THE WHITE HOUSE

WASHINGTON

January 26, 1995

David Ginsburg
Ginsburg, Feldman and Bress
1250 Connecticut Avenue, N.W.
Washington, D.C. 20036

Dear Mr. Ginsburg:

Bad staff work for a very busy President who shouldn't have to proofread his own letters.

Sorry.

Sincerely,

John D. Podesta
Assistant to the President
and Staff Secretary

1/18/95

ROUTE SLIP

White House Correspondenc[redacted]
Room 94 - OEOB
Phone 456-7610

TO: Kelly C. [redacted]

FROM: Jim ext. ____

[redacted]

- ☐ For your information only
- ☑ For appropriate action
- ☐ Please draft a reply and return within 5 days
- ☐ For your approval or suggestions
- ☑ ASAP please! This material is time sensitive

COMMENTS:

As we discussed — The David Ginsburg correspondence: Ugh!

Pls let me know if I shouldn't handle here. Thanks. Ji

J. Daskind

LAW OFFICES
GINSBURG, FELDMAN AND BRESS
CHARTERED
1250 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036
TELEPHONE (202) 637-9000

CORRESPONDENT OFFICE
9, RUE BOISSY D'ANGLAS
75008 PARIS, FRANCE

DAVID GINSBURG
(202) 637-9020

TELECOPIER (202) 637-9195
TELEX 4938614

p/s pull Quinn + ORM news (may use line here)

January 12, 1995

[redacted]

The President
The White House

Dear Mr. President,

Enclosed is a copy of your letter dated January 9 which I received yesterday. Thank you for the acknowledgement.

For the record, I am <u>not</u> Justice Ginsburg's husband; his first name is Martin. I have sent Justice Ginsburg a copy of your letter so that she will receive your New Year's greetings.

Sincerely,

David Ginsburg

David Ginsburg

DG:anp
Enclosure

COPY

THE WHITE HOUSE

WASHINGTON

January 9, 1995

David Ginsburg
Ginsburg, Feldman, and Bress
1250 Connecticut Avenue, N.W.
Washington, D.C. 20036

Dear David:

Thanks for your letters of December 21 and for your kind words of encouragement. I value your insight and appreciate the wisdom of your years in Washington. Thank you for sharing it with me.

I also appreciate your sending the article by Jim Burns and Susan Dunn. I look forward to having an opportunity to read it soon.

Hillary and I hope you and Justice Ginsburg have a healthy and happy 1995!

Sincerely,

Bill Clinton

Thanks

WH —
I'm almost sure (but not quite) that this is Justice Ginsburg's husband. (Library was closed).
Tracy

950110

LAW OFFICES
GINSBURG, FELDMAN AND BRESS
CHARTERED
1250 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036
TELEPHONE (202) 637 9000

CORRESPONDENT OFFICE
9, RUE BOISSY D'ANGLAS
75008 PARIS, FRANCE

DAVID GINSBURG
202 637 9020

TELECOPIER 202 637 9 95
TELEX 4938614

December 21, 1994

Dear Mr. President and Mrs. Clinton,

Thank you for that lovely card with its warm picture of the Red Room. To both of you and your families my wife and I send all good wishes for a wonderful holiday season and a healthy, happy and rewarding New Year.

We also hope that 1995 will bring both of you surcease from partisan assault and greater satisfaction for us all from the good you're both trying to accomplish. I came to this city shortly after FDR took office -- from law school to government -- and I've seen few if any Administrations able to avoid discouragement, even at times despair, that followed their most thoughtful and serious efforts to do good. All were wounded. Your administration, Mr. President, has suffered a great deal but surely not more than FDR in '38, JFK after the Bay of Pigs, HST in the campaign of '48 -- and all the rest. In this century none of your predecessors escaped moments of bewilderment and even despair -- none. Now, I think, what we need most is plain-spoken, blunt truth.

*

The good news is that these bad moments pass quickly when confronted by energy, optimism, good will and humor. Remember humor. You will succeed.

Sincerely,

David Ginsburg

David Ginsburg

DG:anp

The President and Mrs. Clinton
The White House

LAW OFFICES
GINSBURG, FELDMAN AND BRESS
CHARTERED
1250 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036
TELEPHONE (202) 637 9000

CORRESPONDENT OFFICE
9, RUE BOISSY D'ANGLAS
75008 PARIS, FRANCE

DAVID GINSBURG
202 637 9020

TELECOPIER 202 637 9395
TELEX 4938614

December 21, 1994

Dear Mr. President,

In a thank-you note mailed yesterday for your Christmas card I urged plain speaking and blunt truth (with humor) as a helpful way to respond to the Administration's increasingly irrational critics and opponents. Here's a just published piece by Jim Burns and Susan Dunn about the advice Machiavelli might have given you. In sum, don't mute the Lion's roar; the artifices of the Fox are insufficient. Speak out loudly; roar.

