: The National Rifle Association, the American Medical Association, tobacco companies, the radical right, the oil lobby and ranchers are all gunning for Synar.

Back in 1992, he barely escaped defeat because these special interests bankrolled attacks against the crusades Synar has waged on behalf of taxpayers.

Even though Synar moves easily in the corridors of power as a member of the Democratic leadership, he has a freshman's fearlessness when it comes to confronting the status quo. Unlike most incumbents, Synar refuses to accept PAC contributions, even though they would make his reelection fights much easier, and he advocates severe restrictions on such contributions.

Synar supports raising fees for ranchers who graze their herds on public lands, calling the current rates a government giveaway. He also wants to ban all tobacco company advertising and promotions, and broke with many of his constituents when he voted in favor of the Brady bill and the assault weapons ban.

"If you don't like fighting fires, don't be a fireman," explains Synar. "And if you don't like voting, don't be a congressman."

Last election, the NRA spent nearly \$200,000 to unseat Synar.

During a recent radio debate with a senior NRA official, Synar asked the official during a commercial break how much money they intend to spend trying to defeat him this time.

"He looked at me without hesitation and said, 'As much as we can raise,'" recalled Synar of the confrontation.

"If we save one law enforcement person's life because of the Brady bill or because of the assault weapons ban, even if I get beat I will be able to rest at night knowing I did it," Synar said.

That willingness to put principle above politics may be his greatest asset as well as liability. "Let's start off with an old-fashioned word—guts," one House Democratic leadership source told us. "In any given election, he will have taken at least one stand on principle that is to his detriment electorally. There is the type [in Congress] that before they make a decision they wet a finger."

"He would be more inclined to raise a fist," the source added.

Sen. Larry Pressler (R-S.D.) thinks the daily grind—not gridlock—is the enemy. After the battle over the crime bill, Pressler told us it's time for his colleagues to get a life.

"I think the problem in the Senate is that it is run by a group of people who have nothing else to do in life," Pressler said.

"I like George Mitchell and Bob Dole very much, but that sort of person—they're very exciting politically but they don't do anything except politics seven days a week. And if the Senate goes out of session they're lonesome or they're out giving a political speech," he added.

"These guys like to be in session day and night," said Pressler. "The rest of us like to have another life. You know, to go out and play a game of tennis or golf or go see some friends."

Pressler may have a point. Majority Leader Mitchell (D-Maine) said he would spend the recess wooing Sen. John H. Chafee (R-R.I.) to a health care compromise. And in the four days after the crime bill vote, Minority Leader Dole (R-Kan.) campaigned for Senate candidates in Oklahoma, Texas and Pennsylvania.

THE FEDERAL DIARY

Pension Plan Cuts

By Mike Causey
Washington Post Staff Writer

Budget-cutters will take one more swing at the federal pension program during the brief but politically charged pre-election session of Congress that begins Monday.

House leaders have promised floor time to members seeking to cut federal spending. They will bring up several proposed entitlement program cuts, including plans that would affect the civil service retirement system.

Officials don't know which cuts in pension benefits will be brought up. But the agenda is almost certain to include one or more of the following proposals:

- Raise the retirement age from 55 to either 62 or 65. Similar proposals in the past would have raised the retirement age only for future hires. But a few—those that would save the most money—would force nearly everyone 55 and younger to work extra years until retirement.

- Put the nearly 2 million federal (and possibly military) retirees and survivors on reduced cost-of-living adjustments. The retirees, most of whom now get full cost-of-living adjustments each year, would get raises that are one percentage point less than the actual rise in inflation. Workers and retirees who are under the new Federal Employees Retirement System already get reduced adjustments. But 99 percent of all current retirees, and most of the people who will be retiring in the next 15 years, are under the Civil Service Retirement System, which is indexed to inflation.

- Limit adjustments to part of each retiree's pension. Under this means-testing plan, long a favorite of House liberals, those with the smallest pensions would get full raises. But others would get a raise on only part of the annuity (the first \$13,000, for example).

Anything can happen in short sessions before an election. But the odds are against a major change in pension rules. Even if changes are approved by the

House, there is little chance the Senate would act to put them into law. The problem is that if the House does anything to pensions this year, it could set a precedent for action in the new Congress. Re-elected incumbents could be pressured to follow through on the cuts, and newcomers might vote for the trims to show their toughness. Moreover, the newcomers will have no vested interest in the federal pension program.

Sick Leave Changes

Lots of workers have called or written to ask why their personnel offices don't know anything about a new law allowing workers to take sick leave to care for family members who are ill. The reason is that there is no such law—yet!

The House is considering a bill (H.R. 4361) that would allow federal workers to use their sick leave to care for others. The Office of Personnel Management has made a similar proposal. But neither measure has been approved.

Internet Networking

The Association of Government Accountants, Americans Communicating Electronically and the Government SysOp Organization are sponsoring a series of federal Internet meetings for folks, both in and out of government, who are eager to log on to various programs and information sources. The sessions will be held Tuesday at the Sheraton National Hotel and Sept. 22 and 29 at the Small Business Administration, 409 Third Street SW. For details, call Glynis Long at 202-942-0348.

Buyouts

The Department of Agriculture is likely to restrict its next round of buyouts to the Office of the Secretary, Stabilization and Conservation, Economic Research, Animal and Plant Inspection, Extension and Forest Services. Other agencies such as Farmers Home, Rural Development, Foreign Agricultural, Food Safety and Inspection and the Marketing and Research services will offer early retirement but may not have buyouts.

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THURSDAY, SEPTEMBER 20, 1992
WASHINGTON POST

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The New Face of American Politics

By IRVING KRISTOL

A struggle for both the soul and body of American conservatism is taking place before our eyes, but because of the intervention of the liberal media our vision of it is cloudy and confused. The two poles of this struggle are best expressed by quotations from two conservative thinkers.

The first is from the interesting new book by David Frum, "Dead Right" (New Republic/Basic Books). Mr. Frum writes from the point of view of an economic conservative for whom Big Government is the central political problem of our era:

"Social conservatism is potentially more popular than economic conservatism. But . . . the force driving the social trends that offend conservatives . . . is the welfare function of modern government. Attempting to solve these social problems while government continues to exacerbate them is like coping with a sewer main explosion by bolting all the manhole covers to the pavement."

The second is from social conservative Paul Weyrich in a letter in the August issue of *Commentary* magazine. Posing the question, "Which comes first, a government that subsidizes immorality or a culture that tolerates it?" he answers it from the point of view of a social-cultural conservative:

"Single young women do not have babies in increasing numbers just because it pays. In fact, the welfare state notwithstanding, single motherhood is an almost certain road to lifelong poverty. [But] these young women . . . have absorbed a culture of instant gratification, and they have sex because they feel like it. . . . The welfare state encourages them, certainly, but it is not the driving factor. Cultural collapse is the driving factor."

Emphasis and Priorities

The polarization of these two views is less extreme than it seems from these two quotations. One can safely assume that Mr. Frum is unhappy that 30% of babies born in the U.S. today are born to single mothers. And one knows that Mr. Weyrich, a veteran conservative activist, is highly critical of our overblown welfare state, what Mr. Frum calls "Big Government." The issue is one of emphasis and priorities. But emphasis and priorities are closer to the heart of electoral politics than abstract political principles. That is why the Republican Party is now under such stress as economic conservatives and social conservatives strive for dominance in state after state, in primary after primary.

It is interesting to note that the Democratic Party seems not to be involved in any such conflict. The explanation is simple enough: The cultural left, over the past 20 years, has been so totally absorbed into the party that its priorities are fully respected. Some observers have been mystified by the fact that President Clinton's first initiative was to raise the controversial issue of gays in the military. Why didn't he insist on an increase in the minimum wage instead? That would have been more in accord with the party's traditional orientation.

But the Democratic Party of today is not the Democratic Party of yesteryear. Its trade-union base has not only shrunk,

as union membership in general has declined, but the nature of this membership has radically changed. Most of the union activists in the Democratic Party today come from the so-called helping professions—teachers, social workers, nutritionists, psychologists, etc.—most of whom work for the various levels of government itself.

Not only are these professions economically dependent on the welfare state, but they are completely dominated by the cultural left. (There is even a sense in which,

Board of Contributors

The real class war is between the cultural conservatives, mainly in the working and lower-middle classes, and the cultural left in the higher-paid and more economically secure professions. The GOP is being drawn in, willy-nilly.

along with professors and those in the arts world, it can be said they are now the cultural left.) It certainly wasn't the old-line unions of the AFL-CIO that defined the Democratic Party's position on abortion or on the distribution of condoms in high schools.

This does leave the Democratic Party with the problem of the traditional working class, union or nonunion, that has habitually voted Democratic, if less reliably so in recent years. The Clinton administration has been careful to offer the labor movement a bill that prohibited corporations from replacing striking workers. But it couldn't get enough Democratic votes to pass it—and, in truth, it didn't try all that hard. There are Republicans who see this Democratic problem as an opportunity—but these are almost entirely social conservatives, whose popular base is the working class, the lower-middle class, and the self-employed middle class. Economic conservatives speak to this dispossessed class in a language that does not appeal to human sensibilities.

There really is a class war, of a sort, in the U.S. today. President Clinton keeps trying to invoke older class-war slogans, when attacking the wealthy "vested interests." But he is having only minimal success. The reason is that the real class war in this country today is between the cultural conservatives, otherwise known as social conservatives, mainly in the working and lower-middle classes, and the cultural left in the higher-paid and more economically secure professions. And the Republican Party is being drawn into this class war, willy-nilly.

It is impossible to overestimate the dismay and confusion that this is causing within the Republican Party. All the potential candidates for the presidency in 1996 are self-consciously walking a very

fine line between the economic conservatives, whose traditional constituency is business, and the new, populist social conservatism that, as Mr. Frum admits, is potentially more popular. There is much angst within the party, much hedging and double-talk. Every one of these candidates knows that he cannot get the nomination, and even more certainly cannot win the election, without the support of the social conservatives. Why can't the Republicans do what the Democrats have done with their cultural left and simply, in a matter-of-fact way, embrace them?

The reason is religion. The social-cultural conservatives are also, in the main, religious conservatives, and this is something new in American politics. The Republican Party doesn't quite know what to do about it. The party is certainly not anti-religious, but it is secular, as our political parties have always been. In addition, there is the fact that the top executives of our larger corporations, who have a privileged position in the party, have views on social issues that are molded by economics, not religion or morality. Their idea of reforming welfare is to revise the system so as to make it more efficient and less costly. The notion of reforming the people on welfare is foreign to them.

Why this religious-political upsurge? Wouldn't it be better if both our parties remained secular? It probably would be, but that option has been foreclosed by the fact that the Democratic Party has itself ceased being secular and has become secularist. (Since the media themselves are secularist, the transformation has gone unnoticed.)

Secular vs. Secularist

A secular political party, in the traditional sense, has been neutral as between religions—at least insofar as they represent different versions of traditional morality. A secularist political party is neutral as between religion and irreligion; it believes that moral issues "have no place in politics," and replaces such issues with the idea of "fair and equal" treatment of all "lifestyles," all beliefs about what is permissible and what is not. This is accompanied by a powerful animus against the dominant traditional beliefs, especially religious beliefs. The American Civil Liberties Union and the National Education Association faithfully represent this ideology, which explains why they are comfortable banning the Ten Commandments from the classroom but don't mind feminist or homosexual art.

So, in addition to differences in economic policy and social policy, there is emerging a profound religious difference between the two parties—a difference that, in turn, shapes modes of thinking about economic and social issues. The Republican Party, always slow to change, is reluctant to recognize this new reality, and many in the party are resisting it. But such resistance will surely crumble in the years ahead, and the party alignments will be novel and different in important respects. A new era in American politics has already begun.

Mr. Kristol, an American Enterprise Institute fellow, co-edits *The Public Interest* and publishes *The National Interest*.

*Phil
Licki
Ann
This - Really
Went to reunion
Set.*

THE PRESIDENT HAS SEEN

9-8-94

THE WHITE HOUSE

WASHINGTON

August 22, 1994

*I want to
reunion set but
must get it
with the
B.*

MEMORANDUM TO THE PRESIDENT

From: Ann Walker

Re: Faces of Hope Update - As of August 17, 1994

The following is an update on the Faces of Hope compiled with the assistance of Sue Hazard. While we tried to be as thorough as possible, not all of the Faces keep in touch. We are still waiting to hear from some of them. The Faces are looking forward to a reunion here in Washington but Scheduling has not given us a date yet. We will keep you informed of any new developments.

CHARLES HAMPTON – Green County, Arkansas

Mr. Hampton, a Vietnam veteran, gave you his own bronze star for heroism during the New Hampshire primary of the 1992 campaign. Mr. Hampton met you personally in 1990 when he brought his youth softball team, "Charlie's Angels," to Little Rock.

Mr. Hampton still supports the Administration's policies and is converting more Republicans in Arkansas by speaking about his belief in you. He wanted to thank you for helping the St. Francis Water Distribution center in Green County, Arkansas. It helped a lot of people and they are grateful.

ZOILA TERRAZAS – West Hollywood, California

Ms. Terrazas is the manager of a West Hollywood apartment building. She met you at a luncheon in Los Angeles. Serving as a one-woman community enforcer, Terrazas has repeatedly chased gang members out of her building.

Ms. Terrzas has been sick as a result of her diabetes. She has been in and out of the hospital. Her car has been stolen two times.

She is looking forward to a reunion. She is working in the community with gangs and local schools promoting uniforms for elementary students to avoid the pressure of gang dress symbols.

JIM MILLER – Norfolk, VA (formerly Colorado)

Mr. Miller quite possibly saved the life of Vice President Al Gore. During the '92 Campaign, Gore was scheduled to speak at an October 27 rally at Rocky Mountain High School. Miller, who was volunteering at the Gore rally, discovered a crude bomb under the gymnasium bleachers before the rally began.

After successfully graduating High School he joined the Navy, completed boot camp in San Diego, CA, and is now stationed on an aircraft carrier, the *USS Eisenhower* in Norfolk, VA. He looks forward to the reunion.

TIERA DEWS – Washington, DC

Tiera met you during your post-election streetwalk on Georgia Avenue. The 9-year old Miss Metropolitan Princess is a student at Hyde Elementary School.

Tiera Dews was teased a lot by her classmates because of her affiliation with The White House so her mother is putting her in a private school beginning in September.

THE RAY FAMILY – Florida

The family of Ricky Ray faced the tragedy of losing a teenage son and brother to AIDS. Ricky, a hemophiliac, received a blood transfusion containing the AIDS virus. He spent much of his life fighting discrimination of HIV positive people. While in the hospital on November 8, 1992 you called Ricky. Ricky died on December 13, 1992. He was 15.

Louise Ray is currently running for State Representative in Florida's 3rd District, which includes parts of three counties (Orange, Seminole, and Volusia). She is running against a first term Republican incumbent and has no Democratic opposition.

The boys, Robert and Randy, operated their own lawn care service this summer to make money. They are continuing AIDS treatment at N.I.H. Their daughter Candi is five.

Clifford Ray, the father, works at Central Florida Reception Center in Orlando. It is a prison receiving facility for all of central Florida.

The family is also going to be part of ABC's Prime Time Live 5th Anniversary show which will be aired September 8, 1994.

OLLIE MCLEMORE – Chicago, Illinois

You met Ollie when you visited Beasley Elementary School where she is principal. Her school is a magnet school in a low income neighborhood on Chicago's South Side.

Ollie has been nominated to the Chicago Board of Education. Mayor Daley will make final decisions about the slate within the next few months. She is also a board member of the Rehabilitation Foundation, Inc. As usual, Ollie is also involved in many other volunteer projects and programs related to education. Ollie sends you her best wishes and looks forward to the reunion.

ALTA BARDSLEY – Cedar Rapids, Iowa

Both you and Vice President Gore met Quaker Oats employee Alta Bardsley on August 3, 1992 while campaigning in Cedar Rapids. Bardsley gave a presentation on programs aimed at restricting solid waste in the Quaker Oats plant. She also promoted environmental awareness in her own community. She has spoken at over 24 organizations and 6 churches on the Faces of Hope and the Clinton/Gore Inauguration.

A strong supporter of the Administration and environmentalist, Bardsley is continuing the TREES FOREVER programs and similar activism. She writes a newsletter for Camp Courage— a camp dedicated to helping physical and mentally challenged kids. She went back to school to get a degree in computer programming.

JOHN BALDWIN – Louisiana

Mrs. Clinton met Mr. Baldwin at a Louisiana adult training program that he operated prior to the Louisiana primary. He is principal of the Hamilton Terrace Adult Learning Center, an alternative high school that opened in the Fall of 1990. Most of the students there are single women on welfare striving for economic independence. This year he was selected as the high school principal of the year by the Louisiana Board of Elementary and Secondary Education.

He was also selected to received the nationally acclaimed Jefferson Award for Public Service in Shreveport. He has also spoken to a number of organizations - mostly educational - across the state and has published a monograph of his work at Hamilton Terrace.

The school has expanded its mission so that, in addition to the welfare recipients it was initially established to serve, it now also accepts youth who have been thrown out of their neighborhood schools for a variety of offenses. He currently chairs a task force for the local school system seeking ways to reduce the system's 50% drop out rate.

MICHAEL QUERCIO --Boston, Massachusetts

Mr. Quercio met you at the Park Plaza Diner in Boston in 1992. Quercio, who is HIV positive, is an advocate for HIV/AIDS education for school age children in Massachusetts. In April of this year Mr. Quercio called to let you know that he was speaking to several large university audiences on behalf of the President's health care plan and AIDS. Response was very good in each of his presentations. He is scheduled to speak at a symposium of several universities this week. He is also speaking out against the Whitewater/Madison affair, claiming that it is contrived by Republicans.

Michael continues to suffer from complications of AIDS but continues to speak out for realistic AIDS education across the country. He is continually asked to speak at universities and conferences on AIDS awareness. He keeps in touch with The White House.

DENNIS FITING

Mr. Fiting, a local labor leader, was an early supporter of your presidential campaigning. As the head of UAW Local 455, he hosted you at a rally in his local union hall in March.

Mr. Fiting has been active as a Local UAW President promoting health care reform. He participated in a public quorum on health care issues. He is doing fundraising for local Democratic candidates.

MARJORIE BEAR DON'T WALK -- Billings, Montana

Mrs. Gore met Dr. Bear Don't Walk on October 9, 1992 while visiting a mental health center and homeless shelter in Billings, Montana. She is a member of the Indian Health Board. Mrs. Clinton later visited the clinic Marjorie administers. Dr. Bear Don't Walk also helped to organize First Lady Clinton's meeting with Montana Tribal Leaders. The media has been interested in her son, Scott, because he is a Rhodes Scholar.