With all good wishes,

Sincerely,

David Ginsburg

David Ginsburg

DG:anp

The President
The White House

WH —

I'm almost sure (but not quite) that this is Justice Ginsburg's husband. (Library was closed).

Terry

1-26-95 0307

THE WHITE HOUSE

WASHINGTON

January 24, 1995

95 JAN 24 P 7:25

We sho answer his letters more quickly

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE

SUBJECT: Letter to Former President Jimmy Carter

Purpose

To respond to a letter from President Carter.

Background

Former President Jimmy Carter wrote earlier this month regarding the situation in Bosnia-Herzegovina and called for additional sanctions relief for Serbia. Secretary Christopher provided an immediate reply to a version of the letter that Carter sent to him. We have prepared a personal reply with a brief update on the situation.

RECOMMENDATION

That you sign the letter at Tab A.

Attachments
Tab A Letter to Mr. Carter
Tab B Incoming letter from Mr. Carter
Tab C Christopher reply to Mr. Carter

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Jimmy:

Thank you for your recent letter providing your views on the many difficulties associated with restarting negotiations in Bosnia. Chris has already been in touch with you concerning the actions we took at the United Nations in extending the suspension of sanctions on Serbia for an additional 100 days. Let me personally update you on developments since then.

Overall the cessation of hostilities agreement is holding, but there has been an increase in violations during the past few days. The Contact Group returned to Bosnia on January 23. We hope that with the Blue Route agreement in hand, we can make progress on bringing the parties to the table on the basis of acceptance of the Contact Group plan as the starting point for negotiations on a comprehensive political settlement.

I appreciate your efforts to convince the Bosnian Serbs that now is the time to end their isolation and join the peace process. But the Serbs continue to hold roughly 70% of the territory by military force. Moreover, Serbian President Milosevic remains unwilling to recognize Bosnia-Herzegovina and Croatia within their internationally recognized borders. For these reasons, we believe it is premature to extend any additional sanctions relief.

We will keep you informed of our progress. Again, thank you for writing.

Sincerely,

Bill Clinton

The Honorable Jimmy Carter
The Carter Presidential Center
One Copenhill
Atlanta, Georgia 30303

0458
0307

JIMMY CARTER

95 JAN 20 P 3 : 53

January 12, 1995

To President Bill Clinton

So far as I know, the Bosnian Serbs and the officials of Bosnia-Herzegovina have complied reasonably well with the agreements they signed with me last month, and are now approaching negotiations for a final peace agreement, based on the proposal of the five-nation Contact Group.

I am personally familiar with the reluctance of the parties to accept some facets of the agreements on the three phases: a cease-fire, cessation of hostilities, and then the peace negotiations for four months or more. The future is fraught with serious obstacles, and every means should be utilized to prevent an abandonment of the process. In order to enhance the prospects for continuing good faith efforts by both sides to achieve a peaceful resolution of the conflict, there should be some acknowledgment of their compliance to date and some reward for future positive action.

On the contrary, the Security Council is now poised to continue the sanctions against Serbia, and indirectly to increase the severity of them as they relate to the Serbs in Bosnia. This is, in effect, punishment instead of reward.

In my report to you on my departure from Bosnia-Herzegovina, I stated:

"I believe strongly that, once good faith is demonstrated in honoring a cease-fire and in peace negotiations, the economic sanctions should be lifted."

I urge you to have included words to this effect in tomorrow's text extending resolution 943 of 23 September 1994, so that the Secretary General can certify when good faith is demonstrated. My hope is that the sanctions will then be held in abeyance as long as the parties comply with the commitments they have made.

Sincerely,

Jimmy Carter

The Honorable Bill Clinton
The President of the United States
The White House
Washington, D.C. 20500-2000

THE SECRETARY OF STATE

WASHINGTON

January 16, 1995

Dear Mr. President,

Thank you for your fax of January 12 expressing your thoughts on the peace process and the role of sanctions. We are now seeing real benefits on the ground in the aftermath of your valuable journey to the former Yugoslavia last month. This is indeed a delicate time for the peace process.

Economic sanctions were initially imposed on Belgrade for the role Milosevic's regime played in starting the Bosnian conflict. They will be lifted progressively as the situation changes and as Milosevic helps to bring about such changes.

We do not consider Security Council Resolution 970, which extends the Serbian sanctions suspension an additional 100 days, punishment for Milosevic that could threaten the peace process. Rather, it represents our continued recognition that his closure of the border with Bosnia in August, while far from perfect, is nevertheless a significant step towards peace. Many in Congress had reservations about the further 100-day suspension, and we would certainly have faced difficulty if we had tried to go beyond it.

The question of sanctions relief goes beyond Bosnian Serb agreement to a cessation of hostilities or commencement of negotiations. There are other issues that we see as critically linked to the suspension of sanctions and the return of Serbia-Montenegro to the international community. The recognition of all former Yugoslav republics by Belgrade, the return of Serb-held Croatia to Zagreb's full control, and the restoration of autonomy and full human rights for Kosovo will all be vital in this context.

Nevertheless, the Contact Group may endorse a further sanctions abatement scheme when there is significant progress in the peace process. None of the Contact Group members believes we have reached this point yet.

The Honorable
Jimmy Carter
Plains, Georgia

Once again, I would like to express my thanks for your willingness to contribute to a lasting peace in the Balkans.

Respectfully yours,

Chris

Warren Christopher

THE WHITE HOUSE
WASHINGTON

95 JAN 25 P3:20

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: John Angell

Fax Number: **Phone Number:**

FROM: Jennifer Dudley

SUBJECT:

DATE:

NUMBER OF PAGES (including cover sheet): 16

MESSAGE:

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

THE WHITE HOUSE

WASHINGTON

January 19, 1995 '95 JAN 20 P3:19

MEMORANDUM TO THE PRESIDENT

THROUGH THE VICE PRESIDENT

FROM: KATIE MCGINTY
CAROL RASCO

RE: Private Property Rights/Takings Strategy

Through a working group with representatives from DPC, OEP, NEC, Legislative Affairs, OMB, and Counsel, we have developed a strategy for opposing legislation, including the Contract with America, that purports to protect private property rights by creating compensation requirements beyond those required by the Fifth Amendment of the Constitution. Since at least four property rights bills were introduced during the first week of the new Congress we will need a strategy very soon. Further, we are likely to soon be faced with Congressional hearings where will be asked about our position on property rights. We have briefed the Vice President on this and we all agree that we **should take an aggressive stand on this issue and oppose legislation that requires undue compensation or overly burdensome analytical requirements.**

While we must recognize the risk of being portrayed as being unsympathetic to property rights, we believe our strategy allows us to change the debate by painting the Republican proposals as being bad for ordinary Americans. Our message will be that we are the ones looking out for the rights of the middle class property owners and their communities. The Republicans will change 200 years of Constitutional law, create more red tape, more litigation, and create an astronomical drain of the budget while reducing, or perhaps eliminating, essential health, safety, and environmental protection.

Legislative Proposals

In general, the current legislative proposals attempt to thwart environmental, health and safety regulation by at least raising the specter of requiring compensation as a result of virtually all governmental regulation, thereby making such regulation economically infeasible. One of the most likely vehicles for future private property rights legislation is the Contract With America. Specifically, Title IX of the Job Creation Bill authorizes a private right of action for any reduction in property value caused by federal regulation. Under its terms, a ten percent reduction in property value conclusively establishes takings liability. If a property owner believes a taking has occurred and makes a demand for compensation, the regulatory agency must make an offer to compensate the owner. If the owner rejects the offer, the issue of compensation must be arbitrated by a third party.

Political Landscape

The property rights legislation movement is strong and well organized. The opposition to such a draconian approach is also strong and becoming more aggressive each day. We are seeing a fair amount of press coverage which suggest that the Republican approach is flawed and bad for the average landowner. Over 30 state Attorneys General recently wrote the Congress opposing takings legislation that goes beyond what the Constitution requires. The National Conference of State Legislatures, the National League of Cities, religious groups, health groups, and civil rights groups have opposed such legislation as well. In short, **there is broad-based support for our position on this and we have an opportunity to play a real leadership role.**

Strategy

We believe that it is vital for the Administration to engage fully in the debate over property rights and remain committed to the fight. If we make such a commitment and stay with our message we should prevail -- showing leadership and getting credit for protecting the rights of the poor and middle class. Our strategy for protecting the rights of all landowners involves four main components:

1) Engage the Administration, including the President and Vice President to ***inform the public that we are the ones looking out for their property rights*** and that the legislation proposed will be harmful to the average property owner;

2) Work with the Congress on ***reasonable property rights legislation*** that is consistent with our principles -- no undue compensation or unreasonable analytical requirements;

3) Develop and ***implement administrative reforms*** to specific Federal programs that have engendered concerns from landowners (primarily wetlands and endangered species) and develop reasonable legislative reforms;

4) Implement a well ***coordinated communications strategy*** designed to change the debate on takings and generate support for the Administration's position on takings -- protecting the rights of all landowners.