Marjorie has been in Washington, D.C. several times this year on behalf of the Urban Indian population which represents 65% of all Native Americans. She is working hard to increase the Urban Indians share of the Indian Health Improvement Act, Title 5 which allocates only 1% to the Urban Indians which in turn only covers 22% of their needs. Consequently, there are many poor and welfare bound Urban Indians. Marjorie would like to see the Urban Indian population more fairly represented.

Her son, Scott Bear Don't Walk, is still at Oxford as a Rhodes Scholar.

RONALD PATRICK MURPHY – Las Vegas, Nevada

Mr. Murphy met you at an October election rally in Las Vegas. A disabled Vietnam veteran, Mr. Murphy presented his Vietnam service medal to you at the rally. He keeps in frequent contact with the White House.

Mr. Murphy is a talented musician, and is working with a Texas music label for a Nashville CD album release. His album profits go to assist the Las Vegas Reserve mission and to help local battered wives and children of alcoholics.

Sue Hazard received three boxes of CDs which Mr. Murphy recently recorded. The CD is entitled "Still Loving You" and it also states that he is one of your "Faces of Hope."

Patrick Murphy is releasing a new CD of patriotic songs called "The Spirit of America." he credits you with inspiring the title (a letter you wrote to him). The proceeds will be donated to charity.

Patrick suffered a heart attack and has also had quadruple by-pass surgery. He is recuperating well. He sends his regards to you and his unswerving support.

He wants to sing for you at the reunion.

MIKE MORRISON – New Hampshire

Mr. Morrison met you while you were visiting Winnesquan High School during the campaign at the request of Jan Paschal, a former neighbor of yours. Morrison, who has cerebral palsy, worked for your campaign at the Manchester office.

Mr. Morrison is a now very active in local politics. He is running for State Representative in New Hampshire.

FRED AND EVELYN KEATING – New Hampshire

The Keatings met you at the Pub Restaurant in Keene, NH during an early campaign trip in November 1991. In January 1992, they hosted a campaign gathering at their home in Weare and began a year long expedition travelling all over the country at their own expense on behalf of your campaign. They remain in close contact with the White House. In October 1993, you wrote them on the occasion of their 50th wedding anniversary.

Fred Keating was nominated as a State Delegate to the New Hampshire State Democratic Convention in June 1994. Evelyn's health is improving but she's under medication from last year's surgery. Mr. Keating also sent you a letter inviting you to play in their family golf tournament but there was a scheduling conflict.

ELDA VILLAMIL

Ms. Villamil met Tipper Gore last fall at a convention for the National Association for Mental illness Washington, DC. She shared with Mrs. Gore the difficulties involved in raising her son who has schizophrenia. The two have exchanged letters since the meeting. Ms. Villamil also attended the Spanish CEO conference in support of NAFTA last fall.

Elda indicated that she has been financially decimated by the health costs of her son's schizophrenia. She works hard lobbying for more mental health coverage in the health bill. She works as a real estate agent.

DANNY KRONENFELD – New York, New York

You met Mr. Kronenfeld during a July 13, 1992 visit to the Henry Street Settlement in Manhattan's Lower East Side and mentioned him during your acceptance speech at the Democratic National Convention. He is the current Director of the facility

Kronenfeld and the Henry Street Settlement are celebrating the agency's 100 year anniversary. The anniversary celebration includes many wonderful events - a conference, street fair, parade, 10 day arts festival, opening community park, etc. The agency increased significantly its work with the homeless. It continues to play a leadership role regarding the issue of homeless families in New York City. Kronenfeld also recently received an honorary doctorate from City University of New York.

Kronenfeld serves on the Board of the Fourth World Movement which is co-hosting with the United Nations an event in New York and Washington, D.C. of about 500 of the poorest people from all over the world. Mr. Kronenfeld and the rest of the Fourth World Conference would like for you address the Conference in November.

MARY POLDRUHI – Cleveland, Ohio

Ms. Poldruhi met you and the Gores on August 22, 1992 during a campaign stop through northeast Ohio. She operates Parma Pierogies, and Italian restaurant, and provided a memorable lunch during the trip and sat with you during the meal. Mrs. Clinton has asked Ms. Poldruhi if he would like to cater a party at the White House.

Mary has opened a second restaurant called Parma Pierogies restaurant on the east side of Cleveland. You have an open invitation there. She reports that it is doing well.

MARIE KOSTOS-WEBER – Ohio

Early in the campaign Mrs. Kostos-Weber wrote you a letter detailing the plight of her family, which has been coping with the permanent illness of their ten year old daughter Sarah. They have exhausted two \$2 million insurance policies for her health care.

The "Sarah Weber Bill," which seeks to end abusive practices in the home infusion therapy industry, was introduced on March 24, 1994 by Congressman Sherrod Brown. It is included in Representative Gephardt's Health Care Reform legislation.

Mrs. Kostos-Weber is unable to find employment and desperately needs a job. The children are well. The family's story is the subject of a made for TV movie called "Hope" which is scheduled to air this fall.

Mrs. Kostos-Weber organized a raffle of a hand-made quilt to raise money for the Louise Ray's Campaign (another Face of Hope).

FRANK HENDERSON

During a campaign stop in the Pacific Northwest in September 1992, you sat down with a small group of timber workers to discuss economic and environmental issues in the region. Mr. Henderson, who lost his job at Willamette Industries after 21 years, participated in that meeting. Since his layoff, Mr. Henderson has been retrained at the Dislocated Workers Program at Lane Community College and has a new job.

Mr. Henderson recently started a new manufacturing company of plastic hose, as well as plastic welding.

TEANN SCOGGINS – York County, New York

Mrs. Gore met Teann Scoggins when the Democratic presidential ticket opened headquarters. Like Gore, Ms. Scoggins has spent a great deal of time working on issues affecting children.

Scoggins was chairperson for the York County Crop Walk for the handicapped which helped raise nearly \$40,000 plus food for the hungry in York County and throughout the country including the Midwestern flood victims. She has also worked behind the scenes to help 108 Chinese immigrants in the York County prison after their attempt to gain illegal entry into the U.S.

BENJAMIN EDWARDS – Philadelphia, PA

Mr. Edwards gathered with homeless in a squatters house to watch the 1992 Presidential debates. The next morning Edwards took a 90 minute trip to downtown and waited more than three hours to see you. You referred to Mr. Edwards' situation at the 1992 economic meetings in Little Rock. He was hired there by Joseph Criville, president of Shellville Services, Inc. He subsequently lost that job.

Benjamin Edwards still continues his struggle for employment. In June of this year he wrote asking for help to find employment for himself and his fiancée who has an associates degree in business accounting. He continues to have a severe alcohol abuse problem and goes in and out of substance abuse programs.

J.E. PAISLEY – Pittsburgh, PA

Ms. Paisley worked full time on the Clinton/Gore campaign in Pittsburgh designing the campaign newspaper, flyers, tee shirts, and other graphic arts projects. She suffered a stroke in 1990. Twice she underwent complicated plastic surgery and was told that she would never walk again. Ms. Paisley met Al Gore at an October rally in Pittsburgh after which he spoke about her remarkable achievements and the need for quality, accessible health care.

Currently J.E. Paisley holds a non-paid position as Director of Communications for the American Cleft-Palate Cranofacial Association. She is also involved in fundraising for the National Heart Association. She was in Washington, D.C. recently as an unpaid lobbyist for the National Stroke Association. The Stroke Association is lobbying to prevent drug price control because they feel that would decrease the money available for medical research. She is a strong supporter of universal coverage.

CATHY GOULD – Lexington, South Carolina

Ms. Gould met you in October of the campaign when you received the endorsement of 200 attorneys general and other law enforcement professionals. Ms Gould's husband was a police officer who was killed in 1989 by an individual who a purchased a handgun that same day.

Cathy and her children are living quietly now that their years of lobbying for the Brady Bill were realized in its passage. Tornadoes destroyed local downtown Lexington recently but they were unharmed. They send love and best wishes to you and the First Lady.

RICKY MULLINS – Tennessee

On October 13, 1993 Mr. Mullins met you and Vice President Gore and 29 other former employees in Decatur Sportswear. These workers lost their jobs when their company opened up operations in El Salvador and move their jobs there.

Ricky is still unemployed. He supports the Administration but is opposed to the new TennCare medical program in Tennessee. This new program has made it difficult to secure his medicine.

SHERRY KOHLENBERG

Ms. Kohlenberg spoke with Mrs. Clinton on October 16 at a meeting organized by the Virginia Breast Cancer Foundation. For more than an hour Mrs. Clinton met and listened to women like Kohlenberg, who have confronted their disease and its treatment. Kohlenberg was first diagnosed with breast cancer when her son was 18 months old. The cancer eventually claimed her life.

Larry Goldman, Sherry's widower, says that their times with the you and Mrs. Clinton were a source of comfort in a very difficult period. Larry got his Masters degree and is teaching high school english. Sammy is going into first grade in the Fall and is doing fine.

Sherry's book Sammy's Mom has Cancer won the Rose Kushner Award for excellence in the field of breast cancer writing. Larry is still in touch with breast cancer advocates.

ROGER KUTTAN

Roger Kuttan met you and Mrs. Clinton as well as Mrs. Gore many times during the campaign. At 18, he has already been American University's valedictorian and is the youngest money manager on Wall Street. During the campaign, you singled out Kuttan for his extraordinary accomplishments and the standards he has set for all young people.

Roger Kuttan and his father have set up the US2100 Virtual Reality Learning Center in McLean, VA. It is a non-profit project of the National Education Foundation. Thirty large high-tech companies provided all of the learning and computer technology. The theme is Explore-Learn-Fun. Studies indicate that with 30-40 hours of instruction on the system, children can advance one grade level in a subject. Roger credits you for the inspiration for the project.

JAMIE HOGAN

Jamie Hogan perhaps was the inspiration for the Faces of Hope theme of the campaign. Jamie — who must use a respirator— waited in the pouring rain so that she could take part in a bus tour rally during the campaign. Her participation was captured in a photograph taken by Mrs. Gore that rests on her office wall. In addition to Mrs. Gore, Hogan also met you and Mrs. Clinton at the rally.

According to Jamie Hogan's nurse at La Crosse Visiting Nurses Association, her condition is deteriorating. She is now bedridden, extremely depressed, and is refusing to cooperate to work on her health. She is anorexic and her weight fluctuates from 40-70 pounds. Jamie is now 14 years old.

Jamie admires Tipper Gore and keeps a picture of her by her bed. We informed Mrs. Gore of the situation and she was going to call Jamie.

RHYAN SOLLACE

You received a letter from 10-year old Rhyan regarding his family's trying economic situation. Touched by the comments, you surprised Rhyan by calling him while you appeared in Good Morning America.

Mike Sollace, Rhyan's father, has been through trying times having lost his job again. He resigned from the Faces of Hope and at last word is moving his family to New England. He seems to be suffering from some mental and emotional problems and is dangerously unstable.

OTHER FACES WHO COULD NOT BE REACHED

Wilma Defoggi-- Arkansas
Charles Rachel and Leon Gullette-- Los Angles, California
Manny Cardona-- Bridgeport, Connecticut
Brett Philpott--
Michelle Miller-- Atlanta, Georgia
Heather Williams-- Atlanta, Georgia
Pona Tiedman-- Hawaii
Marguerite, Arlene, and Ramal Taylor-- South Bend, Indiana
Cheryl, Clennon, Kenesha, and James Jones--
Bob Shannon-- East St. Louis, Illinois
Msgr. William Linder-- Newark, New Jersey
Peter J. Madonia-- Bronx, New York
Dimitrios Theofanis-- New York, New York
Leslie Williams-- Durham, North Carolina
Lisa, Ken and Ken Crawford, Jr.--
Angie, Dean and Joshua Cox-- Ohio
Bill Brierton-- Pennsylvania
Dr. Patricia Wetzal-- Dallas, Texas
Rosa Lovelace--
Judge Fortunato Benavides--

- copy to BL to
hold
- original to
RM
per
J. Podesta

THE WHITE HOUSE
THE PRESIDENT HAS SEEN

Chief of Staff 9.8.94

~~TO THE PRESIDENT~~

As Bruce
points out —
might be worth
call to David
Blase on broadband
strike.

94 SEP 8 10 36



BL - hold unless
(need to call

9.8.94
Leon:

9/7/94

To: Leon Panetta

From: Bruce R. Lindsey *BR Lindsey*

Date: August 29, 1994

Re: Baseball Strike

*If the President
has not made
the call to
David Glass, it
still might be
helpful*

In a conference call this morning with, among others, Secretary Reich, John Calhoun Wells, Director of the Federal Mediation and Conciliation Service, and Howard Pastor, who represented Major League Baseball while at Timmons & Co., we discussed the current status of the baseball strike and what, if anything, we should do to try to revive serious negotiations between the owners and players. Several steps were suggested:

- 1 A public statement by the President expressing his concern and growing frustration over the strike's continuance. (While we believe that an expression of presidential concern and growing indignation might increase the pressure on both sides to reach agreement, we need to avoid turning the strike's continuance into a "presidential" failure.)
- 2. A private telephone call from the President to David Glass, who is the owner representative for the Kansas City Royals on the negotiating committee and a spokesman for the owners. Mr Glass is the chairman of Wal-Mart and is well known to both President and Mrs. Clinton. (Hillary was on the Wal-Mart Board.) It was felt that because of their prior friendship, a presidential call would not raise the stakes too high, but would make the point directly to the owners that the President is monitoring the situation personally and is concerned.
3. Based on how the telephone call with David Glass went, the President might suggest a follow up meeting between Mr. Glass and me. A similar meeting would then be arranged with Don Fehr of the Players Association.

We have attached draft talking points for both the public statement and the Glass call.

Draft talking points for the President -- telephone call to David Glass

- * We are discouraged that the strike is dragging on for as long as it has. It threatens to destroy what had the makings of a remarkable season.
- * I am deeply concerned about this strike, and because I have known you for as long as I have, I thought I could impress upon you how important I think it is that we get the players back on the field and continue to play ball.
- * It is my understanding that September 15 is the "point of no return." It is unconscionable that this could be the first season since 1904 without a World Series. The two World Wars didn't stop that.
- * I am not judging the merits of either sides' arguments, just that the owners and players have got to work this out.
- * My administration is closely monitoring the negotiations.
- * Secretary Reich and FMCS Director John Calhoun Wells have been keeping the White House fully apprised of the situation.
- * Federal mediators stand ready to assist the owners and players in reaching an agreement -- when the parties are ready to do so. But from everything we are hearing, it sounds like the sides are deeply dug in and very far apart -- and maybe moving further apart.
- * We recognize that Dick Ravitch is taking the lead for the owners, but as a member of the negotiating committee and as a spokesman for the owners in recent days, I am calling to urge you to help take a leadership role in bringing this thing to a close.
- * What are the prospects for a settlement? What else should we be doing to assist the owners and players in reaching an agreement?
- * *[Based on how the telephone conversation went and the President's judgment as to whether such a step would be useful]* I'd like you to meet confidentially with Bruce Lindsey to discuss this further.

Draft talking points for the President -- public statement on the Major League Baseball strike

The Major League Baseball strike has been going on now for ____days. And in my view, that's [the same number] days longer than it should. Like all fans, I have to admit, my patience is wearing thin.

As fans, we miss the excitement, the thrills, the unpredictability that baseball brings into our summers. For the vendors and ticket takers, the grounds crews and ushers, the neighboring restaurants and hotels, the strike means even more -- it threatens the livelihood of tens of thousands of people.

We're closely monitoring the negotiations and, as you know, federal mediators stand ready to help the parties reach an agreement. But the owners and the players have to want to do it. And they still haven't reached that point.

It is disgraceful that this strike has dragged on for as long as it has and threatens to destroy what had the makings of a remarkable season. We will continue to talk to both sides to urge them to get together and work this thing out.

THE WHITE HOUSE
WASHINGTON

September 8, 1994

File
copy
(penned)
94 SEP 8 11:49

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

CHERYL MILLS *CM*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Denial of Pardon Requests

We have received the Deputy Attorney General's recommendations against pardons after completion of sentence for the petitioners identified below. After a review of the Pardon Attorney's memoranda summarizing the circumstances in each case, we have concluded that denial of each pardon petition is appropriate.

We will transmit your denial of petitioners' requests for pardon in the following 23 cases on Friday, September 23, 1994, unless you reach an earlier decision or indicate that you would like further information on any of the cases listed.

Thomas Edward Alecrim
Karl Smith Bowers
Roy E. Brockway
Ralph Henry Brumbach
Bruce Burkett
(aka Burris Burkett, Jr.)

Massachusetts
South Carolina
Texas
Ohio
Alabama

Robert Haywood Campbell
Carl Anthony Capozzola
Harold Dale Carman
Harry Gage Carpenter
Gene Paul Crock

District of Columbia
California
Texas
New Jersey
Washington

Angelo Dante D'Amico
(aka Paul V. Bartlett
and Angelo Navarro)
Ekhiel Fishel Khait
Joseph Albert Roland Laperle
Sixto Reyes Martinez
Robert Hal Mills

Ohio

Illinois
Massachusetts
Texas
Tennessee

James Joseph Newman
(aka David William Noonan, Jr.)
Samuel Palm Olson
Thomas Lee Peters
Patricia Ann Peyton-Pfarr
Arthur Philip Polan

Oklahoma

Nebraska
Washington
North Dakota
California

Richard Allen Raill
Harold Aaron Reskin
Jarrel Lee Rippee

California
Illinois and Arizona
Missouri

DECISION:

APPROVE

William D. Clinton

September 8, 1994

DISAPPROVE

MORE INFORMATION

File copy
(penneal)

THE WHITE HOUSE

WASHINGTON

September 8, 1994

94 SEP 8 All : 49

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
SPECIAL COUNSEL TO THE PRESIDENT

CHERYL MILLS *an*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: Denial of Requests for Commutation of Sentence

We have received the Deputy Attorney General's recommendations against commuting the sentences and/or remitting the fines of the petitioners identified below. After a review of the Pardon Attorney's memoranda regarding these cases, we have concluded that denial of commutation is appropriate in each case.

We will transmit your denial of petitioners' requests for commutation of sentence and/or remission of fines in the following 45 cases on Friday, September 23, 1994, unless you reach an earlier decision or indicate that you would like further information on any of the cases listed.

David Brent Aguillard
Tammy P. Atwell
Raul Bado
Tralunda Rochelle Barnes
Robert E. Bradley

Louisiana
Florida
Florida
Tennessee
Maine

Amanuel Devon Brooks
Lawrence Arthur Calloway
Larry Joseph Cullum
Gary Carel Delange
John Charles Delario, Jr.