Implementation of our strategy will be guided by a set of principles, which articulate our positions and where we draw the line. We support the legitimate protection of property rights, however, **we would not support legislation that provides compensation beyond the levels required under the current law and the Constitution.**

We have prepared a more detailed paper which provides additional background and outlines our strategy in more detail. We will be pleased to provide this at your request. We believe that we must act soon in order to take advantage of the big target given to us by the Republicans. Once we act, however, we have to maintain a strong communication strategy. If we fail to, we could be portrayed as anti-property rights (in short -- "in for the penny; in for the pound"). We welcome your review of our proposal and your advice on proceeding.

APPROVE STRATEGY ______

DISCUSS ______

Private Property Rights Strategy

Protecting the Rights of All Property Owners

Purpose: To outline the Administration's strategy for responding to legislation in the 104th Congress[1] that purports to protect private property rights by creating compensation or analytical requirements beyond those required by the Fifth Amendment of the Constitution.

This strategy is designed to demonstrate clearly the Clinton Administration's commitment to the rights of all property owners -- not just those who gain from the ill-advised legislation proposed in the Contract with America. We will demonstrate that we support private property rights and that such rights have to be balanced with the protection of the rights of the community at large. We will demonstrate that we are making government regulation less intrusive into the lives of landowners by fixing legitimate regulatory problems. We will demonstrate that we care about middle class landowners by suggesting legislation that will make the Federal court system work more efficiently when they file a takings claim. We will demonstrate that the property rights legislation proposed creates a bad neighbor policy -- no longer will the government be able to look out for the overall good of all citizens. We will demonstrate that the proposed legislation will be a budget buster. And finally, we will demonstrate the President's leadership. This debate is very much about values and moving away from the excessive individualism that was prevalent in the 1980s where personal gain was glorified and service to the community was devalued. We have the high ground and a broad-based coalition of public support --we need to keep both.

Importance: **HIGH.** From a policy perspective, it is clear that takings legislation has a much greater potential to damage the Administration's ability to protect public health, safety, and the environment than unfunded mandates or risk. Is it a taking to require a safe work place or community? Is it a taking to prevent child labor? Is it a taking to deny someone a wetland fill permit when the fill results in the flooding of upstream neighbors? While we would say of course not -- it is the legitimate role of government to protect the common good even if it has negative implications for the individual at times -- some legislative proposals, including the Republican Contract, could require the government to pay even when the overwhelming good of the community outweighs the interest of the individual.

---

[1] In the first week of the 104th Congress four property rights bills were introduced.

The Administration must implement a well coordinated interagency strategy to counter the evisceration of fundamental services that the public expects and deserves from its government. While current legislative proposals (including the Contract with America) vary to some degree in terms of overall negative affect, each would, or could if taken to the logical extreme, adversely affect:

- WORKER HEALTH AND SAFETY LAWS, including those that require employers to protect employees from safety and health hazards in the workplace, as well as child labor laws;

- ENVIRONMENTAL LAWS, including those that prevent landowners from storing barrels of toxic waste near a neighborhood or by a school.

- CIVIL RIGHTS LAWS, including those meant to halt unfair housing practices or job discrimination;

Background: The Fifth Amendment of the U.S. Constitution states that "private property" shall not "be taken for public use without just compensation." In other words, if the government needs your land to build a public road or a hospital, the government must pay compensation. Whether a regulation results in a "taking" generally depends on a number of fact specific considerations, including the relative intrusiveness of the regulation, its economic effect on the property owner, and the owner's particular circumstances and investment-backed expectations. For any case where the landowner feels aggrieved, the Tucker Act and the U.S. Constitution guarantee such landowner the right to bring suit in the Federal Courts to seek compensation. The Clinton Administration will insist that these rights are recognized by all Executive Branch agencies.

Those opposed to governmental, and particularly environmental, regulation have seized on and exploited the public's concern over protection of private property in an effort to thwart legitimate governmental action to protect the public interest. These efforts typically, and sometimes successfully, portray necessary regulation and protection of private property as mutually exclusive, which of course they are not. These "property rights" interests have grown into a powerful force composed of many organizations and backed by conservative think tanks. The "Wise Use" group, has been an active player in the property rights movement. This group, which includes a wide range of local groups, is made up primarily of miners, loggers, and ranchers who focus on the use of public lands. For example, a major "Wise Use" group, People For The West!, receives most of its funding from the mining industry. Other funding sources include the Rocky Mountain Oil and Gas Association, the National Forest Products Association, the Cattleman's Association, the Motorcycle Industry Council and the National Rifle Association.

Other groups such as the "Defenders of Property Rights" have focused more exclusively on private lands.

The private property rights or takings debate has been brought to light in the past few years primarily in the context of the Clean Water Act Section 404 "wetlands" program and the Endangered Species Act (ESA). Many feel that these programs impose substantial and unnecessary burdens on landowners. It is important to remember that this Administration has developed a solid roadmap (not yet completely implemented) for improving the wetlands program and is currently in the process of developing a package of administrative and legislative reforms for the ESA. Both of these initiatives will result in substantive improvements for landowners -- making programs more fair, flexible, and effective.

The private property rights movement has been active legislatively at both the state and federal levels. Bills to advance the "private property" cause have been introduced in the majority of state legislatures, although so far they have been enacted in only a few states. In the Congress, many bills have been introduced in both Houses. In general, the bills attempt to thwart environmental, health and safety regulation by at least raising the specter of requiring compensation as a result of virtually all governmental regulation, thereby making such regulation economically infeasible.

While other bills have been introduced, one of the most likely vehicles for future private property rights legislation is the Contract With America. Specifically, Title IX of the Job Creation Bill authorizes a private right of action for <u>any</u> reduction in property value caused by federal regulation. Under its terms, a ten percent reduction in property value conclusively establishes takings liability. If a property owner <u>believes</u> a taking has occurred and makes a demand for compensation, the regulatory agency must make an offer to compensate the owner. If the owner rejects the offer, the issue of compensation must be arbitrated by a third party.

Political Landscape: The private property rights movement is strong, well organized and funded, and growing both within the new Congress and with groups such as "Wise Use." Our opposition to takings legislation must be articulated in a manner so that people see the legislation for what it really is. Otherwise, the Administration could be cast as being unsympathetic to property rights -- something that is absolutely not true. Providing an alternative means of addressing the legitimate concerns of property owners will allow us to diminish this concern to some extent. Some of our specific substantive plans to accomplish this are discussed later in this paper.

It is important to recognize that opposition to the proposed property rights legislation is broad-based -- reaching well beyond the environmental community. Civil rights, religious, health care, consumer, labor, planning, sportsmen, and other groups are clearly on record opposing such legislation. Over 30 state Attorneys General recently wrote the Congress opposing takings legislation that goes beyond what the Constitution requires. The National Conference of State Legislatures and the National League of Cities have opposed such legislation as well. A list of some of the groups opposing property rights legislation is included as Attachment 1.

The Strategy

Message:

This Clinton Administration will protect the property rights and interests of all citizens and communities. The Republican proposals create more red tape, cost taxpayers more, eliminate essential government protection, and change 200 years of Constitutional law -- all on the behalf of special interests.

Basic Components:

It is vital for the Administration to engage fully in the debate over property rights, or takings, legislation -- including the President at the appropriate time. We must be committed fully to this fight, which will be brutal at times with some trying to portray the Administration as anti-property rights. If we make such a commitment and stay with our message we should prevail -- showing leadership and getting credit for protecting the rights of the poor and middle class. Our strategy for protecting the rights of all landowners involves four main components:

1) Engage the Administration, including the President and Vice President to inform the public that we are the ones looking out for their property rights and that the legislation proposed will be harmful to the average property owner;

2) Work with the Congress on reasonable property rights legislation that is consistent with our principles -- no undue compensation or unreasonable analytical requirements;

3) Develop and implement administrative reforms to specific Federal programs that have engendered concerns from landowners (primarily wetlands and endangered species) and develop reasonable legislative reforms;

4) Implement a well coordinated communications strategy designed to change the debate on takings and generate support for the Administration's position on takings -- protecting the rights of all landowners.

Principles:

Implementation of our strategy will be guided by the following principles, which articulate our positions and where we draw the line. We support the legitimate protection of property rights, however, the President will veto any legislation that provides compensation beyond the levels required under the current law and the Constitution.

Private Property Rights Principles

1) **The Clinton Administration firmly believes that private ownership and use of property is a cornerstone of this country's constitutional heritage and historical tradition, as well as its economic strength.**

2) **The Fifth Amendment to the Constitution provides that private property shall not be taken for public use without just compensation.**

3) **The Clinton Administration recognizes fully its obligation to ensure that the requirements of the Just Compensation Clause of the Constitution are fulfilled at all times by making it clear that all executive branch agencies have a fundamental responsibility to protect property rights and to ensure that landowners are free from unwarranted burdens on private property. Agencies will continue to assess the impacts of their activities on private property.**

4) **The Clinton Administration recognizes that many government actions affect private property in some way -- often the value of the property will be enhanced and sometimes the value of property will be diminished.**

5) **The Clinton Administration recognizes the importance of Federal, State, and local government programs that protect the Nation's health, safety, and environment. In most cases these programs are working in harmony with landowners and many of the negative perceptions concerning property rights are not consistent with the facts. For example, approximately 95 percent of all Federal wetland permits are issued.**