Washington
Ohio
Texas
California
Texas

Celina E. Dubreus
Michael William Gage
Blas Rafael Tirado-Garcia
Gordon Godec
James Henry Hagar

Florida
Texas
California
Florida
Tennessee

Mary Jane Hagar
Yancy Hawkins
Tawana Vernise Henderson
James Wayne Hershberger
Terrol Anthony Hester

Tennessee
California
Georgia
Kansas
Georgia

Mary Katherine Hudson
William Arthur Jordan
Danny William Krauth
Mario Orlando Lewis
Mark Eugene Lisle

Oklahoma and Kentucky
Ohio
Iowa
Michigan
Ohio

Hugo De Jesus Martinez
Zodenta C. McCarter
Robert Allen McGoldrick
Karen Sue Nelson
Ted Michael Nezos

Florida
Tennessee
Georgia
Maryland
Florida

Terry Don Pace
Edward Lee Patten
Raymond John Powell
Rafiq Rahim
Parnell Riley, Jr.

Florida
Texas
District of Columbia
Alabama
Arkansas

Ahmad Awad Saidi
Daryl J. Scheffer
Ric J. Sisney
Samuel J. Strauss
Michael A. Stutevoss

Alabama
Montana
Michigan
New York
Texas

Leonard Eugene Sucko
(aka Leonard Eugene Szucko)
Steven Alonzo Tedder
Jack Ventimiglia
Nancy Jane Williams
Stephen James Williams

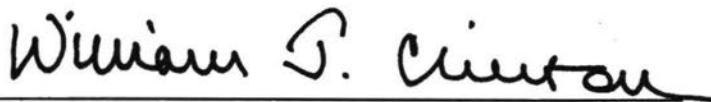
Texas
Mississippi
Michigan
Tennessee
Minnesota

DECISION:

APPROVE

DISAPPROVE

MORE INFORMATION



September 8, 1994

THE PRESIDENT HAS SEEN 9/8

~~U Bagger~~
Cruely son
R. Fisher has this
B

WASHINGTON AND THE WORLD

Health care lifeline: Compromise

Moderates gain as time gets short

By Judi Hasson and Judy Keen
USA TODAY

Despite pronouncements that health-care reform is near death, the Clinton administration and some other Democrats believe something can be salvaged through a bipartisan group of moderate senators.

The reason compromise looks more likely: Advocates of reform, including the White House, have no place else to go.

With time running out, supporters of health reform are facing the reality that no single proposal has the votes to pass.

"Each day without an agreement makes an agreement less likely," says Democratic pollster Mark Mellman.

By John Duricka, AP
CHAFEE: Republican leads moderate camp

So the last best hope seems to be the moderate group led by Sen. John Chafee, R-R.I., whose proposal aims to insure 92% of Americans, up from 85% now, by changing insurance rules but not requiring employers to pay premiums.

Representatives of Chafee and of Senate Majority Leader George Mitchell, D-Maine, al-

ready are talking compromise behind the scenes.

"As long as discussions are continuing, we're in the game," says George Stephanopoulos, a senior adviser to President Clinton. Other signs of life:

► Mitchell has scheduled a meeting Friday with Chafee's group to talk about a deal.

► Senate Minority Leader Robert Dole, R-Kan., was briefed for the first time on the proposal Wednesday.

► Today, the moderates meet with Vermont's Democratic Gov. Howard Dean, chairman of the National Governors' Association, and South Carolina's GOP Gov. Carroll Campbell, whose support they will need.

"None of us are kidding ourselves. We have a long way to go before there's health reform, but it's still alive," says Sen. Joseph Lieberman, D-Conn.

But there's no unanimity about what to do.

Sen. Bob Kerrey, D-Neb., who supports Chafee's centrist approach, is pessimistic: "I think we're within a few days of putting the whole health-care issue to bed for the year."

While the White House nudges Mitchell toward compromise with the moderates, Clinton isn't budging publicly.

"I am still where I always was," he told a *B'nal Brith* meeting in Chicago via satellite Wednesday.

Clinton appeared to suggest the bipartisan plan was unacceptable. He lit into "so-called moderate and conservative people" for abandoning a requirement that most employers pay for workers' insurance, saying that's "the only known way" to provide universal coverage and other benefits.

But there aren't enough votes in Congress to require employers to insure their workers, even in the most limited circumstances.

And with health reform held

hostage by the Senate's crime debate, Democrats will begin facing a credibility dilemma.

If, after the crime debate, Mitchell sends the Senate home for a delayed summer break without finishing health reform, it would look like a voteless defeat. If he compromises, he risks losing the support of liberal Democrats.

If senators go home as House members did — even if they pledge to return to take up a health bill — the White House fears some of their constituents will pressure them to delay action until next year.

Polls show most people want Congress to move cautiously. "Americans say go slow and get it right. A bad bill is worse than no bill," says Republican Party head Haley Barbour.

But Sen. Tom Daschle, D-S.D., a Clinton reform ally, says: "We're hopeful that by the end of the week we'll have a clear understanding of where we are and what it will take."

Senate is stymied on crime bill

By Leslie Phillips
USA TODAY

Caught between Republican demands for changes in a \$30.2 billion crime bill and Democratic refusal to do so, the Senate remained paralyzed Wednesday on the legislation.

Majority Leader George Mitchell, D-Maine, was to call the 56 Senate Democrats together today to chart the next step in what has been a three-day volley of proposals, accusations and political posturing over the battered legislation.

"We want to vote on the crime bill," Mitchell said. "If the price of it is some political hazing by the opposition, we're prepared to do that."

The impasse is reminiscent of last November, just before the Senate passed the Brady law requiring a five-day waiting period before handgun purchases. Republicans won a first vote to block the bill, but 10 GOP senators then joined Democrats to pass it.

"Time after time, it's the same old crowd jumping ship when we have victory in sight," said Sen. Jesse Helms, R-N.C.

Similarly, all 44 Republicans have agreed to stand together for now. But moderates such as Sens. Nancy Kassebaum, R-Kan., and John Chafee, R-R.I., who support the bill's ban on 19 semiautomatic assault weapons, wouldn't commit their votes to re-open the measure.

The bill, which would fund prison building, police and prevention programs and add scores of new crimes punishable by death, passed the House Sunday after the White House renegotiated to win over moderate Republicans.

Although Democrats say opponents are either trying to kill the assault weapons ban or the entire crime bill, Minority Leader Robert Dole, R-Kan., said he only wants to make it tougher.

His most recent offer to Mitchell includes 13 amendments to strip most of the \$6.9 billion in

By John Duricka, AP
AMENDMENTS: Sens. Robert Dole, right, and Orrin Hatch with a list of GOP demands.

prevention programs; increase mandatory minimum sentences for gun crimes and drug crimes involving minors; and strengthen prison provisions, including a requirement that keeps first-time felons behind bars for 85% of their sentences if states want federal prison grants.

The only prevention program that would remain would be the \$1.8 billion to combat violence against women.

If changed in the Senate, the bill would have to be sent back to the House.

"'Clinton Suffers Great Defeat.' That's the headline they're looking for," said Judiciary Chairman Joseph Biden, D-Del. "For six years, this has been about guns, guns, guns, guns, guns, guns, guns."

Only 41 Republicans are needed to block the bill. Republican Sens. Arlen Specter of Pennsylvania, James Jeffords of Vermont and William Roth of Delaware have said they will stand with Democrats. But Sen. Richard Shelby, D-Ala., will vote with the GOP.

Democrats say they have 55 sure votes, with three to five more possible.

► Commentary, 11A

GOP senators' coffers loaded with NRA money

By William M. Welch
USA TODAY

The National Rifle Association, scrambling to stop the crime bill and its ban on semiautomatic assault weapons in the Senate, contributed more than \$110,000 to help senators' political campaigns since last year.

The gun lobby money has overwhelmingly gone to Republicans — 13 senators — and one Democrat, federal records show.

The lone Democrat, Sen. Howell Heflin of Alabama, says he is undecided on the latest version of the crime bill.

Most other recipients oppose President Clinton's anti-crime legislation.

"The NRA is a powerful lobby for a number of reasons, but one is because they give so much money away," says Josh Goldstein of the Center for Responsive Politics, which monitors campaign financing.

In addition to the Senate contributions, NRA's political action committee has given Republican Party groups \$285,500 in "soft money," not subject to legal limits, Goldstein says. It gave none to Democrats.

House incumbents have received even more money: \$360,000.

Federal Election Commission reports show the top Senate beneficiary was Georgia Republican Paul Coverdell. The NRA reported spending \$24,062 in 1993 to support his 1992 campaign. The report shows no direct contributions to Coverdell in 1993.

Next was Sen. Kay Bailey Hutchison, R-Texas. The NRA gave \$17,459 in direct contributions and spending on her behalf, including \$6,548 since her June 1993 special election.

Among the non-incumbents receiving nearly the legal, maximum \$5,000 per election contribution is Republican Jan Stoney, who is challenging Sen. Robert Kerrey, D-Neb.

The FEC reports cover the period from January 1993 through May 1994.

Not included was a \$5,000 contribution to Oliver North, the GOP candidate for Senate in Virginia, which the NRA announced last week. He is challenging Democratic Sen. Charles Robb, who supports the ban on assault weapons.

Reuters
HUTCHISON: NRA recipient

THE PRESIDENT HAS SEEN 9/8

CLINTON ADMINISTRATION JUDICIAL RECORD
August 25, 1994

ANALYSIS OF CONFIRMED JUDICIAL APPOINTMENTS:

Supreme:	02	African-Am:	23	(Cir 03, Dist 20)
Circuit:	13	Asian:	01	(Cir 00, Dist 01)
Trade:	00	Hispanic:	08	(Cir 03, Dist 05)
District:	71	Native American:	01	(Cir 00, Dist 01)
		Women:	30	(Sup 01, Cir 04, Dist 25)
Total:	86	W/Disabilities:	01	(Cir 00, Dist 01)

ANALYSIS OF JUDICIAL NOMINATIONS:

	<u>Clinton</u>	<u>Bush</u>	<u>Reagan</u>	<u>Carter</u>
No. of Nominations	126	79	79	53
Male	88	71	75	47
Female	38	8	4	6
White	84	75	76	43
African-Am	28	2	1	9
Hispanic/Other	14	2	2	1
Women and minorities	59%	13%	9%	28%
Rated "well qualified" by ABA	63%	52%	53%	57%

*Lloyd / Vucin
celebration*

Note: The ABA data reflect all nominations by Presidents Bush, Reagan and Carter, not only nominations through this day in the second year of the terms.

ANALYSIS OF JUDICIAL VACANCIES:

	<u>Vacancies</u> a/o 08/25/94	<u>1/20/93</u> <u>Vacancies</u>
Dist. Ct. Vacancies	139 (45 since 1/20/93)	95
Cir. Ct. Vacancies	29 (10 since 1/20/93)	18
Sup. Ct. Vacancies	<u>2</u> (2 since 1/20/93)	<u>0</u>
	170	113
Confirmed:	<u>86</u> (71 Dist, 13 Cir, 2 Sup)	<u>73</u>
	84	40
Nominations pending:	<u>40</u> (33 Dist, 7 Cir)	<u>23</u>
	<u>44</u>	17
Active at ABA/FBI:	<u>16</u> (12 Dist, 4 Cir)	<u>8</u>
	28	9
On Hold:	<u>8</u>	<u>6</u>
	20	3
Identified candidates:	<u>14</u>	<u>2</u>
	6	1

*Can he get
this 40 confirmed
this year?
any more sent up?
Must do as much as possible
this year*

The Miami Herald

JOHN S. KNIGHT (1894-1981)

JES L. KNIGHT (1909-1991)

JOE NATOLI
PresidentROBERTO SUAREZ
President EmeritusR. Publish and Chairman
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Associate EditorsSAUNDRA KEYES
Managing EditorPETE WEITZEL
Senior Managing Editor

For the U.S. Senate

Shame on Florida's Democratic Party for writing off the U.S. Senate seat now held by Republican Connie Mack and for not fielding one of its "stars" — even a rising one — to challenge Senator Mack and his voting record. Vote for vote, that record is almost exactly opposite that of Florida's Democratic Sen. Bob Graham.

Be that as it may, Florida Democrats may yet be able to send a message to Congress and to the nation — if not to Senator Mack. Two of the four candidates vying for the Democratic nomination in the Sept. 8 primary take strong, persuasive stands on current issues: Winter Haven physician Arturo Perez and Miami lawyer Hugh Rodham.

The other candidates, Miami lawyer Ellis Rubin, 69, and radio talk-show host Mike Wiley, 42, make a weaker showing. Mr. Rubin has run five quixotic, unsuccessful races as a Republican. He's not any more likely to be the people's choice as a Democrat.

Mr. Wiley, of Longwood in Central Florida, voices what's expected from talk show hosts: lots of pithy opinions. Probe beyond the sound bites, though, and his positions are short of substance and fraught with inconsistencies.

Dr. Perez, 63, is a Cuban-born cardiologist and a Bay of Pigs veteran. He strongly believes in a Medicare-style, single-payer national health care program.

But Dr. Perez's campaign is ill-funded and almost invisible. Should he win the nomination, he is not likely to draw sufficient attention from the national media or the National Democratic Party to give

The Herald Recommends

Senator Mack a run.

That leaves Hugh E. Rodham, 44, Hillary Rodham Clinton's brother and the first to demand that Florida Democrats field a candidate. When none

came forth, he resigned his longtime job as an assistant public defender in Miami to ensure that President Clinton would have a vocal champion in Florida. That took guts. Mr. Rodham isn't independently wealthy.

Nor, for that matter, is he much of a politician. He concedes that he has long been "disenchanted with the system" and didn't register to vote until 1991. Novice that he is, he quickly found himself taken by a "political consultant" with a phony resume.

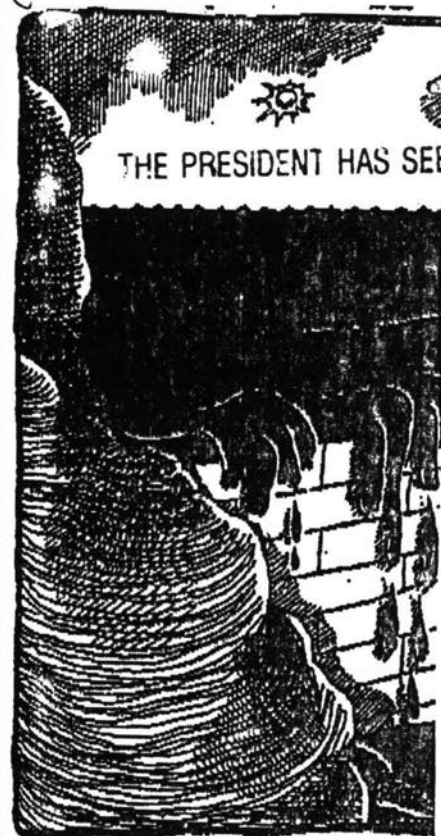
Once a school teacher, Mr. Rodham is today a solid, competent lawyer, slugging away at Senator Mack's record. If elected to the Senate, he certainly has the intellect to serve Florida credibly. He lists his principal priorities as crime, health care, and reform of federal campaign finance laws.

His positions mirror the president's: Ban assault weapons, support the death penalty, put money into prevention, adopt a universal health care program with strong cost controls, curb the influence gained by special interests larding campaign coffers of incumbent congressmen. He says that he shares "genuine" concerns about the North American Free Trade Agreement. He was an early advocate of a United Nations embargo of Cuba. And he supports the Middle East peace process.

In the Sept. 8 Democratic Senate primary, The Herald recommends **HUGH E. RODHAM.**



Rodham



Shaw: A Yes

Re The Herald's Aug. 18 articles criticizing my vote on the crime bill rule: The House's revised crime bill [which the Senate passed Friday night] is more effective and less costly than the original one.

While I was working to cut \$3 billion in wasteful spending, Herald columns by Carl Hiaasen and Mark P. Schnapp unjustly criticized my vote on the crime bill rule.

In implying that I "don't have the guts to say No to the NRA," Mr. Hiaasen proved that he had not checked

A bomb saved many lives

Your Aug. 7 Viewpoint article quoting former Interior Secretary Stewart L. Udall's thoughts on what "inescapable moral issues" must be considered in commemorating the 50th anniversary of the bombing of Hiroshima (Aug. 6, 1995) turned my stomach!

Every year at this time, as the anti-nuclear activists come forth to pay tribute to Hiroshima and Nagasaki victims, my emotions are wrenched and I am outraged that Americans would think that we did wrong in dropping the bombs.

It's really just a matter of perspective. A few months before the bomb

On Miami's police bonds

Fenix Broadcasting Corp**330 SW 27TH AVENUE****Suite #104****MIAMI, FL 33135****(305) 541-3300/FAX (305) 541-7470**THE PRESIDENT HAS SEEN ^{9/8}

August 29, 1994

Ms. Janet Reno
Secretary of Justice
Department of Justice
Washington, DC

By Fax: 1-202-514-1955

Re: Cuban Adjustment Act

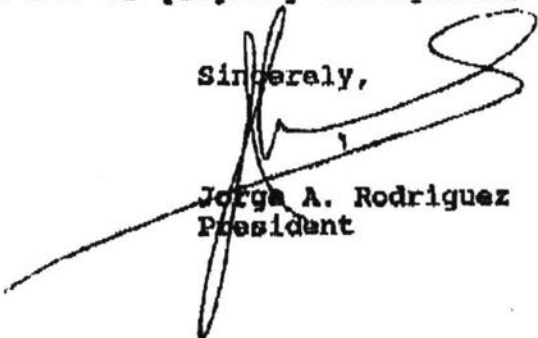
Dear Ms. Reno,

As a U.S. Citizen of Cuban origin, President of WRHC and WWFE, I am concerned with the interpretation that is to be given to the Cuban Adjustment Act, in light of the fact of the recently announced policy of taking rafters to Guantanamo and other U.S. Military installations. Request is hereby made for your interpretation of the application of the Cuban Adjustment Act to the rafters.

A group of Cuban Americans and organizations concerned with this problem and its possible consequences wish to avail ourselves of the democratic process and the U.S. legal system. We will be contacting a major Washington law firm for legal representation in this matter for our brothers on Guantanamo, as we consider unjust the current interpretation and application of the policy now in place.

Let me add that a majority of Cubans in the United States support President Clinton's policies with respect to Cuba, so long as the Cuban Adjustment Act is properly interpreted and justly applied.

Sincerely,


Jorge A. Rodriguez
President

JAR:bz

THE PRESIDENT HAS SEEN 9/8

THE WHITE HOUSE
WASHINGTON

94 SEP 6 P6:22

September 6, 1994

RECOMMENDED TELEPHONE CALL

TO:

GOVERNOR BOB MILLER

DATE:

SEPTEMBER 7, 1994

(702) 731-1994: 12:30am-1:30am EDT

(702) 371-3623: (Mgr. Gary Gray's Cel)

(702) 458-2558: 1pm-3pm EDT (home)

(702) 228-0222: 4pm-6pm EDT (ad firm)

RECOMMENDED BY:

JOAN BAGGETT & TOM EPSTEIN

PURPOSE:

Congratulations on Primary Victory

BACKGROUND:

Governor Miller was an early endorser during the campaign and played a major role in the general election victory in Nevada. He is expected to beat Las Vegas Mayor Jan Jones by a healthy margin in the Democratic primary today. A factor in his victory was Mrs. Clinton's \$800,000 January fundraiser.

TOPICS OF DISCUSSION:

1. Congratulations on your primary victory
2. Good luck in the general election

CONTACT PERSON &
PHONE NUMBER:

Joan Baggett 6-1125 or
Tom Epstein 6-2944

SUBMISSION DATE:

September 6, 1994

ACTION:

*Lower
anno m
prop by his
to raise 9/26/94*

TIME OF TRANSMISSION

TIME OF RECEIPT

**WHITE HOUSE
SITUATION ROOM**PRECEDENCE: IMMEDIATE
PRIORITY
ROUTINERELEASED: PSHDTG: 06 2301Z Sep 94

MESSAGE NO. 217 CLASSIFICATION unclassified PAGES 1
FROM Sharon Wagner/The White House 6 2702
(NAME) (PHONE NUMBER) (ROOM NO.)

MESSAGE DESCRIPTION _____

TO/AGENCY	DELIVER TO	DEPT/ROOM NO.	PHONE NUMBER
Martha's Vineyard	Wendy Smith	(FOR THE PRESIDENT-ACTION)	
"	Wendy Smith		

REMARKS:

Attached is a recommended telephone call to Governor Bob Miller re Primary Election results.

JOAN BAGGETT WILL CALL THE PRESIDENT LATER THIS EVENING WITH THE RESULTS OF THE PRIMARY ELECTION THAT GOV. MILLER IS IN TODAY.

THE PRESIDENT HAS SEEN 9/8

✓
THE WHITE HOUSE
WASHINGTON

94 SEP 7 P2:41

September 7, 1994

RECOMMENDED TELEPHONE CALL

TO: GOVERNOR BOB MILLER

DATE: SEPTEMBER 7, 1994
(702) 458-2558: 2pm-2:30pm EDT (home)
(702) 228-0222: 4pm-6pm EDT (ad firm)
(702) 498-1111: Candidate's Cellular
(702) 379-1109: Car Phone

RECOMMENDED BY: JOAN BAGGETT ^{JB} & TOM EPSTEIN ^{TE}

PURPOSE: Congratulations on Primary Victory

BACKGROUND:

Governor Miller defeated Las Vegas Mayor Jan Jones 62% to 28%. Mrs. Clinton's January \$800,000 event for the Governor stunted the potentially competitive candidacy of the pro-choice mayor in its infancy. Miller will face conservative State Assemblyman, Jim Gibbons, who defeated Secretary of State Cheryl Lau 50% to 33%. Miller leads Gibbons in a general election match-up by 15 points in most polls. Miller was an early endorser during the campaign and played a major role in the general election victory in Nevada.

TOPICS OF DISCUSSION: 1. Congratulations on your primary victory
2. Good luck in the general election

CONTACT PERSON & PHONE NUMBER: Joan Baggett 6-1125 or Tom Epstein 6-2944

SUBMISSION DATE: September 6, 1994

ACTION:

THE PRESIDENT HAS SEEN

9/8

FAX65
saw**DATE:**

8/22

TIME:

6:15

TO:**RECIPIENT:**

PAT GRIFFIN

ORGANIZATION:**FAX NUMBER:**

456-6220

FROM:**PERSON SENDING:**

LISA NOCOW

ORGANIZATION:**NUMBER OF PAGES:**

29

(including this one)

COMMENTS:

Any problems, please contact
Beth @ 224-5556
Per your discussion with Senator
Mitchell, passages on crime trust
fund.

S 2834

CONGRESSIONAL RECORD—SENATE

March 11, 1994

able account balance to the participant in a single payment unless the justice or judge elects, at such time and otherwise in such manner as the Executive Director prescribes, one of the options available under section 8433(b)."

(f) **BANKRUPTCY JUDGES AND MAGISTRATES.**—Section 8440b of title 5, United States Code, is amended—

(1) in subsection (b)(4) by amending subparagraph (B) to read as follows:

"(B) Section 8433(b) of this title applies to any bankruptcy judge or magistrate who elects to make contributions to the Thrift Savings Fund under subsection (a) of this section and who retires before attaining age 65 but is entitled, upon attaining age 65, to an annuity under section 377 of title 28 or section 2(c) of the Retirement and Survivors Annuities for Bankruptcy Judges and Magistrates Act of 1988."

(2) in subsection (b)(4)(C) by striking "Section 8433(d)" and inserting "Section 8433(b)";

(3) in subsection (b)(5) by striking "retirement under section 377 of title 28 is" and inserting "any of the actions described under paragraph (4) (A), (B), or (C) shall be considered";

(4) in subsection (b) by striking paragraph (8) and redesignating paragraph (9) as paragraph (8); and

(5) in paragraph (8) of subsection (b) (as so redesignated by paragraph (4) of this subsection)—

(A) by striking "Notwithstanding subparagraphs (A) and (B) of paragraph (4), if any bankruptcy judge or magistrate retires under circumstances making such bankruptcy judge or magistrate eligible to make an election under subsection (b) or (c)" and inserting "Notwithstanding paragraph (4), if any bankruptcy judge or magistrate retires under circumstances making such bankruptcy judge or magistrate eligible to make an election under subsection (b)"; and

(B) by striking "and (c), as applicable";

(g) **CLAIMS COURT JUDGES.**—Section 8440c of title 5, United States Code, is amended—

(1) in subsection (b)(4)(B) by striking "Section 8433(d)" and inserting "Section 8433(b)";

(2) in subsection (b)(5) by striking "retirement under section 178 of title 28 is" and inserting "any of the actions described in paragraph (4) (A) or (B) shall be considered";

(3) in subsection (b) by striking paragraph (8) and redesignating paragraph (9) as paragraph (8); and

(4) in paragraph (8) (as so redesignated by paragraph (3) of this subsection) by striking "Notwithstanding paragraph (4)(A)" and inserting "Notwithstanding paragraph (4)".

(h) **JUDGES OF THE UNITED STATES COURT OF VETERANS APPEALS.**—Section 8440d(b)(5) of title 5, United States Code, is amended by striking "A transfer shall be made as provided in section 8433(d) of this title" and inserting "Section 8433(b) of this title applies".

(i) **TECHNICAL AND CONFORMING AMENDMENTS.**—Title 5, United States Code, is amended—

(1) in section 8351(b)(5)(B) (as so redesignated by subsection (a)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(2) in section 8351(b)(5)(D) (as so redesignated by subsection (a)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(3) in section 8433(b)(4) by striking "subsection (e)" and inserting "subsection (c)";

(4) in section 8433(d)(1) (as so redesignated by subsection (b)(2) of this section) by striking "(d) of section 8435" and inserting "(c) of section 8435";

(5) in section 8433(d)(2) (as so redesignated by subsection (b)(2) of this section) by striking "section 8435(d)" and inserting "section 8435(c)";

(6) in section 8433(e) (as so redesignated by subsection (b)(2) of this section) by striking "section 8435(d)(2)" and inserting "section 8435(e)(2)";

(7) in section 8433(g)(5) (as so redesignated by subsection (b)(2) of this section) by striking "section 8435(f)" and inserting "section 8435(e)";

(8) in section 8434(b) by striking "section 8435(c)" and inserting "section 8435(b)";

(9) in section 8435(a)(1)(B) by striking "subsection (c)" and inserting "subsection (b)";

(10) in section 8435(d)(1)(B) (as so redesignated by subsection (d)(3) of this section) by striking "subsection (d)(2)" and inserting "subsection (c)(2)";

(11) in section 8435(d)(3)(A) (as so redesignated by subsection (d)(3) of this section) by striking "subsection (c)(1)" and inserting "subsection (b)(1)";

(12) in section 8435(d)(6) (as so redesignated by subsection (d)(3) of this section) by striking "or (c)(2)" and inserting "or (b)(2)";

(13) in section 8435(e)(1)(A) (as so redesignated by subsection (d)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(14) in section 8435(e)(2) (as so redesignated by subsection (d)(3) of this section) by striking "section 8433(i) of this title shall not be approved if approval would have the result described in subsection (d)(1)" and inserting "section 8433(g) of this title shall not be approved if approval would have the result described under subsection (c)(1)";

(15) in section 8435(g) (as so redesignated by subsection (d)(3) of this section) by striking "section 8433(i)" and inserting "section 8433(g)";

(16) in section 8437(c)(5) by striking "section 8433(i)" and inserting "section 8433(g)"; and

(17) in section 8440a(b)(6) by striking "section 8351(b)(7)" and inserting "section 8351(b)(5)".

(j) **EFFECTIVE DATE.**—This section shall take effect 1 year after the date of the enactment of this Act or on such earlier date as the Executive Director of the Federal Retirement Thrift Investment Board shall provide in regulation.

SEC. 8. AMENDMENTS TO ALASKA RAILROAD TRANSFER ACT OF 1982 REGARDING FORMER FEDERAL EMPLOYEES.

(a) **APPLICABILITY OF VOLUNTARY SEPARATION INCENTIVES TO CERTAIN FORMER FEDERAL EMPLOYEES.**—Section 607(a) of the Alaska Railroad Transfer Act of 1982 (45 U.S.C. 1206(a)) is amended by adding at the end the following:

"(4)(A) The State-owned railroad shall be included in the definition of 'agency' for purposes of section 3 (a), (b), (c), and (e) of the Federal Workforce Restructuring Act of 1994 and may elect to participate in the voluntary separation incentive program established under such Act. Any employee of the State-owned railroad who meets the qualifications as described under the first sentence of paragraph (1) shall be deemed an employee under such Act."

"(B) An employee who has received a voluntary separation incentive payment under this paragraph and accepts employment with the State-owned railroad within 5 years after the date of separation on which payment of the incentive is based shall be required to repay the entire amount of the incentive payment unless the head of the State-owned railroad determines that the individual involved possesses unique abilities and is the only qualified applicant available for the position."

(b) **LIFE AND HEALTH INSURANCE BENEFITS.**—Section 607 of the Alaska Railroad Transfer Act of 1982 (45 U.S.C. 1206) is amended by striking subsection (e) and inserting the following:

"(e)(1) Any person described under the provisions of paragraph (2) may elect life insurance coverage under chapter 87 of title 5, United States Code, and enroll in a health benefits plan under chapter 89 of title 5, United States Code, in accordance with the provisions of this subsection."

"(2) The provisions of paragraph (1) shall apply to any person who—

"(4) on the date of the enactment of the Federal Workforce Restructuring Act of 1994, is an employee of the State-owned railroad;

"(B) has 20 years or more of service (in the civil service as a Federal employee or as an employee of the State-owned railroad, combined) on the date of retirement from the State-owned railroad; and

"(C)(i) was covered under a life insurance policy pursuant to chapter 87 of title 5, United States Code, on January 4, 1985, for the purpose of electing life insurance coverage under the provisions of paragraph (1); or

"(ii) was enrolled in a health benefits plan pursuant to chapter 89 of title 5, United States Code, on January 4, 1985, for the purpose of enrolling in a health benefits plan under the provisions of paragraph (1)."

"(3) For purposes of this section, any person described under the provisions of paragraph (2) shall be deemed to have been covered under a life insurance policy under chapter 87 of title 5, United States Code, and to have been enrolled in a health benefits plan under chapter 89 of title 5, United States Code, during the period beginning on January 5, 1985, through the date of retirement of any such person."

"(4) The provisions of paragraph (1) shall not apply to any person described under paragraph (2) until the date such person retires from the State-owned railroad."

MR. GRAMM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized to offer an amendment.

AMENDMENT NO. 1495

(Purpose: To establish a Violent Crime Reduction Trust Fund.)

Mr. GRAMM. Madam President, I have an amendment at the desk, and I call that amendment up.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 1495.

Mr. GRAMM. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

H.R. 3345

SEC. . CREATION OF VIOLENT CRIME REDUCTION TRUST FUND.

VIOLENT CRIME REDUCTION TRUST FUND

"(a) There is established a separate account in the Treasury, known as the 'Violent Crime Reduction Trust Fund', into which shall be deposited deficit reduction (as defined in subsection (b) of this section) achieved by the preceding section.

"(b) On the first day of the following fiscal years (or as soon thereafter as possible for fiscal year 1994), the following amounts shall be transferred from the general fund to the Violent Crime Reduction Trust Fund—

"(1) for fiscal year 1994, \$720,000,000;

"(2) for fiscal year 1995, \$2,423,000,000;

"(3) for fiscal year 1996, \$4,267,000,000;

"(4) for fiscal year 1997, \$6,313,000,000; and

"(5) for fiscal year 1998, \$8,545,000,000.

"(c) Notwithstanding any other provision of law—

"(1) the amounts in the Violent Crime Reduction Trust Fund may be appropriated exclusively for the purposes authorized in the Violent Crime Control and Law Enforcement Act of 1993;

"(2) the amounts in the Violent Crime Reduction Trust Fund and appropriations under paragraph (1) of this section shall be excluded from, and shall not be taken into account for purposes of, any budget enforce-

March 11, 1994

CONGRESSIONAL RECORD—SENATE

S 2835

ment procedures under the Congressional Budget Act of 1974 or the Balanced Budget and Emergency Deficit Control Act of 1985; and

"(3) for purposes of this subsection, 'appropriations under paragraph (1)' mean amounts of budget authority not to exceed the balances of the Violent Crime Reduction Trust Fund and amounts of outlays that flow from budget authority actually appropriated."

(b) LISTING OF THE VIOLENT CRIME REDUCTION TRUST FUND AMONG GOVERNMENT TRUST FUNDS.—Section 1321(a) of title 31, United States Code, is amended by inserting at the end thereof the following new paragraph:

"(91) Violent Crime Reduction Trust Fund."

(c) REQUIREMENT FOR THE PRESIDENT TO REPORT ANNUALLY ON THE STATUS OF THE ACCOUNT.—Section 1105(a) of title 31, United States Code, is amended by adding at the end thereof:

"(29) Information about the Violent Crime Reduction Trust Fund, including a separate statement of amounts in that Trust Fund."

"(30) an analysis displaying by agency proposed reductions in full-time equivalent positions compared to the current year's level in order to comply with section 1352 of the Violent Crime Control and Law Enforcement Act of 1993."

SEC. 3. CONFORMING REDUCTION IN DISCRETIONARY SPENDING LIMITS.

The Director of the Office of Management and Budget shall, upon enactment of this Act, reduce the discretionary spending limits set forth in section 601(a)(2) of the Congressional Budget Act of 1974 for fiscal years 1994 through 1998 as follows:

(1) for fiscal year 1994, for the discretionary category: \$720,000,000 in new budget authority and \$314,000,000 in outlays;

(2) for fiscal year 1995, for the discretionary category: \$2,423,000,000 in new budget authority and \$2,330,000,000 in outlays;

(3) for fiscal year 1996, for the discretionary category: \$4,267,000,000 in new budget authority and \$4,181,000,000 in outlays;

(4) for fiscal year 1997, for the discretionary category: \$6,313,000,000 in new budget authority and \$6,221,000,000 in outlays; and

(5) for fiscal year 1998, for the discretionary category: \$8,545,000,000 in new budget authority and \$8,443,000,000 in outlays.

Mr. GRAMM. Madam President, I want to go back and recount where we have been on the issue that is the subject matter of the amendment which is before us.

I have offered an amendment, which consists of the text of the Byrd amendment which I cosponsored, on the crime bill, which has the objective of, after locking in a reduction in the Federal work force of 252,000 personnel slots, achieving a savings in the first 5 years of \$20.8 billion, lowering the spending caps in the Federal budget to assure that none of that money is spent for other purposes, and then dedicating the \$20.8 billion to a violent crime reduction trust fund to pay for a dual approach to try to rid America of violent crime.

One approach is putting 100,000 police officers on the street. The other approach is building prisons, adopting mandatory minimum sentencing, and asking States to enter into a partnership with the Federal Government to incarcerate repeat violent offenders in regional prisons which are to be constructed with the money contained in this amendment.

In order to participate, the States have to adopt certain policies, including a truth-in-sentencing provision which establishes a high ratio between the amount of time someone is sentenced to prison and the amount of time they actually spend in prison.

That, Madam President, is the subject matter of the amendment before us.

Let me relate the Senate's history on this issue because it is somewhat of a long history, and I think it will be helpful to understand why this amendment is so important to me. I hope it will be important to the Senate, and I hope it will become the law of the land.

On October 28 of last year, I offered the original amendment which set out in law the President's stated goal from the reinventing Government proposal to reduce the number of personnel slots in the Federal bureaucracy by 252,000, and to set out an enforcement mechanism whereby the Office of Management and Budget would make a finding concerning the level of actual full-time equivalent employment in the Federal Government.

If the OMB Director were to find that the level of full-time equivalent employment exceeds the level set out in law, then that would automatically trigger a hiring freeze that would stay in effect until the employment target is achieved and the attendant savings are realized.

The first Gramm amendment would have applied the entire \$20.8 billion to deficit reduction. I remind my colleagues that when I offered that amendment on October 28, it was adopted on a very strong bipartisan vote, 82 to 14.

In November last year, when we were considering the anticrime bill, Senator BYRD, responding to a discussion of how we were going to come together on a crime bill where basically, Madam President, there were two approaches—the approach of Republicans was to build prisons, to impose mandatory minimum sentences, and to grab violent criminals by the throat to assure that every morning we do not have to wake up and open up the newspaper and find that a violent predator criminal who had previously brutalized or killed people is back out on the street and doing it again. We had an approach on the Democratic side to put more police officers on the street and institute a series of other reforms that were aimed at trying to deal with first-time offenders, trying to deal with some of the root causes of crime.

Senator BYRD and I lamented the fact that we had difficulty in funding both approaches. Senator BYRD came up with the idea of taking the text of my original amendment on Federal work force levels and using the savings from that amendment to fund the crime bill.

The Byrd amendment, which I cosponsored with many others, was adopted on November 4 of last year.

Then, at the end of the session, the original bill, to which I had attached the first Gramm amendment that set employment caps and saved \$20.8 billion, came back over from the House without the Gramm amendment—despite the fact that Members of the House on two separate occasions had instructed conferees to accept that amendment and to save \$20.8 billion. A conference occurred, it lasted for 5 minutes and the amendment was dropped.

The House then rejected that proposal and sent it back into conference. The amendment was dropped again. So despite the fact that the Senate voted 82 to 14 for my amendment, despite the fact that the House voted for it twice, it ended up being dropped from the House bill. Then last year, on the last day of the session, in one last attempt to see that we did not leave \$20 billion on the table, a table which is often ransacked by people who want to spend money, I offered the amendment again. But my colleagues, in their zest to leave Capitol Hill and go back into America, rejected that amendment. I believe out of a fear that it would mean they might be forced to come back the next day or the next week.