6) **The Clinton Administration recognizes that landowners must often follow time consuming and expensive procedures when challenging a government decision on a Federal permit or when making a claim of a constitutional taking of their property. Accordingly, the Administration will respond through administrative action where possible and work with the legislative and judicial branches to streamline regulatory and compensation procedures for landowners.**

7) **The Clinton Administration will work with the Congress to ensure that individual property rights are protected and that the legitimate interests of the public are not diminished. In this regard, the Clinton Administration will support property rights legislation that is consistent with the above principles.**

8) **The Clinton Administration will not support legislative proposals that establish unnecessary analytical requirements, or requirements for compensation that go beyond what is required by the Constitution, or inhibit the ability of Federal, state, and local governments to protect the health and safety of our citizens. Current legislative proposals, including the Contract with America legislation, do just that. Further, such legislation:**

- *creates a bad neighbor policy and unnecessary layers of wasteful bureaucracy, more red tape and more litigation. It would be unjust to compensate landowners who cause pollution and/or devalue their neighbors property;*

- *is a needless budget buster -- paying polluters and potentially costing taxpayers billions.* Creates a windfall for the rich and may require the government to pay for the entire property when the overall value is only marginally diminished;

- *raises significant constitutional concerns.*

Implementation[2]:

1) Engage the Administration

Beginning immediately, the Cabinet Secretaries and Assistant Secretaries should mount an aggressive campaign against the property rights proposals, including the Contract bill. Using the principles noted above, we should tell the public how bad the bill is -- more red tape, more litigation, reduced protection of public health, safety and the environment, and it is a budget buster.

In addition to Secretary Babbitt and Administrator Browner, Administration officials outside the environmental agencies should be used as spokespersons. Secretaries Shalala and Reich, Attorney General Reno, Administrator Kessler, and Director Rivlin should commit to a series of events in January and February.

At the appropriate time the President should speak unequivocally about the issues raised in the "Contract" on takings. The President should make clear his commitment to the protection of property rights while saying the "Contract" bill has the opposite affect on middle and working class Americans and is bad for communities. The timing of the President's involvement should be discussed further.

2) Work With the Congress

At the same time that we are publicly articulating our views on property rights, we will work with members of Congress that are interested in a reasonable solution to this issue. Specifically, we will work closely with Senator Bumpers and his staff. Our discussions will be guided by the above principles. We should not propose specific legislation early on since we want to expose the radical nature of other proposals first. We should, however, prepare, for internal use, an outline of the type of property rights legislation that would be acceptable.

---

[2] All four strategy components will be implemented concurrently and in conjunction with an aggressive effort by the NGOs to paint the legislative proposals for what they really are -- bad for the poor and middle class.

3) Administrative Reforms to Address the Legitimate Concerns

In late January or early February we should actively publicize the Administration's initiatives to provide regulatory relief to the landowner. For example, we can package a fairly impressive list of reforms for the wetlands and endangered species programs. Further, we could advocate legislative reforms to the judicial takings process that would reduce the expense and delay experienced by small landowners. Examples of the types of reforms are provided in Attachment 2.

4) Communications

The primary goal of the communication strategy:

> Using Administration, States, Mayors, and NGO representatives, immediately show the American people how radical the property rights proposals are. Reveal the extreme examples and raise their visibility. The target may change over time as we attack -- but we should take advantage of the big target given to us by the Republicans and make the image stick.
>
> Work with the NGO community by making clear our positions and making available information (case studies, research, etc.) they may need. We will also target editorial boards, sports writers and various magazines (e.g., sportsman, religious, etc.).

A more detailed communication strategy is currently being revised in light of the recently proposed legislation. We are also developing standard talking points and information packets for the Administration.

ATTACHMENT 1

ORGANIZATIONS WHO OPPOSE TAKINGS LEGISLATION

State/Local Governments

National Conference of State Legislators
National League of Cities
National Urban League
32 State Attorneys General
American Federation of State, County and Municipal Employees
Government Accountability Project

Religious Groups

United Church of Christ
The United Methodist Church
American Family Association
Unitarian Universalist Association
United Church of Christ

Health Groups

American Public Health Association
Alliance to End Childhood Lead Poisoning
Coalition Against Childhood Lead Poisoning
National Citizens' Coalition for Nursing Home Reform
National Council of Senior Citizens
National Association of Social Workers
Physicians for Social Responsibility
United Cerebral Palsy Association

Civil Rights Groups

Alliance for Justice
Farmworker Justice Fund
National Urban League
League of United Latin American Citizens