Then when the bill that is now before us first came before the Senate in February, on February 11, Senator ROTH offered a substitute that contained the Byrd-Grumm language from the crime bill, with its many cosponsors, the amendment that created the crime reduction trust fund, and set in law the reduction in the Federal work force.

Now we have before us a bill which has provisions in it to pay people \$25,000, or up to \$25,000 to retire early, to try to meet the targets of reducing the size of the Federal bureaucracy.

The bill before us that has now returned from the House has part of my amendment in it. It has the employment reduction targets. It has the enforcement mechanism. But it does not have a reduction in the spending caps, so there is no guarantee that the money cannot be spent on just anything, and it does not have the crime trust fund.

What I am doing in my amendment today is putting us exactly back where we were when the Roth substitute was adopted. So that when we are providing a mechanism to reduce the size of the Federal work force with a buyout, we are certain the money saved is not going to be spent on conventional programs and that it is going to be available to be spent only for the purpose of reducing violent crime in America. So this is a subject we have voted on many times. It is a very important subject.

I have a growing suspicion, Madam President, that people do not intend to see this money spent to reduce violent crime; that there are those who intend to spend it on other things. I do not intend to see that happen. That is why I have offered the amendment today. I hope it will get a strong vote.

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I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time? The Senator from Ohio.

Mr. GLENN. Madam President, I yield myself such time as I may require.

Madam President, the buyout bill, which is the basic bill we are talking about here, is very important. It has a great deal of urgency. We are beginning to run out of our available time window on this legislation as far as having it do any good and do what it was supposed to be able to do.

The administration has proposed that we reduce the Federal work force by some 252,000 people. I support that. But I want to do it in the right way. The reason that we want to do it in the right way is not just to say, well, we laid off 252,000 people. What we want to do is restructure the Federal work force.

By restructuring, I mean we have the wrong people in the wrong places right now, and this buyout bill we are considering is what will let us then make sure the people who are let go are not just out on a RIF, a reduction in force basis, but done in a way that will let us get the people out of Government we need out.

Now, what do I mean by that? Well, in the civilian sector, the normal manager-to-employee ratio is about 1 to 15, and in labor-intensive industry it may be 1 to 20 or even more. The Federal work force through the years has gotten topheavy with managers. The military had that problem some years ago. We called it brass creep, as we got too many officers in relation to the number of enlisted, and we put legislation forward that took care of that and got that ratio back into a more normal alignment.

What we have with regard to the Federal Government is a 1-to-7 ratio, and so the people we need to get out are the GS 13's, 14's, and 15's. There needs to be some incentive because they are not the people who are going to volunteer to get out.

So what we are going to do if we just have the 252,000 work force reduction and we do that by just normal attrition of the 11- or 12-percent turnover a year that happens in the Federal work force, we are going to lose the lower paid people who, by and large, are the minorities, the women who are at the lower pay scales in Government. It is going to be a very unfair matter.

That is the urgency behind this bill. We need this legislation in order to correct that imbalance in the upper levels of the GS ratings as opposed to the workers at the lower levels.

So we are beginning to run out of time because with the limitations that have been placed on the administration budgetwise, we have some of the departments of Government that right now are having to start RIF's, reductions in force, without this buyout, and it is going to leave us with the same

unbalanced structure we have right now.

That is the urgency of this bill. When the bill came through before, the Senate acted on it but it attached the crime bill to it because as some of the savings came out of the GS cutbacks as reductions in force, the savings therefore were going to be put over into the crime bill.

Now, I voted for that before. The House objects to that strongly. And so they have sent the bill back to us with a changed formula, and we can accept the formula they have sent back to us, I believe, as far as how they structure the percentages that will be paid into this retirement fund. The \$80 active employee contribution each year for up to 3 years from each department will be paid back into the civil service retirement trust fund, a 9-percent agency payment, 9 percent of the final year of salary for each retiring employee will come back into the fund also.

The House sent it back with no reference to the crime bill that we had sent over to them, and that is what the distinguished Senator from Texas, Mr. GRAMM, is proposing we put back in the bill today.

Now, in an ideal world, I would like to just accept the House bill and pass it, but I realize we voted for this before. There is general support for it in the Senate. And even though the administration in the form of a letter from the Vice President dated March 9 urges us just to pass the House bill so we can get on with dealing with the original problem of GS ratings I mentioned a moment ago, I doubt we are going to be able to do that. I am sure we will not be able to do that.

Madam President, I ask unanimous consent that the Vice President's letter be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GLENN. Let me recount a bit of the history of this matter.

S. 1535, the Federal Work Force Restructuring Act, was first introduced on October 7 last year. On October 19, the Governmental Affairs Committee, which I chair, held a hearing on S. 1535. We marked it up on November 9. And on February 4, 1994, the House passed its version, H.R. 3345, and that bill was sent to the Senate.

The Senate then passed the substitute amendment to 3345 on February 11 and sent the bill back to the House. And so now we have the House version sent back to us again. This has been legislative ping-pong if I have ever seen it. But regardless of how many times we go back and forth, I think the game has gone on long enough.

The administration has stated repeatedly it desperately needs this Federal Work Force Restructuring Act so that Federal agencies can begin to downsize the work force by encouraging employees to resign or retire from

Federal service. Agencies can downsize without resorting to reductions in force, to RIF's. And as private industry learned, unlike RIF's, buyouts also can streamline a work force without sacrificing morale or diversity.

We have had experience with that in the military over in the Pentagon in reductions in force. In addition, buyouts save agencies money because they cost less than layoffs.

The longer we wait to pass this bill the slimmer the opportunities become for agencies to use buyouts to downsize in the way that we want them to downsize.

The letter from the Vice President explains this also: Many agencies have said that the latest day they can use buyouts is March 15. Here we are March 11 referring to an amendment of the bill again. I just do not think we can continue to play around with the bill. We need to go to conference which we were willing to do some time ago. But it was up to the House at that time to call the conference under the rules under which we operate. So we never got to conference on it, and passing the bill with this amendment today will let us go to conference with it.

So while I would prefer to go with the House bill today so we could get into force as soon as we possibly could, I guess we are going to pass it today, I would be willing to accept this in the interest of getting on to the conference and accept it here.

I believe my distinguished colleague—correct me, if I am wrong—wants a rollcall vote on this particular amendment.

I reserve the remainder of my time.

EXHIBIT 1

THE VICE PRESIDENT,
Washington, March 9, 1994.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to express the Clinton Administration's strong support for the House-passed version of H.R. 3345, the Federal Workforce Restructuring Act and to urge the Senate to expeditiously pass the bill. This legislation is needed immediately in order for the Executive branch to reduce, reshape and retool its workforce without large numbers of reductions in force (RIFs).

The Administration is committed to reducing the deficit and streamlining government with as few involuntary separations as possible. However, caps on agency budgets will force agencies to cut employment—with or without "buyouts." The question is whether we provide for a more orderly downsizing through buyouts, or suffer large numbers of reductions in force (RIFs). The downsizing of RIFs is well known: they are costly, disruptive, and strike younger workers, many of whom are recently hired women and minorities. Buyouts, coupled with early retirement authority, permit agencies to target employees in unnecessary high level jobs and maximize savings.

Time to realize savings through buyouts is running out. However, the earlier the buyout legislation is enacted, the sooner the saving can begin. With buyouts enacted in Fiscal Year 1994, agencies can still cover the cost of buyouts even if senior people take early retirement as late as the third quarter. No

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only does the agency save salary and benefits costs in future years, but with the nine percent agency contribution to the retirement fund, the retirement system breaks even over the long run because early retirees take a permanent pension reduction.

The bill as passed by the Senate included language from the Senate crime bill providing for the establishment of a violent crime reduction trust fund. As you know, the President strongly supports prompt congressional action on anti-crime legislation and the use of savings from reductions in the Federal bureaucracy to fund violent crime fighting activities. However, the Administration believes it would be more appropriate to consider the violent crime reduction trust fund in context of the crime legislation.

I urge the Senate to pass H.R. 3345 swiftly. Passing this bill will demonstrate to the American people our shared commitment to lowering the deficit and the cost of doing business in the government. In short, the Senate will have taken a responsible step toward creating a government that works better and costs less.

Sincerely,

AL GORE.

Mr. GRAMM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. GRAMM. Madam President, I do not have a quarrel with my distinguished colleagues here today. But I have a big quarrel on this issue with some of the leadership of the House on the Democratic side of the aisle, and I am beginning to believe that I have a major quarrel about it with the administration. Every time we try to target this \$20.8 billion, whether to apply it to deficit reduction, or use it to fund violent crime reduction, we are always running out of time. We were supposedly running out of time at the end of the last session.

So people who were for the amendment voted against it because they wanted the Congress to adjourn, and they did not want to be around here for two or three more days. The administration says that it wants to get tough on crime. But yet, it is increasingly clear to me that the administration does not want to dedicate the money that is required to do that.

The President came into office last year, cut prison construction by \$580 million, cut FBI, and cut DEA. The Attorney General spent the entire year trying to overturn mandatory minimum sentencing, an effort that is still under way. Yet, the President in December had a conversion and endorsed the "three strikes and you are out" concept in the crime bill, and yet, when he submitted his budget this year, he cut prison construction again, he cut DEA again, and FBI funding is still below the projected level needed to maintain even the levels in the President's budget.

Now the Vice President who supposedly wants to pass our crime bill in supporting the President's position has sent a letter that says, well, look, this is an important matter, but we are running out of time. He says we shouldn't adopt this amendment because we are running out of time for passage of this bill. The House does not

want to dedicate the savings from a limitation in the size of the Federal bureaucracy, either to hard deficit reduction or to fighting violent crime. They want to spend it on other programs.

Well, I understand running out of time. But I think the American people are running out of patience. With their opposition to this amendment, I am beginning to believe that the administration is not telling us the truth when they say they want our crime bill to become the law of the land. If we reject this amendment, our agreement on the crime bill is going to be overturned. I am going to believe that there is no intention when we come out of conference of having the BYRD language in that bill. And I believe that it is going to be important at that point for us to then begin the process of having a new crime debate.

So I hear that we are running out of time. I have no quarrel with any of my colleagues here. But my point is I believe the American people are running out of patience. I think they want to see this money either go to hard deficit reduction, or see it be spent fighting violent crime. We passed a bill with over 90 votes. This was a major element in it. Ultimately the House is going to have to support our position, or else this whole crime agreement is going to come apart.

So I am not running out of time. I am going to oppose this bill if it comes back without this provision in it.

I yield Senator ROTH 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. ROTH. I thank the distinguished Senator, Madam President. As he knows, I support the Gramm amendment, and urge its adoption. Its passage is essential to capture the \$22 billion in savings created by this bill and dedicate it to fighting crime.

On Tuesday, after a 1-month delay, the House finally responded to the Senate amendment to H.R. 3345, the Federal Work Force Restructuring Act. The House action is curious in several respects. First, while the House suggests this is a matter of great urgency, it took nearly a month to respond to the Senate amendment.

Second, the House did not seek to clear in advance its amendment to the Senate amendment. As far as I know, the pending House amendment, which in some circles has been called a compromise, was fashioned unilaterally in the other body.

Third, the House amendment, and the statements delivered on the House floor in support of it, make no acknowledgment of the primary area of disagreement between the two bodies; namely, what is to be done with the \$22 billion in savings realized from downsizing the Federal work force. The Gramm amendment would ensure that these savings are held available for the purpose of combating crime.

Today, the Senate takes action on this bill and does so without delay. It should be noted that while the other

body complains about delay, this body has responded to the House actions on both occasions within hours—I emphasize within hours—of the House delivery of the legislative papers to the Senate. In contrast, the House has acted with total disregard of its own rhetoric of urgency. And the action taken by the House Tuesday, which completely ignores the primary area of disagreement, does not advance the cause but only forestalls the necessary resolution of the matter.

The Gramm amendment is not new to the Senate. Last November, the Senate in acting on the crime bill, agreed to an amendment offered by Senator BYRD that did three things: First, it ordered the reduction of Federal work force by 252,000 employees; second, it captured the savings from this downsizing, estimated to be approximately \$22 billion by CBO, by lowering the discretionary spending caps by the amount of those savings; and third, it established a trust fund in a similar amount to be used exclusively for purposes of the crime bill that the President signs into law. The vote on this three-pronged amendment was 94 to 4.

Today, we are being asked to cast a vote on the identical provision that garnered a 94-to-4 vote last November.

On February 11, 1994, the Senate included this same amendment as part of the Senate substitute for H.R. 3345. At this time, 1 month later, this item remains as the only significant matter in disagreement.

Actually, the House has embraced the first of the three elements of the amendment by requiring a work force reduction of 252,000 employees. The disagreement is focused on the second and third elements. While the House would allow the \$22 billion in savings to be spent on the general purposes of Government, the Senate bill and the Gramm amendment would fence off these savings from general appropriators by reducing the discretionary spending caps.

This is an important distinction. This legislation is a National Performance Review proposal "to make government work better and cost less." Normally, when you tell someone that something costs less, they expect to spend less rather than the same or more. The House bill, like the Senate bill, creates \$22 billion in savings but, unlike the Senate bill, would turn the savings over to the appropriators to spend as they see fit.

How the savings are to be treated is not a question that can be avoided. Each House has a position. Those who suggest that the Senate position is unrelated to the legislation while the House position is related, unfortunately, do not understand how the budget process really works. If you reject the Senate language and the Gramm amendment, you allow the created savings to be spent on anything. If you agree with the Gramm amendment, the authority of appropriators is restricted. The choice cannot be avoided.

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ed as unrelated. Whatever course is taken requires Congress to choose what to do with the savings.

One argument that is certain to be made is that Congress should wait until the crime bill goes to conference to determine how the savings from H.R. 3345 are to be spent. The problem is that if we accept the House position, the savings may not be available if and when that time comes; the appropriators are being besieged daily by demands for all sorts of causes. If we do not fence off the savings we create, there is no guarantee that no one will appropriate them before the crime bill is ready.

The Senate has acted twice to earmark these savings for a crime trust fund, once on the crime bill and once on this bill. Either time, it was possible to argue that the provision was misplaced. When the crime bill was before us, one could have argued that it was inappropriate to spend savings that had yet to be created. Now when the bill to create savings is before us, it may be argued that the crime bill is not finished, so we should put off consideration of the matter.

The Senate has rejected these circular arguments. However, it is my impression that some Members of the other body would like to catch us in a shell game in the hope that the provision survives in neither bill. Then, as the originator of appropriations bills, the House would have first choice on how to spend those savings. It is my opinion that the provision is most appropriate as part of the bill that creates the savings, because there are no savings without this bill. But for those who believe we should wait for the crime bill to include this provision, I would hope that they would see that it is necessary to escrow the savings by reducing the discretionary spending caps, lest the savings be spent before the crime bill is enacted.

The third element of the provision establishes a crime trust fund. It is important that my colleagues understand that this element does not enact the Senate crime bill in its totality. Rather, it merely creates a fund to which appropriators may turn to pay for the programs that both the House and the Senate must agree on in sending the crime bill to the President for signature. Upon enactment of the crime bill, separate appropriations legislation will be needed to spend the savings of this bill to fight crime. I mention this to assure the other body that if the Gramm amendment prevails, it still remains for Congress to decide how much money is to be appropriated for what crime program. What the Senate version and the Gramm amendment does is merely to assure that the funds are there to fight crime.

What is so bad about that? The President on several occasions has endorsed the Senate provision. It is time that the House finally faced the issue squarely. I urge adoption of the Gramm amendment and ultimately the en-

dorsement of the President's wishes to use the \$22 billion saved by downsizing the Federal work force to combat crime.

I reiterate, Madam President, once again, my strong desire to meet promptly in conference on this bill. I stand ready to expedite this conference committee, and I urge the House to do exactly the same.

I yield the floor.

Mr. GRAMM. I yield 4 minutes to the distinguished Senator from Florida [Mr. MACK].

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized.

Mr. MACK. Madam President, when I saw this debate begin this morning, I thought it was appropriate—since this is an issue of deep concern in my State—that I have an opportunity to speak. I have taken a headline from the Florida Times Union of February 24, 1994. The headline says: "Prison Math? 'Life' Equals 6 Months."

This is the result of a crime that took place some time ago in the State of Florida. The crime was committed by an individual who had been arrested 32 times, had 6 felonies, and was out on early release. He broke into a home, beat a woman, tied her up, stole her money, stole her car, was arrested; and under a new law in the State of Florida, he was given life in prison. That was 5 months ago. The individual is now being considered for early release.

I want to say that again. This person was arrested 32 times, had six felonies convictions and committed another crime while he was out on early release. For his latest crime, this individual was sentenced to life in prison, or so we thought. Next Tuesday, March 15, just 5 months after this villain was sentenced to life in prison, the parole commission in Florida will hold a hearing to determine if this individual should walk free. How many more innocent victims must suffer until we stop turning out prisoners?

The people in my State and, frankly, people all over the country, are saying that one of the first things we ought to do to fight crime is we ought to just make those people who have already committed a crime, who have been sentenced, serve every single day of their sentence. That is a requirement that we placed in the Senate-passed crime bill. It is associated with the establishment of a Federal regional prison system that would make prison cells available for States like the State of Florida, where this individual would not be out on early release.

So I rise today in strong support of the amendment that has been offered by the Senator from Texas, which basically says if we are going to spend the money—not that we have to spend it—but if we are going to spend it—we spend it on crime only. I plead with my colleagues to support that amendment. People throughout the entire country and people in my State are saying we have to keep criminals off of our

streets. To repeat, this person had 32 arrests, 6 felony convictions, broke into a woman's home, beat her, robbed her, stole her car, was caught, convicted, and given life in prison. In 5 months, he is up for early release—that is wrong.

I have sent a letter to the Florida Parole Commission urging that this individual and every other convicted criminal remain behind bars and serve their full sentence. There are evil people out there who must be locked up and kept away. This individual is one of them.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,

Washington, DC, March 11, 1994.

GENE HODGES,
Chairman, Florida Parole Commission, Tallahassee, FL.

DEAR MR. CHAIRMAN: On March 15, Curtis Head, currently serving a life sentence as a habitual offender for the July 1993 brutal beating and robbery of a Jacksonville woman will be considered for early release.

Mr. Head must not be released. He is a convicted felon who must remain behind bars for his full sentence, unable to prey on other innocent citizens.

It is a slap in the face of Mr. Head's victim Deborah Liles and every innocent victim throughout Florida to even consider this convicted criminal for early release. It was only five months ago he was sentenced to life for breaking into Deborah Liles' home and savagely beat her, robbing her of her possessions and more importantly, her freedom. Her life was never the same, her wounds have just begun healing.