Consumer Groups

Consumers Union
Consumers Federation of America
National Consumers League

Conservation/Environmental Organizations

American Forests
American Hiking Society
American Rivers
Appalachian Mountain Club
Boone & Crocket Club
Chesapeake Bay Foundation
Clean Water Action
Center for Marine Conservation
Environmental Defense Fund
Defenders of Wildlife
Friends of the Earth
Izaak Walton League of America
Land Trust Alliance
League of Conservation Voters
National Audubon Society
National Parks and Conservation Association
National Resources Defense Council
National Wildlife Federation
National Wildlife Refuge Association
Natural Resources Council of America
Public Lands Foundation
Rails-to-Trails Conservancy
Scenic America
Sierra Club
Southern Utah Wilderness Alliance
Sport Fishing Institute
Trout Unlimited
The Wilderness Society
Wildlife Society
Zero Population Growth

Historic Preservation Groups

Alabama Historical Commission
Historical Landmarks Foundation of Indiana
National Trust for Historic Preservation
Preservation Action

Labor Groups

AFL-CIO, Food and Allied Service Trades Department
AFL-CIO, Industrial Union Department
Oil, Chemical, and Atomic Workers Union
Service Employees International Union
United Food and Commercial Workers International Union
United Mine Workers of America
United Steelworkers of America

Legal Groups

Juvenile Law Center (Philadelphia)
Sierra Club Legal Defense Fund

Planning Groups

American Planning Association
American Society of Landscape Architects
City of Orlando Planning & Development
Indiana Planning Association
Sacramento Planning & Conservation League
Vermont Planners Association

Policy Groups

Mineral Policy Center

Professional Groups

National Association of Social Workers
Business and Professional People for the Public Interest
Union of Concerned Scientists

Public Interest Groups

Center for Community Change
Center for Resource Economics
Center for Science in the Public Interest
Garden Club of America
The Humane Society of the United States
OMB Watch
People for the American Way
Public Citizen
U.S. Public Interest Research Group
20/20 Vision National Project

ATTACHMENT 2

WETLANDS AND ENDANGERED SPECIES ACT REFORMS[1]

- *Establishment of a small landowner assistance office to provide information to property owners on regulatory procedures and requirements and on the procedures for filing a claim for compensation for an alleged taking. The office will review complaints and advocate to the relevant agency or department in favor of those which they believe have merit;*

- *Propose additional general permits to allow small landowners to build a single family home without a site specific wetlands permit;*

- *Streamline procedures for landowner compensation where the government and the landowner are in agreement that a Federal action has resulted in a regulatory taking;*

- *Streamline the Federal Court system to provide easier access to the takings claim process for landowners;*

- *Establishment of an administrative appeals process for landowners who are denied permits under the wetlands rules. This streamlined process will allow landowners to challenge permit decisions without the expense and time required if they go to court -- currently a landowner's only recourse;*

- *Establishment of an administrative appeals process for landowners that disagree with wetlands jurisdiction decisions. This will provide significant relief for landowners who under the current system can challenge a jurisdictional determination only after applying for a permit and going to court;*

- *To increase predictability and reduce delays, establish deadlines for making permit decisions;*

---

[1] These reforms represent only part of the administrative and legislative action items currently being implemented or developed by the Administration. For example, the August 1993 Wetlands Plan has over 40 initiatives, most of which are designed to provide relief to property owners.

- *Simplify the permit application process by creating across agencies one application for small property owners and a one–step process for applying;*

- *Issue guidance to promote increased participation by the states, tribes and local governments on wetlands and Endangered Species Act (ESA) permits and less involvement from the Federal government;*

- *Base decisions on sound science by requiring formal, independent scientific peer review of all proposals to list species and all draft plans to recover species;*

- *Give people quicker ESA answers and greater certainty by: speeding up the permitting process for low impact activities, making compliance inexpensive and quick for small–scale activities; identifying at the outset activities on private lands that are compatible with the ESA, so as not to tie up land use and development unnecessarily; providing certainty to landowners who participate in conservation planning, and protecting them against later demands for additional mitigation and payments;*

- *Treat private landowners more fairly by: facilitating economic use of private land by acquiring additional habitat to be protected, from the military when bases are closed, by enrolling existing federal lands in habitat reserves, by arranging for purchases of RTC lands, etc.; creating presumptions in favor of economic use of land by private owners whose activities create only negligible impacts on ESA listed species; creating presumptions in favor of economic use of land by individual homeowners, and small tract, low impact activities;*

- *Providing incentives to landowners who voluntarily agree to enhance habitat on their lands by insulating them from restrictions if they later need to bring their land back to its previous condition.*

- *Setting priorities in the listing of species to ensure that public and private resources are used as efficiently and effectively as possible.*

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO SENIOR STAFF

THROUGH: **LEON PANETTA**

FROM: **BILLY WEBSTER** Bill

SUBJECT: **COMMENCEMENT ADDRESSES**

We would like to firm up the President's commencement plans the week of February 13th. If you would like to submit a scheduling proposal for a particular college or university, please do so by Friday, February 10.