Yet in five short months, Mr. Head is already being considered for early release from prison. The last time this convicted felon was granted early release from a previous sentence, it took only 56 days to find his next victim, Deborah Liles. If Mr. Head is released from prison this time, how many days or hours will it take before another victim is brutalized, another family is terrorized, another life shattered?

Mr. Head and all criminals must serve their full sentence. Justice demands no less. Early release sends a loud and clear message to criminals: "do the crime and you won't have to serve the time." Instead of places for punishment, prisons have become revolving doors—a stop-off where criminals rest between crimes.

This injustice has to stop. I fully endorse the effort of Stop Turning Out Prisoners to end early prison release. STOP understands the system favors criminals over the safety of citizens. STOP is turning to the people of Florida to end early prison release because the justice system won't.

We can't wait for the passage of the STOP referendum to end early prison release and keep Curtis Head behind bars. He must stay behind bars now. It's time to send the right message to criminals: "do the crime and you will spend the full time." I urge you to keep Mr. Head locked-up and off our streets. Ms. Liles' safety and our safety depends on it.

Sincerely,

CORRINE MACK,
U.S. Senator.

Mr. MACK. In my State, there is an effort called STOP, Stop Turning Out Prisoners. It was put together by a group of victims of crime that have said enough is enough. It has to stop. I ask my colleagues again to support the

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Gramm amendment. We have to keep violent criminals off of our streets.

I yield the floor.

Mr. GLENN. Madam President, I yield myself such time as I might require.

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

Mr. GLENN. Madam President, I would like to inquire of the Senator, because this brings up a point I brought up in previous debate on the crime bill. Forty-nine percent of the prisoners in our States are nonviolent prisoners. They could just as well be put in low-cost facilities, whether inflatable dome structures or Quonset huts or Butler buildings; like millions of Americans have lived in for many years of their lives.

I had an amendment in the crime bill that advocated States looking at this and trying to put as many prisoners as possible into that type of facility. We are doing a little bit of that in Ohio now. I talked to the Governor about it a couple of years ago, as a matter of fact, and they are now using some of these inflatable structures, like we see used for tennis facilities in the country. We could get people in and keep them in.

I saw a TV program where, I believe, in the State of North Carolina, of the sentences given to prisoners, one-twelfth of the sentence is the average served. It makes a mockery out of our criminal justice system. We spent a lot of money. We are going to put 100,000 new police on the streets. I do not quarrel with that, but we have police arresting people now that are not taken care of. Then we put more money into our system to make sure all their rights are protected. Then they stand up in front of a judge and get a sentence, and they should be put away. Where do they go? Into prisons that do not have space. Then we have to turn somebody out to put somebody else in. Obviously, the State of Florida, with somebody like this, who is a criminal of this magnitude, should turn somebody else out that is a non-violent person to get this person in.

I want to create as many of these prisons as we need to take care of the violent prisoners, but I think we can do an awful lot in this regard by putting the nonviolent prisoners into the lesser facilities where they do not need all the expensive cells. The average cost is between \$50,000 and \$100,000 per cell for high security prisons of the type that are needed for the criminals like the distinguished Senator from Florida is talking about. It just points up the need.

I just wanted to point up the need for getting our prisoners that are non-violent prisoners into lower-cost facilities. Do not keep them in the high-security prisons that are needed for things exactly like the Senator from Florida is talking about.

I reserve the remainder of my time.

Mr. SARBANES. Madam President, will the Senator yield me time?

Mr. GLENN. I yield to the Senator from Maryland 8 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I thank the chairman of the committee for yielding me time.

I want to speak to the underlying bill, the buyout bill, and underscore its urgency and its necessity.

We are moving further and further into the fiscal year and, of course, as we do that the opportunities to utilize the buyouts and achieve the savings that are connected with them diminish and diminish. Eventually it will be a moot point.

The House originally passed a buyout bill in which they waived the Budget Act. They did not pay for it in the short run because they recognized that over the long run there are enormous savings to the Government to be achieved by this legislation.

Consequently, they originally passed a bill by a vote of 391 to 17, representing virtually unanimous bipartisan support. The House was able to produce such a majority because they recognized that moving employees off the payroll voluntarily through this separation incentive would, in fact, achieve very significant savings to the Government over time and would also achieve reductions in many of the middle and senior management levels, which is exactly where the national performance review has identified excessive layers of higher paid personnel.

One of the Senate's objections was that the bill was not paid for and, of course, what the House has now done is send us a bill that is paid for. CBO has scored this legislation as budget neutral over 5 years.

Let me just address the problem with reducing the Federal workforce if we do not seek to achieve these reductions through a voluntary separation incentive program. The alternatives are two.

One is a reduction in force, a RIF, which is really a slash-and-burn approach with potentially devastating consequences for thousands of employees across the country and for the activities of the Federal agencies. In fact, I do not know of anyone who argues that this is a preferable way to achieve reductions in the number of employees as compared with the voluntary separation incentive program proposed in the legislation before us.

RIF's, as we know, are likely to undermine morale in the Federal workforce. They may also result in losing the very people you want to keep, the lower-level people, the people most recently hired, the ones, in effect, who have a future—or so one hopes—in the Federal service. They would also impact adversely on the diversity of the work force. When you really think about it, RIF's are very costly in terms of work disruption, low morale, reemployment obligations, and administrative costs.

What the voluntary separation incentive approach does, the so-called buyouts, is to enable agencies to target reductions in the workforce in a way that can improve the efficiency of their activities. Buyouts permit agencies to target organizations whose products are no longer needed, without harming organizations with higher priorities. It enables them to reduce middle management and overseers while still preserving vital front-line workers upon whom the agencies depend to actually provide the services.

The other approach is a combination of a hiring freeze and attrition.

These are the three approaches: RIF's, a hiring freeze and attrition, and voluntary separation incentives or buyouts. I have discussed the problems associated with the RIF's; I think everyone recognizes the impact on morale, work disruption, and reemployment obligations. They impact adversely on the workforce and do not really thin the workforce in the very places where you seek or need to do it.

Next is a hiring freeze combined with attrition, which means that as people leave the Government their positions are not filled. Again, most of the reductions come at the lower levels. You do not really get at the excess numbers of managers and higher-grade specialists through this approach. It also takes a longer period of time in order to achieve the desired reductions. In fact, it is estimated that a hiring freeze would require virtually 3 years to get the kind of numbers that we are trying to achieve in 1 year.

The buyouts allow an agency to target employee reductions in contrast to these other two approaches, RIF's or a hiring freeze and attrition, both of which are tremendously disruptive to the workforce. The voluntary separation incentives allow an agency to target employees in surplus high-level positions, thereby maximizing savings. It is the quickest, cheapest, and the most effective way to downsize the Government with a minimum disruption of services, while maintaining managerial flexibility in delivering services and in administering the workforce.

We have used the voluntary separation incentives before. They were, in fact, authorized for the Department of Defense only last year. They have proven very successful. DOD's experience with buyouts is instructive. The Department has successfully used buyouts to cut its workforce. In fact, about half of the workforce reductions it achieved in fiscal 1993 were through the buyouts; the other half were achieved through normal attrition. Consequently, DOD suffered no real disruption to their workforce and no adverse impact on morale.

It is important to recognize that this is a technique also used extensively in the private sector. Seventy-nine of the Fortune 100 companies have offered their employees separation incentives, including corporate giants like General Motors and IBM. Furthermore, private

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sector separation incentive packages have typically been more generous, significantly more generous, than those proposed in this bill.

A survey by the University of Michigan in September 1993 found that the maximum separation incentive offered in this bill is 44 percent less than the mean—in other words, right in the middle—of the incentive packages offered to private sector workers by these large Fortune 100 companies.

In effect, the maximum benefit offered in this bill is at the mid-point of what these private companies are offering their people and, furthermore, DOD's average payout was less than \$18,000, well short of the maximum that this bill provides.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. SARBANES. Madam President, how much time is remaining on this side?

The ACTING PRESIDENT pro tempore. Nine minutes 54 seconds.

Mr. SARBANES. I yield myself 1 minute and 54 seconds.

The ACTING PRESIDENT pro tempore. The Senator is recognized for an additional 1 minute and 54 seconds.

Mr. SARBANES. Finally, let me just close with this observation. The long-term salary savings from work force reductions will, in fact, far exceed anything that can be achieved under either the RIF or the attrition and hiring freeze approach. The clear superiority of buyouts as a work force reduction tool, in addition to the cost consideration, are significant nondirect cost factors, such as the ability to target the reductions, thereby maximizing work force efficiency as well as diversity, minimizing the disruption of the agency mission and maintaining work force morale.

So, Madam President, I close on the point on which I began, and that is the urgency now of achieving this buyout legislation. The further we move into the fiscal year, the less value buyouts have, because the offsetting benefits from the savings which result from not paying out the salary and benefits diminish with each pay period that goes by. Of course, in the lower-grade jobs, you are at that point now. The cost of the buyout is potentially higher than the savings that will be achieved in the current fiscal year. This negates it as a tool to be used to achieve our objective of reducing the work force, but in a way that is rational, sensible, and accomplishes this objective without having a negative impact on the workings of the Government.

As I indicated at the beginning, the House originally sent us a bill that was not paid for. They recognized the logic and the rationale of trying to move this thing forward and, in fact, they waived the Budget Act on a bipartisan basis with a vote of 391 to 17.

Objections were raised on this side regarding the pay-go issue, and the House has now sent us a bill that addresses the pay-go problem. This is an

important step forward. It seems to me, in terms of some of the objections which have been raised on this side to moving the buyout legislation.

So I again close by underscoring the importance of getting this buyout provision into the law so we can move forward with a sensible, rational restructuring of the Federal work force.

I thank the Senator for yielding me time.

Mr. GLENN. I thank my distinguished colleague for his comments.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. ROTH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Delaware.

Mr. ROTH. Madam President, I just want to point out that we all agree as to the urgency and the importance of getting this matter resolved.

But it is also important to understand that it has been the House that has been delinquent. This body has acted within hours on two separate occasions on moving this legislation, as we are today.

I have already had a discussion with my distinguished chairman. We are hopeful that, when this is reported out, we will have a conference within days; that it will begin early next week. Because we agree with the Senator from Maryland that it is important to resolve the matter.

But my concern and unhappiness has been that the other side, the House, has talked about urgency and yet has failed for over a month to call a conference, as is the normal procedure in this kind of situation. But the important thing is, time is of the essence and we are ready to act.

Mr. GLENN. Madam President, I did not yield time.

Was that taken out of my time?

The ACTING PRESIDENT pro tempore. The time was charged to the Senator from Ohio.

Mr. GLENN. I am sorry I gave that impression.

How much time do I have remaining and how much time is remaining on the other side?

The ACTING PRESIDENT pro tempore. Without objection, the time that was used by the Senator from Delaware will not be charged to the Senator from Ohio.

The Senator from Ohio has 6 minutes.

Mr. GLENN. How much time is remaining on the other side?

The ACTING PRESIDENT pro tempore. The Senator from Texas has 4 minutes and 38 seconds.

Mr. GRAMM addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. GRAMM. Madam President, we just had a very good and important discussion of what is at issue in the bill.

Let me say to our colleague from Maryland, I am for the buyout provision. I do not want to lay people off. I would rather try to use market incentives. I am delighted that the House

has set up a fiscally responsible way of doing that by requiring agencies to absorb the cost.

I agreed to a time limit. I in no way want to hold this bill up.

But let me tell you, there is a greater emergency. We are faced with a greater time limit than just passing this bill. The greater emergency is that we have a criminal justice system which is the laughing stock of every hoodlum in America. We are going to have an opportunity today to take an important step toward fixing that.

I have offered an amendment that has previously been adopted in the Senate on several occasions. It is an amendment which has been endorsed by the House on two separate votes. It simply says this: With the \$20-plus billion that we will save through employment caps, achieved with the buyout provisions in this bill to facilitate an efficient reduction in force, which everybody here, as far as I know, supports; with that \$20-plus billion, there should only be two options: One, reduce the deficit and not allow one penny of this money to be spent on conventional Government; or, two, if it is spent, it has to be spent on dealing with violent crime.

So we take the money and put it into a violent crime trust fund. We lower the spending caps so it cannot be spent for other purposes.

Now, the issue here basically boils down to two things. First, it seems that the basic Democratic leadership of the House does not want to build these prisons. That is the first issue. The second issue is, they desperately want to spend this money on something else. I am trying to prevent that from happening.

I would just like to urge my colleagues, before I yield to my colleague from Utah, to look at the example that Senator MACK gave us. He spoke about a violent predator criminal in his State who has committed 32 crimes, who has been convicted of 6 felonies, who broke into a peaceful home in a peaceful neighborhood, beat up a pregnant woman, and took her car. He was arrested, convicted, sentenced, and he is about to be let out of prison after just 5 months.

Does anybody believe that he is not going to go out and do it again? Now, maybe some Members of the House believe that their homes are safe and that it is not going to happen to them.

What I have proposed today is an amendment that will let us start addressing this problem by building prisons, by entering into a partnership with the State of Florida and every other State; and by asking them to have a truth-in-sentencing provision so, when somebody is sent to prison for life after having committed numerous felonies, they serve the life term.

That is what the issue is about. If you want to do something about it, first vote for my amendment today and then join me in opposing this bill if it

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comes back from the House without this provision in it.

I yield the remainder of my time to the Senator from Utah.

The ACTING PRESIDENT pro tempore. The Senator from Utah is advised that there is less than 1 minute remaining.

Mr. HATCH. Will the Senator from Ohio yield me a few minutes?

Mr. GLENN. Madam President, how much time is left?

The ACTING PRESIDENT pro tempore. There are 50 seconds left on the side of the Senator from Texas and 6 minutes to the Senator from Ohio.

Mr. GLENN. I yield 2 minutes to the Senator from Utah.

Mr. HATCH. I thank both of my colleagues.

Madam President, I want to personally congratulate and express my appreciation to the distinguished Senator from West Virginia, who helped to establish this Byrd amendment, and the distinguished Senator from Texas, from whom the idea came to begin with.

We are talking about whether or not we are going to make a difference against crime in this country. Everybody here knows that the President, without this amendment, is going to have to abide by the budget formulated by OMB that cut the FBI, cut the DEA, cut the Justice Department, and cut the prosecutors at a time when we are all talking about trying to do something about crime.

Now, I know the President would prefer to have this amendment; so would anybody who wants to be serious about crime. This is the way to pay for it and it comes right out of Vice President GORE's suggestion.

It took a very ingenious set of Senators to come up with this methodology of paying for our anticrime bill. We all know what the big ticket items on that bill are going to be. I think both Democrats and Republicans have worked very hard on this crime bill and it would be absolutely tragic if we pass a great, big, grandiose, important, workable crime bill and then not put the moneys there so it can work.

I commend the distinguished Senator from Texas because he has, almost singularly, worked on these budget issues to find the moneys to be able to do what really needs to be done and he deserves a lot of credit as does my friend and colleague from West Virginia, without whom we would not be here today.

This amendment is extremely important. It is one we simply have to have. I know my colleagues in the House are upset about having it on here but they themselves ought to be wanting to fund the anticrime efforts in this society and to do it in a straight-up fashion, like the amendment the distinguished Senator from Texas is filing here today.

(Mr. MATHEWS assumed the chair.)

Mr. HATCH. Mr. President, this is a good amendment. If we are serious

about crime, we have to do something about it. This is an amendment that will do something about it. In all the time I have been here, for the first time we will be able to have the moneys that will really make a difference against the criminal activity in this country that is ripping our country apart.

The Gramm amendment establishes a violent crime reduction trust fund and affirms the Senate's position that savings earned through personnel reductions must be used to fund the crime bill.

I was pleased to help craft this amendment when it passed as an amendment to the Senate crime bill last fall under the able leadership of the distinguished leadership of the Senator from West Virginia. I was also encouraged when it passed without opposition as an amendment to an earlier version of the buyout bill.

Regarding the buyout bill, I have expressed an interest in limiting the availability of buyouts to law enforcement agencies to those cases where the agency replaces any participating agent with a new agent. It is my understanding and hope that the conferees will visit this issue during conference.

Opponents of the Gramm amendment argue that this amendment should be dealt with during the crime bill conference rather than as a part of the buyout bill. Yet, given the seriousness of our Nation's crime problem and the troubling law enforcement cuts contained in the President's fiscal year 1995 budget, I believe it is critical that the Senate take steps to settle this issue.

Mr. President, resolving this matter as part of the buyout bill is not premature. In fact, President Clinton has already stated his support for using reductions in the Federal bureaucracy, which the buyout bill facilitates, to pay for the crime bill. At a recent speech before law enforcement officers in Ohio, President Clinton specifically enforced this concept saying, "I think it's a good swap."

At the same speech, President Clinton talked tough about crime, saying, "I care a lot about this problem."

Alluding to his years as a State attorney general and Governor, the President went on to say:

I know what it means to double the prison capacity of a state, and to sign laws toughening crimes, and to add to the stock of police officers and to deal with all the problems that are facing them. I know this is a tough problem. I also know it is a complicated one. It's easy to demagogue, easy to talk about, and quite another thing to do something that will make a fundamental difference in the lives of the people of this Country.

Creation of the violent crime trust fund will insure that we do in fact make a difference in the fight against violent crime. Yet, I am concerned that if the Senate fails to act on this amendment, the crime bill may not be fully funded. After all, President Clinton has delivered to Congress a budget

that cuts Federal prison construction by nearly 30 percent, a \$78 million reduction, cuts Federal law enforcement personnel, and cuts existing grants to State law enforcement. Frankly, the President's budget does not reflect the rhetoric of enthusiastic support for crime control and law enforcement he espouses. For this reason, I believe we must resolve the crime bill funding mechanism sooner rather than later.

The fiscal year 1995 budget cuts 1,523 Department of Justice law enforcement agency positions.

According to the Justice Department budget summary, the Federal Bureau of Investigation loses 847 positions, the Drug Enforcement Agency loses 355, the Department's Criminal Division loses 28, the Organized Crime Drug Enforcement Task Forces lose 150, and Federal prosecutors lose 143 positions. Absent the fiscal year 1995 budget cuts, there are still 431 fewer FBI agents and 301 fewer DEA agents today than there were in 1992.

At a time when violent crime and drug control are said to be national priorities, these cuts will reduce the effectiveness of Federal law enforcement, and the President's budget acknowledges this. The administration's own budget figures reveal that Federal prosecutors will be filing 527 fewer criminal cases in fiscal year 1995. The Organized Crime Drug Enforcement Task Force Program, cut by over \$12 million, will investigate, indict, and convict fewer criminals.

Existing State and local law enforcement block grants, which police have been counting on, are also cut by over \$400 million in order to fund the crime bill's proposed police hiring program. As I stated earlier, the money to pay for the police hiring program is supposed to come from savings earned through personnel cuts not from existing law enforcement grants. Crime emergency assistance grants have been cut by \$222 million, the missing children's program is cut by nearly \$3 million, and regional intelligence sharing grants have been cut by \$14.5 million to pay for the administration's community policing program.

Ironically, when it suits the administration's purpose, they will defend the preservation of Federal prosecutors and law enforcement strength. In testifying against the balanced budget amendment, Attorney General Reno recently stated that preserving adequate funding for the FBI, DEA, and U.S. attorneys' office are what our Nation so desperately needs to fight crime aggressively. She went on to state that the effect of cuts on Federal law enforcement could be "catastrophic."

At this same hearing, Attorney General Reno discussed the importance of adequate staffing for the Justice Department. She said:

I try, when I travel to different districts, to visit with the United States Attorney's offices. I ask one question when I go to these offices to begin a discussion. If you were Attorney General of the United States, what

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would you do to improve the operation of this office? And consistently they said we need more staff in the civil and criminal division.

There is a substantial increase in overall funding for the Department of Justice. Yet, instead of spending this money on Federal criminal law enforcement agencies, a bulk of this money goes to fund the Department's assorted civil branches. For example, the Department plans to bring more civil suits, 450 more cases, and more antitrust suits, 33 new positions are created. The Department plans to bring more environmental and natural resource cases, nearly 900 more cases given an increase of 78 positions.

There is clearly a need for fiscal restraint. Recognizing the need to address the budget deficit, Attorney General Reno has expressed a willingness on behalf of Federal law enforcement agencies and prosecutors to do their part to regain control over our Nation's financial well-being. But, in a budget of \$1.5 trillion, priorities can and must be met. We must ensure that the sacrifices we ask law enforcement to make do not impair the Government's ability to meet its obligations to our Nation's law abiding citizens.

Cutting Federal criminal law enforcement positions, prison construction, and existing law enforcement grants programs is an unwise choice, especially in light of our Nation's crime problem. It is also certainly inconsistent with the President's stated position and the bravado we are hearing from the administration. For this reason, the Senate must adopt the Gramm amendment so that we can guarantee that the crime bill and the administration's promise to fund it are not an empty promise.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, in the short time remaining let me bring us back to the need for the buyout bill because I think it is important. It is important to all the people in civil service; the people who really make the Government run.

What has happened is basically out in the Federal workforce we have an imbalance between the managers and the people at the lower levels. When we do this 252,000 reduction which the administration has proposed, which I certainly support, if we do not have the buyout bill, we are going to get the wrong people out. We are going to have the people in the lower GS ratings, a high proportion minorities and women, who will be the ones forced out of Government while the people in the GS-13, -14, -15 levels will be the ones who stay in.

The imbalance there is we have about one manager for each seven Federal employees now. Business and industry have a ratio of about 1 to 15, 1 to 12 or 1 to 15 or in some labor-intensive industries, 1 to 20 is the ratio between managers and the rest of the employees. So what we want to do with this

buyout bill is give the option to the administration, not just to go through RIF's, reductions in force, in which the lower level people will be the ones forced out. What we want is to give them the option to correct this imbalance. That is what this buyout bill would do.

The crime bill, of course, needs its funding. I supported that before and I support it again now. With the moneys saved out of the changes in the civil service ranks, the money saved through the years can go over into the crime bill which the Senate has voted in favor of before. So that is what the distinguished Senator from Texas has put back in.

I support that. I offered to accept the amendment. As I understand it, he still wants a rollcall vote on it, so I will be prepared to yield the remainder of my time.

Mr. ROTH. If the Senator will just yield the few seconds he has because I think the record should be clear we are all concerned and interested in downsizing in the most compassionate, humane way possible. That is the reason our committee has been concerned about this matter. It is the reason several years ago I came out with an early-out, to help "right size" Government.

We are all in agreement with the principles and goals of trying to downsize in a way so those who leave have a choice, so they are treated humanely, and it accomplishes the goals of retaining those employees necessary for good government.

Mr. GLENN. That is correct.

Unless there is further comment, time is passed, 10 o'clock, when we were going to vote. I yield the remainder of my time.

Mr. President, I ask unanimous consent the vote on the Gramm amendment occur at 10:25.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I rise today in strong support of the Federal Workforce Restructuring Act. This bill will ensure that we streamline Government as efficiently as possible. Reducing the Government work force through this legislation will permit agencies to target employees in unnecessary high level jobs and maximize savings. This will help meet the administration's goal of reducing the total Federal work force by approximately 252,000 employees over the next 5 years. This is a sensible and rational proposal for restructuring the Federal work force. Additionally the money saved through this downsizing effort will be targeted to help finance the omnibus crime bill which will help fund 100,000 additional police officers on the streets and ensure more effective punishment for criminals. I urge my colleagues to support this important legislation.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Colorado [Mr. CAMPBELL], the Senator from Connecticut [Mr. DODD], the Senator from Iowa [Mr. HARKIN], the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Maryland [Ms. MIKULSKI], are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware [Mr. BIDEN], would vote "aye."

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. DURENBERGER] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 90, nays 2, as follows:

(Rollcall Vote No. 56 Leg.)

YEAS—90

Alaska	Feingold	McCain
Baucus	Feinstein	McConnell
Bennett	Ford	Metzenbaum
Bingaman	Gleason	Mitchell
Bond	Gorton	Mosley-Braun
Bore	Graham	Moydhan
Boxer	Gramm	Murkowski
Bradley	Grassley	Murray
Breaux	Gregg	Nickles
Brown	Hatch	Nunn
Bryan	Hefflin	Packwood
Bumpers	Helms	Pell
Buras	Hollings	Presler
Byrd	Hutchison	Pryor
Caffee	Inouye	Reid
Coats	Jeffords	Riegle
Cochran	Johnston	Robb
Cohen	Kassbaum	Rockefeller
Conrad	Kempthorne	Roth
Coverdell	Kerry	Sabates
Craig	Kerry	Sasser
D'Amato	Kohl	Shelby
Danforth	Laurenberg	Simpson
Daschle	Leahy	Smith
DeConcini	Lavin	Specter
Dole	Lieberman	Stevens
Domestic	Lott	Thurmond
Dorjoo	Lugar	Warner
Easo	Mack	Wellstone
Faircloth	Mathews	Wofford

NAYS—2

Hafteld Simon

NOT VOTING—4

Biden	Durenberger	Mikolski
Campbell	Harkin	Wallop
Dodd	Kennedy	

So the amendment (No. 1495) was agreed to.

Mr. GLENN. Mr. President, I move to concur in the House amendment, as

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private business and industry, the ratio usually is around 12 or 15 to one on that employee-to-manager ratio. And in labor-intensive businesses, it runs up as high as 20 to 1. We are 7 to 1, the Federal Government. It is wasteful.

What we need is to have a program that can give some incentives to get the GS-13's, 14's, and 15's to take some early outs. That is what the buyout title comes from, is that effort to enable us to give some incentives. It has already been tried once in the Defense Department and worked very well there in helping slim down the civil service rolls. That is what we are after with this amendment—with this buyout legislation.

The Senate did pass the Gramm amendment twice. That is what is at issue here. I voted for that amendment on both occasions when it was offered. However, that vote was nonbinding. It went to conference. The House conferees to the buyout bill adamantly opposed the amendment. They do not even have a crime bill passed over there, so there was not really anything to apply it to was their logic, and I agreed with that. I remind my colleagues the administration backed the House conferees on this issue.

On March 11, I received a letter from the Vice President regarding H.R. 3345, in which he stated they supported placing the savings achieved through downsizing to the financing of the crime bill, but not the way it was being done through the Gramm amendment. It would be more appropriate to consider the violent crime reduction trust fund in the context of the crime legislation.

The House expects to come up with a crime bill shortly. They do not have it yet, so we receded to the House, since it seemed to me it was logical we address that when the time arrived.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, let me clarify the issue here. No one I am aware of is against the buyout bill. The buyout bill is good public policy. It tries to get people to retire early, so we do not have to RIF people who work for the Federal Government.

The action we are taking to reduce the number of people working for the Federal Government by 252,000 personnel slots, was first offered as an amendment by me earlier in this session. It will save \$22 billion. The buyout provision is part of generating that savings.

There is one and only one issue here. We have a small number of people in the House who want to spend this \$22 billion basically on social programs. What I have done is offer an amendment that dedicates that \$22 billion to funding the violent crime reduction trust fund that will allow us to put 100,000 more police officers on the streets, and that will enable us to build prisons so we can imprison people who commit violent crimes and keep them

there. And, under my amendment, if Congress does not spend this money on violent crime reduction, every penny of it goes to deficit reduction.

I offered this amendment. It has been voted on successfully and adopted in the Senate not once or twice, but three times.

The House has voted on this provision not once or twice, but four times. They have instructed conferees to accept my amendment, and the conferees have gone to conference and thrown it out. They have passed resolutions with instructions urging that my amendment be adopted. They have recommittees the bill with instructions. And yet a small number of people in the House who want to squander this money instead of using it for deficit reduction or to fight violent crime are trying to hold up the Senate and say if we do not pass this bill their way, if we do not let them spend this \$22 billion, then they are going to let this good bill die.

I do not want this good bill to die. But I am tired of the will of both Houses of Congress being delayed and denied by a small group of people. So, Mr. President, I resist that effort.

I urge my colleagues to vote down this cloture motion and send a clear message to the House: A majority of the Members of the House on four occasions have voted for my amendment which says apply these savings to deficit reduction or use them to fight violent crime. Do not squander this money. This is an important issue. It is not very often around here we get to save \$22 billion, and it is not very often around here we do something about the violent crime crisis that our bleeding Nation faces.

If we deny cloture on this bill, I believe the House will awaken and do what the majority of its Members have voted to do on four different occasions.

I reserve the remainder of my time.

Mr. GLENN. Mr. President, I yield 1 minute to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 1 minute.

Mr. SARBANES. Mr. President, I urge my colleagues to vote for cloture on this legislation. We have enough of a crime problem without adding to it, holding the Federal employees hostage. Those who could leave in a voluntary way are going to be RIF'd out. That in itself is a form of criminal punishment. I very much hope my colleagues will not do that.

Let me quote from Chairman BROOKS in the debate on the House floor yesterday with respect to this matter. He said:

As a conferee on H.R. 3345—

This very legislation—

I oppose the Senate's proposal to adopt a crime trust fund as part of legislation designed to facilitate the orderly reduction of the Federal work force over the next several years. Today I continue to believe that the issue of such a trust fund should be addressed in the context of comprehensive crime legislation, and not in this buyout bill.

Which is where we did it, in the crime bill. And Chairman BROOKS committed himself in that debate, saying that he believed a carefully crafted trust fund represents the most viable means of financing the crime bill, and that he would support the adoption of such a trust fund on the crime bill, which is where we put it and where the House Members ought to put it. And we ought not to hold this buyout hostage to the crime bill.

I support the trust fund on the crime bill, but we ought not to kill this buyout bill.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRAMM. Mr. President, how much time do the two sides have?

The PRESIDING OFFICER. The time controlled by the Senator from Ohio has expired. The time controlled by the Senator from Texas is down to 1 minute.

Mr. GRAMM. Mr. President, if you do not lock money away when you save it, it ends up being spent. The issue here is that a small number of people in the House want to spend this \$22 billion. It is obvious to a blind man. We have voted on this seven times. They have fought it because they desperately want to spend this money. I want it to go to either deficit reduction or to fight violent crime.

Second, listen to what Chairman BROOKS did not say. He did not say he was going to vote for a trust fund in the House. He did not say the trust fund was going to contain the \$22 billion. He did not say this money was not going to be spent somewhere else.

We have an opportunity today. We are on the goal line. We have come very close to winning on this issue. Let us not squander this opportunity; \$22 billion is a lot of money. Do not let it be wasted.

Ms. MIKULSKI. Mr. President, allowing Federal agencies to offer buyouts as incentives for Federal employees to retire is a matter of extreme urgency. It is imperative that we enact buyouts in order to avoid reductions in force (RIF's) or furloughs in the Federal Government.

We have made a commitment to downsize the Federal Government by 252,000 full-time positions over the next 5 years. In order to do this without putting younger, household heads and family providers out of work, we must pass legislation to encourage older workers to retire. Time is running out. If we wait any longer, buyouts will not be cost effective this fiscal year and layoffs will be inevitable. We must act now.

The buyout legislation gives us a chance to reduce the size of Government without laying people off. It would allow agencies to offer targeted buyouts, so that we can reduce staff where we can afford reduction—managers, supervisors, and more senior workers. Younger workers and those working key jobs in service to the pub-

March 24, 1994

CONGRESSIONAL RECORD—SENATE

S3619

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senator DODD be recognized to address the Senate as if in morning business for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut [Mr. DODD] is recognized.

Mr. DODD. Mr. President, I thank the majority leader and the minority leader.

LUIS DONALDO COLOSIO

Mr. President, today the people of Mexico are mourning the tragic and untimely death of Luis Donaldo Colosio, the presidential candidate who was shot and killed last evening while at a campaign stop in northern Mexico. Mr. Colosio had been widely expected to succeed President Carlos Salinas de Gortari in the election scheduled for this August.

I am sure I speak for all of my colleagues when I say our thoughts and prayers are with the Colosio family and with the people of Mexico who have endured a devastating and terrible loss over this past 24 hours. As a nation that has experienced its own share of political tragedies, I think we have some understanding in this country of what it is like when a young and promising leader is suddenly and unexpectedly taken away. Surely, this is what has happened to the people of Mexico over the course of the past day.

Mr. President, Mr. Colosio was a truly bright star, one of that nation's most gifted and intelligent leaders. As the secretary of social development in the Salinas cabinet, he had demonstrated a compassion for the underprivileged and an understanding of the need for change, meeting on an almost daily basis with peasant farmers and impoverished Mexicans in need of help. In fact, when he was shot last evening, Mr. Colosio had just finished giving a speech to several thousand people in Lomas Taurinas, an impoverished neighborhood on the outskirts of Tijuana.

This morning President Clinton issued a statement offering his condolences to the Mexican people and to the family of Mr. Colosio, and I commend him for doing so. The death of Mr. Colosio comes at a crucial moment in Mexico's history, one which has seen a wide range of reforms, both political and economic, as a result of the initiatives of the Salinas government. I am confident, Mr. President, that the pace of reform and change in Mexico, as well as the rapidly strengthening ties be-

tween our two nations, will outlive this terrible tragedy.

Mr. President, we do not yet know all of the circumstances surrounding this tragedy in Mexico. What we do know is that last evening Mexico lost one of its most promising leaders, a man who understood the past but also embraced with enthusiasm the future. In Mexico and in the United States and indeed throughout the entire hemisphere, he will be sorely missed, and our prayers and thoughts go to his family and to the people of Mexico.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KERREY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL WORKFORCE RESTRUCTURING ACT OF 1994—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. Is there further debate?

The question occurs on the conference report on H.R. 3345.

The yeas and nays have been ordered.

The clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 99, nays 1, as follows:

[Rollcall Vote No. 77 Leg.]

YEAS—99

Alaska	Felagold	McCain
Baucus	Felstein	McConnell
Bennett	Ford	Metzenbaum
Biden	Gleason	Mikulski
Bingaman	Gorton	Mitchell
Bond	Graham	Moseley-Blanco
Borah	Gramm	Moylan
Borah	Grassley	Murkowski
Bradley	Gregg	Murray
Brown	Harkin	Nickles
Bryant	Hatch	Nunn
Bumpers	Hatfield	Packwood
Burns	Heflin	Pell
Byrd	Helms	Presler
Campbell	Hollings	Pryor
Chafee	Hutchison	Reid
Cole	Leahy	Riegle
Cochran	Jeffords	Robb
Cohen	Johnston	Rockefeller
Conrad	Kamethan	Roth
Coverdell	Kempthorne	Sarbanes
Craig	Kennedy	Sasser
D'Amato	Kerry	Shelby
Danforth	Kerry	Simms
Daschle	Kohl	Simpson
DeConcini	Lautenberg	Smith
Dodd	Leahy	Specter
Dole	Levin	Stevens
Domenici	Lieberman	Thurmond
Dorham	Lott	Wallop
Durenberger	Lugar	Warner
Eaton	Mark	Wellstone
Faircloth	Mathews	Wofford

NAYS—1

Brown

So the conference report was agreed to.

Mr. DURENBERGER. Mr. President, I rise to briefly explain my reasons for voting against cloture on the

Workforce Restructuring Act of 1994 conference report.

Let me say at the outset that there is strong sentiment in favor of Federal employee work force restructuring on both sides of the aisle. The disagreement is over where the savings realized from the restructuring will be dedicated.

Many of my Republican colleagues favor dedicating the savings to the violent crime reduction trust fund that was first proposed in the Senate crime bill. Because this conference report does not dedicate its savings to the trust fund and there had been attempts to use this savings for other purposes, I did not vote to close off debate.

At the time we were considering the crime bill, I expressed reservations about the method we used to create the violent crime reduction trust fund—late at night, in an emotionally charged atmosphere, with little thought or debate.

Since that time, President Clinton and a growing number of bipartisan members in both Chambers of Congress have announced their support for the trust fund. Because it is now a near certainty that Congress will eventually adopt this trust fund, I feel that it is important that we find a way to pay for it. That is why I believed voting against closure was fiscally responsible.

Once cloture was invoked, I did vote in favor of the buyout conference report, since I have strongly supported this important program to facilitate the very difficult task of restructuring the Government.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

MARINE MAMMAL PROTECTION ACT AMENDMENTS OF 1994

Mr. FORD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on (S. 1636), the Marine Mammal Protection Act Amendments of 1994.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1636) entitled "An Act to authorize appropriations for the Marine Mammal Protection Act of 1972 and to improve the program to reduce the incidental taking of marine mammals during the course of commercial fishing operations, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Marine Mammal Protection Act Amendments of 1994".

The President and the Mayor

This fellow Giuliani is a strange duck. How long does he think his Republican Party will let him get away with rushing to help Bill Clinton just as it is about to slaughter his Presidency on the crime bill?

Did he think the party would just forget with the morning dew?

House Republicans, with the help of Democrats ever faithful to the gun lobby, had just pulled off the biggest political upset of the year.

Against all the calculations of the Administration, they had blocked the vote on the Clinton anti-crime program. It was a package — bans on assault weapons, more police patrols on the streets, more state jails, drug therapy in prison.

Republicans were not against crime legislation. Do you think they are crazy? But they decided that right now the big issue for them was not crime-fighting but Clinton-fighting.

They want to vote another day on a different bill on their own terms and political initiative. They want to slice up the package so that things they don't like, like eliminating assault weapons, can be picked off one by one. Meantime they hold the crime package hostage.

All right, if Rudolph Giuliani felt that his conscience or duty, or whatever he wants to call it, demanded a gesture in favor of the crime bill, why not a quiet little press release on a Saturday afternoon? But no, he has to rush off to the President's side, speak out for the anti-crime bill and, would you believe it, get himself photographed applauding Bill Clinton.

Well, of course the party cannot let

Giuliani sticks his neck out.

him get away with that. There is no rough stuff now, you understand, but signals to cut that public support out or back, way back.

In the Hamptons over the weekend some of his prominent supporters told him to his face they were not happy with that kind of thing.

On Staten Island, Representative Susan Molinari is publicly critical. She is a Republican representing the Republican borough that gave Mr. Giuliani his margin of victory in the mayoral election. And she is the daughter of the borough's top Republican. Once, she supported the package bill. Last week she voted against bringing it to the floor. She insists that she wanted a provision about sexual predators written in. She says that she is "disconcerted" by the Mayor.

In Washington, a few Republican leaders point out privately that one day the Mayor might want something for New York City or himself. After all, he is a political comer, the biggest among urban Republicans. They don't threaten but there is no law against pointing out, is there?

Some of his friends say he will not get important editorial thanks for supporting the bill. The conservative Wall Street Journal says the bill is overloaded with nonessentials. The liberal New York Times editorial

page, disapproving provisions for more Federal death penalties, calls for votes on the bill piecemeal.

And everybody political knows that if the bill gets unblocked and passed, one big winner will be Representative Charles Schumer, its chief architect. He is an up-and-comer too. But he is a Democrat and may one day be running against Mr. Giuliani for Mayor or something higher.

Nobody has to tell Mr. Giuliani these things but he had this problem — he couldn't get it out of his head that the bill was really the best chance, maybe the only chance that this country had to get a new, unified, effective approach to crime-fighting.

More patrol cops. More cells to keep violent criminals as long as they should be kept. Fewer guns designed only to kill people. Drug therapy for addicted criminals before they hit the streets again. Drug courts to give first-offender addicts one choice between jail and therapy.

The heart of the matter is the package approach. Putting more cops on the streets without reducing weapons will just mean more dead cops. Adding cells without drug therapy for criminals will just mean the same old cycle — street to court to jail to street to court to jail.

So the Democratic President says the package approach is essential and here is the Republican Mayor of New York sticking his neck out for him.

The Mayor has fulfilled his test of conscience or duty or whatever you want to call it. The President's test will come any day now — the old one, to stick to what he says.

THE PRESIDENT HAS SEEN 9/8

PS
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Mr. F. L. L.
PS



Lunch Among 'Old Friends' Causes Latest Whitewater Ripple

By Toni Locy
and Marilyn W. Thompson
Washington Post Staff Writers

Earlier this summer, before he emerged as a Republican crusader in the Senate's Whitewater hearings, Sen. Lauch Faircloth (N.C.) called his longtime friend John McNair to talk about a July 4 beach get-together. The conversation quickly turned to Faircloth's latest cause—exposing the Whitewater scandal.

Faircloth told McNair, a retired Winston-Salem, N.C., banker and lifelong Democrat, that all the facts had not come out on President Clinton's involvement in the complex financial scandal that had dominated the headlines for months.

"He told me 'It's a lot worse than you think it is,'" remembered McNair, whose friendship with Faircloth survived the wealthy hog farmer's 1991 transformation from pillar of the state Democratic Party to conservative ally of Sen. Jesse Helms (R-N.C.). "Lauch didn't talk much about it, but he said there's no question but there was some hanky-panky going on up there that we didn't know about yet."

Now, Faircloth is at the center of a new ethical imbroglio surrounding the Whitewater affair, one that has raised questions of judicial propriety and, Democrats charge, cast a heavy cloud of partisanship over the ongoing Whitewater probe.

Soon after he talked to McNair, Faircloth had a July 14 Capitol Hill luncheon meeting with Helms and U.S. Court of Appeals Judge David B. Sentelle, a Helms protege and former longtime activist in North Carolina's Republican Party. Sentelle was in a unique position to influence the Whitewater inquiry—the three-judge panel over which he presides was considering the permanent appointment of an independent counsel in the case.

Faircloth has denied talking about the Whitewater matter that day, and Sentelle, who says he has no recollection of discussing the case, issued a terse statement describing the lunch as nothing more than a casual gathering of "old friends." At this lunch, he said, they discussed cowboy boots and prostate exams.

But the lunch, preceded by their appearance together in intense conversation on the Capitol subway, has been harshly criticized by Democrats and many judicial ethicists as an inappropriate contact between an influential judge and a chief Republican Whitewater critic. It also has raised fears among Democrats that

the judicial panel's decision to oust special counsel Robert B. Fiske Jr., a moderate Republican whose early findings had been favorable to the Clinton administration, was part of an orchestrated conservative plan.

Last week, the judicial panel refused to reconsider its appointment of former solicitor general Kenneth W. Starr to replace Fiske. Editorials condemning the Sentelle-Faircloth lunch ran in newspapers ranging from the New York Times to the Charlotte (N.C.) Observer. Noting the panel's argument that Fiske's appointment would give an appearance of impropriety, the Observer said Sentelle "would apply those standards to Mr. Fiske but not to himself. That's either blindness or hypocrisy. Either way it stinks."

Still more curious to friends of the two is the "old" friendship that they say brought them together with party stalwart Helms in the Senate Dining Room. Sentelle, one of the state's most ambitious judges, and Faircloth, elected with heavy backing from the Helms political organization, come from different parts of the state, different social circles and until two years ago, different political parties. Some of Sentelle's oldest friends say they've never met Faircloth and never heard the judge speak of him. McNair and others who have known Faircloth since his days as a Democratic state highway commissioner in the 1970s say they have seldom heard of Sentelle.

Two With Links to Helms

Faircloth declined to discuss his friendship with Sentelle or answer further questions about the meeting. Asked about his relationship with Faircloth, Sentelle on Friday responded through his secretary, Peggy Manuel, that the two met in the late 1970s or early 1980s, when they were introduced by mutual friends in Raleigh.

"I imagine they became friends after that, just like you meet someone and you become friends with them," she said.

Longtime friends and associates say that while the two men have little in common, Helms is the glue that may have brought them together. After Faircloth led the N.C. Democrats for Helms organization in 1990, the Helms camp went to work for him after his stunning 1991 announcement that he was launching a Republican run against Democratic Sen. Terry Sanford. Faircloth, who served in Sanford's Cabinet when he was governor, had been one of San-

ford's oldest friends but the two had had a bitter falling out.

Helms not only recommended Sentelle for two federal judgeships but also floated his name as a potential Supreme Court justice. The only difficulties Sentelle faced in his elevation from U.S. District Court to the federal appeals court came during a time when conservatives accused the American Bar Association's judicial selection committee of giving liberal groups names of Republican judicial nominations, leaks which gave the groups time to mount opposition. The chairman of that committee from 1984 to 1987 was Robert B. Fiske Jr.

Sentelle, 51, grew up near Asheville, N.C., across the state from the Clinton, N.C., farmlands where Faircloth, 66, was raised. In a state dominated by Democrats, Sentelle chaired the Mecklenburg County Republican Party from 1979 to 1980, a time when, his high school friend Mike Scofield recalled, "being Republican meant you *didn't* get a job." He was a delegate to the Republican National Convention in 1984.

In 1985, with Helms's backing, President Ronald Reagan nominated Sentelle to the U.S. District Court for the Western District of North Carolina. He sailed through confirmation hearings in the Republican-controlled Senate.

Two years later, the Senate was

ole boys" of the South knew the true meaning of country music lyrics. His references to other ethnic groups—blacks, Latinos and Jews—troubled some liberals.

"After all, nobody ever said that blacks lack soul, or Latinos passion or Jews a sense of time. And if they can feed the hungers of their spirits on the yield of Nashville's soil, then surely this commerce can only enrich the common humanity of them all," Sentelle wrote. He went on to say that the main appeal of country music was among "the long-historied, little-loved descendants of the people who built half the civilized world—the Anglo-Saxons."

Angered by the derailment of several nominations, conservatives leveled their sights on Fiske. Their attack began in 1985, but bad feelings lingered throughout the three years of his chairmanship of the ABA's Standing Committee on the Federal Judiciary.

Fiske Was Opposed in 1989

The controversy continued to dog Fiske in 1989, when conservatives pressured then-Attorney General Dick Thornburgh to change his mind about making Fiske deputy attorney general. Fiske bowed out and returned to his New York law practice.

"Mr. Fiske passed on confidential lists of potential judicial nominees to a liberal special-interest group formed specifically to block conservative candidates," Douglas Johnson, legislative director of the National Right to Life Committee, wrote in a March 31, 1989, letter to Thornburgh.

Alan M. Slobodin, a lawyer for the Washington Legal Foundation, said conservatives vehemently opposed Fiske because they believed he lacked "the political sensitivity" to take on Justice's second-ranking job.

Slobodin said conservatives have not forgotten Fiske's role in what they thought was the shabby treatment of Reagan judicial candidates. "I think it's his legacy," he said. "It created a suspicion about his judgment and, for some perhaps, about his political persuasion. It lingers."

Sentelle joined the Republican majority on the U.S. Court of Appeals for the D.C. Circuit in handling some of the most controversial cases of the Reagan administration. In voting that adhered to party lines, Sentelle and other Republicans reversed the convictions of Oliver L. North and John M. Poindexter in the Iran-contra scandal and Lyn M. Nofziger

for illegal lobbying in the Wedtech affair.

A tobacco chewer known for his cowboy hats and pick-up trucks, as a judge Sentelle has given speeches to conservative groups on college campuses across the country and accepted free trips from the same fraternal organizations that brought him under Senate criticism. Like Helms, he rarely talks to the news media and his tenure on the court has been relatively quiet.

But since the creation of the independent counsel law, no appointment has generated as much criticism as the Aug. 5 selection of Starr to replace Fiske. The panel said it was declining to appoint Fiske because it was concerned about "perceptions of conflict" because Fiske was first appointed as special counsel by Attorney General Janet Reno.

Faircloth had been one of Fiske's most vocal critics, gaining national attention by accusing Fiske of going easy on the Clinton administration in his early findings. Fiske concluded that the death of White House deputy counsel Vincent Foster was a suicide and found no criminal conduct in a series of contacts between Treasury and White House officials regarding the Whitewater probe.

On the Senate floor in June, Faircloth called Fiske's investigation a "coverup" and said hearings were needed to clear up "a whole web of intrigue that has collectively come to be known as Whitewater."

The August hearings showed Faircloth aggressively grilling White House officials on their contacts and pathologists on their findings in the Foster suicide. An anti-Fiske theme ran throughout his comments, as he accused the special counsel of ethical conflicts.

Democrats say the irony is that both Faircloth and Sentelle were critical of Fiske's appearance of conflict while staunchly defending the appearance of their own meeting.

"All of this is about appearances," explained Rep. Stephen L. Neal (D-N.C.), a White House defender during House Banking, Finance and Urban Affairs Committee Whitewater hearings. "The whole reason for removing Fiske was the appearance that he might not be independent. If they base it on appearances, how can they turn around and say this lunch was okay. You can't have it both ways."

back in Democratic control and many conservative judicial nominees found the process lined with landmines. While Sentelle's experience was not nearly as difficult as some, he was among the nominees clearly targeted by Democrats and liberal groups.

Sentelle's ascension to the U.S. Court of Appeals for the D.C. Circuit, often called the second-most important court in the country, was held up for seven months after questions were raised about his membership in Masonic organizations. Though conceding his lodge excluded women, Sentelle denied that the Masons discriminated against blacks. He pointed out that the organization could claim much of the Senate among its membership.

Sentelle refused to resign from the Masons and other fraternal orders when asked to do so by Sen. Patrick J. Leahy (D-Vt.) He noted that he had not been asked about his memberships in 1985, but Democrats persisted, with Sen. Paul Simon (D-Ill.) asking the ABA to issue an opinion on the propriety of Masonic membership. The ABA eventually declined to do so.

Sentelle also came under liberal criticism about a 1981 article he wrote for the University of Georgia Press about country music. Part of a book called "Why the South Will Survive," Sentelle wrote in the piece that only the much-maligned "good

CORRECTIONS

The title of Dave McCurdy (D-Okla.) was listed incorrectly in a Federal Page chart yesterday. He is a member, not chairman, of the House Armed Services Committee.

THE PRESIDENT HAS SEEN

9/8

Let's
see how
to learn this
P.

FAX

COVER PAGE

9 SEP 7 9:59

Lewis Manilow

To: John Podesta	From: Lewis Manilow	
Company: The White House	Date: 9/7/94	Time: 8:50 AM
Fax Number: 202-456-2215	For Information Call: 312-654-1900	
No. of pages including this cover page: 4	Fax Number: 708-479-8587	

9/7
Trey:
for quick response
per J.P.

FW

LEWIS MANILOW

1900 North Howe Street Chicago, Illinois 60614 Telephone 312-654-1900 FAX 312-335-0493

September 6, 1994

Mr. John Podesta
Assistant to the President
and Staff Secretary
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear John:

Some time ago you offered to transmit to the President some letters of mine. I have not wanted to impose on you or him very often, but the enclosed one I believe to be very important and therefore would appreciate if you would see that it reached him.

Thanks very much for your courtesy.

Truly,



Lewis Manilow

LM:jg
Encl.

LEWIS MANILOW

1900 North Howe Street Chicago, Illinois 60614 Telephone 312-654-1900 FAX 312-335-0493

September 6, 1994

President William Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500-2000

Dear President Clinton:

The American people know that we are in a period of gigantic change. They elected you because you, with your youthful energy and optimism, your brilliant and modern wife, your success in challenging the Democratic party and your choice of a vigorous Vice President, represent and symbolize the change they seek.

Indeed, you have brought change but not as much as the people demand and that is what the polls reflect. This letter is about what I believe the people want and how you can deliver it.

With deficit reduction and NAFTA you have delivered significant economic change. Each of those programs is long term and embraces the globalized economy. Both are extremely popular, unlike the stimulus plan which failed because it was short term. The people's message is clear - yes "it's the economy, stupid" but it's the future economy we mean, not the present one.

The people want another and equally important change which is to break the strangle hold that special interests have over our political system. When they speak of gridlock, they do not mean between the President and Congress, but between the people and the special interests. Thus, even passing popular legislation like the crime bill is not sufficient because the people know that it is loaded with concessions to special interests. What they want you to do is to serve the general interest without having to propitiate the special interests. Decades ago Jack Arvey, then Chicago's "boss" used to say that FDR (who represented the general interest) was his best precinct captain.

Finally, the people are as frightened by the loss of national values as they are over the future of the economy and the present state of our politics. You have eloquently spoken about opportunity, responsibility, community, work and study and playing by the rules. But it is mere exhortation unless you confront the opposition, (those who excuse irresponsibility, promote victimization or disparage our values) whether in the Boardroom, classroom or housing project. It is true that the only force strong enough to change people's values is not the government but peer pressure,

President William Clinton
September 6, 1994
Page 2

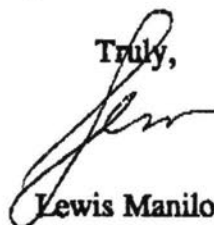
but it is also true that the president can effectively use the "bully pulpit" to encourage the "peers" and discourage their opposition.

In sum, I believe the people are far more radical and wiser than Washington. They know what our time demands and are determined to get it. In this they are no different than those "radical centrists" who have overthrown governments in Latin America, Eastern Europe and Russia and are forcing Italy and Japan to change after 50 years.

No one is better able to lead this radical center than you as you have shown in the campaign and in many ways since. But the people will not settle for a few changes; they want a new deal for the post modern age and they expect you to deliver it. You can change a congress which is unpopular with the people and disgusted with itself. You can reinvigorate our values as has a new breed of mayors across the nation.

In order to deliver these changes or even to make a major start on them, you must largely ignore the press and the Republicans and concentrate on delivering the additional changes that the people so clearly want. If you do, you will fulfill their great dreams and earn their eternal gratitude and support.

Truly,



Lewis Manilow

LM:jg

THE WHITE HOUSE
WASHINGTON

DATE: 9/7

TO: Leon Panetta; Jodie Torkelson

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

Rego begins at home.
Can we spend 1/2
the savings?

September 6, 1994

MEMORANDUM FOR JOHN PODESTA

FROM: TIM SAUNDERS 
Acting Executive Clerk

SUBJECT: Savings Realized to the White House Office Budget
for Publication of Presidential Documents in the
Federal Register

The Executive Clerk is the Federal Register Liaison Officer for the White House and is responsible for submitting Presidential documents, including all Executive orders and Proclamations, for publication in the Federal Register. These documents are required by law to be published in the Federal Register, the costs of which are billed to the White House Office. Other documents, such as Presidential Determinations, are sent directly to Executive agencies for publication in the Federal Register.

In March 1993, with your approval, this office implemented two cost-savings measures with respect to publishing Presidential documents in the Federal Register. The results of these measures follows:

- 1) We were advised that the Government Printing Office (GPO) offered a reduced rate -- 20 percent -- on the cost of printing in the Federal Register to agencies that submit documents in electronic format, in addition to the signed original. (The charge per Federal Register page is \$375.00; with the 20 percent discount this is reduced to \$300.00 per page.) In March 1993, we began including a certified disk with all Presidential Executive orders and Proclamations that we submit to the Federal Register for publication. Since that time the President has issued some 259 Executive orders and Proclamations. These documents require a minimum of one page each for publication in the Federal Register, many require more. However, if we conservatively assume that each required only one page, **the White House has realized a savings of \$19,425, since March 1993** in printing costs (savings of \$75.00 per page times 259).
- 2) When the President issues a Presidential Determination, he directs the recipient agency head (most often the Secretary of State) to publish the document in the Federal Register (also required by law). Through a bit of investigation, we learned that the White House was being charged for the publishing of these documents. Clearly, the White House should not be charged for the publishing of these documents -- they should rightly be charged to the Agency to which the President directs the memorandum. With your approval, we worked with the Office of the Federal Register to correct this situation. Since March 1993, we have included the

departmental billing code on all Presidential Determinations issued by the President. Since that time the President has issued some 75 Presidential Determinations. **The White House has thus realized a further savings of some \$22,500, in printing costs.**

Thus, a conservative estimate of net savings to the White House Office budget for printing in the Federal Register since implementing these cost-savings measures in March 1993 would be over \$40,000.

By way of comparison, June King, Acting Director of White House Administration, advised me that for fiscal years 1992, 1993, and 1994 the White House Office budgeted \$170,000 for printing in the Federal Register.

I have been advised informally that GPO records indicate that total billed costs to the White House Office for printing in the Federal Register for these years are as follows:

FY 1992	-	\$167,375	
FY 1993	-	\$113,675	(cost savings in effect for last 6 months of fiscal year 1993)
FY 1994	-	\$92,450	(through 7/31/94, 10 months)

Attachments