All proposals are welcome.

Thanks.

To Billy Webster —
How about Knox College?
Podesta

[redacted]

THE WHITE HOUSE
WASHINGTON

1/25

Leon —

Did you discuss the Bundy issue with Tony?

Podesta

[redacted]

cc: Angell

[redacted]

...am Raspberry

...glier Than Gridlock

Unless you are a member of the (temporarily) reigning right, you have to be just a little pleased that Newt Gingrich's chickens have come home to roost. The acerbic tongue, general nastiness and overweening self-righteousness that Gingrich rode to his new job as speaker of the House make it almost poetic that he's now getting what he so diffidently gave.

But if your concerns go beyond tit-for-tat political gamesmanship—if you believe that America has too many pressing problems for its leaders to squander much more time playing partisan "gotcha"—you have to hope that the game-playing will soon end.

The current pretext for the partisan sniping masquerading as principle is, of course, the book. Gingrich agreed to a $4.5 million advance on the book he's contemplating. The size of the advance was promptly denounced by Democrats as obscene. Gingrich then announced he would forgo the advance and settle for ordinary royalties only. It didn't help because by then it had become known that the prospective publisher was media magnate Rupert Murdoch, whose fortunes could well be affected by how Congress chooses to deal with certain legislative matters. The self-righteous objections became deafening.

It wouldn't help much now if Gingrich announced his intentions to give the proceeds of the book and an additional tithe of his House salary to Mother Teresa. The point (or so it seems to me) was never so much to work out the ethical rules by which government leaders may earn extra income as to nail Gingrich—who, a few years earlier, so avidly helped to nail Democratic speaker Jim Wright for *his* book deal.

It might not even help a lot for Gingrich to decide not to do the book, as more and more of his fellow Republicans are urging him to do. Dan Quayle came close to predicting that he will give up on the book. "He has to—and he will—figure out a way to make this issue go away," Quayle said the other day.

My concern is that the book issue will go away only to be replaced by another issue that has just as little to do with the business of governance. It was frustrating last year when Republicans (notably Gingrich) attacked every blessed thing the Clinton administration tried to do, not on its merits but for its provenance. It will be frustrating—however poetic—if the Democrats should behave the same way now.

I suspect that this is just the sort of pointless and partisan bickering people have in mind when they speak of governmental gridlock.

Jim Wright, whose own book deal was the rail on which the Republicans rode him out of town, made what I consider to be the important point in a recent column in the Fort Worth Star-Telegram: the anger and bitterness and vengeance-mindedness on both sides.

"I know nothing about the private transactions between Gingrich and Rupert Murdoch and therefore have no moral judgment to make regarding their disputed book deal," he wrote.

"It is deeply saddening, however, to see what has happened to Congress and to the once-honored rules of civility. Hate has bred an atmosphere of destructive attacks and counterattacks. The speaker himself bears some responsibility for that."

Wright's warning was against anger run amok. Mine is against a partisanship that rates the interests of the party above those of the country—and that stops at nothing in pursuit of those interests. Maybe you will resonate, as I do, to Theresa Heinz's (she was married to the late Pennsylvania senator) recent description of those hate-driven partisans who are:

"Critical of everything, impossible to please, indifferent to nuance, incapable of compromise. They laud perfection but oddly never see it in anybody but themselves. They are right all the time, eager to say I told you so, and relentlessly unforgiving. . . . They corrode self-confidence and goodwill; they rule by fear and ridicule."

This is not a loser's appeal to the referee to make things fair; it is a necessary warning to quit our dangerous path before (in Wright's words) "the habituating narcotic of hate destroys all the good things that, together, we stand for."

McGeorge Bundy

Nuclear Trap

The United States has set a trap for itself on nuclear arms control.

Two major agreements are now in prospect. One is the conclusion of a Comprehensive Test Ban Treaty (CTB)—an American objective since President Eisenhower's day. The other is the permanent extension of the Non-Proliferation Treaty of 1970 (NPT), which is the cornerstone of an international regime that has had much more success than its founding father, Lyndon Johnson, would have dared to predict.

But the Clinton administration has adopted a position on the test ban treaty that threatens to undo the permanent extension of the nonproliferation treaty. Fortunately there is time for a change of position, because the crucial debate will not come until the NPT extension conference opens in early April.

Last August in Geneva, U.S. officials proposed a new rule for the CTB that would allow any state to withdraw for any reason after 10 years. This is just the sort of easy-exit clause that the United States strongly and rightly opposes in the case of the nonproliferation treaty. What this new U.S. proposal strongly suggests is that nuclear-weapons states should have treaty rights they do not allow to non-nuclear states.

What connects this new U.S. position to the still uncertain debate over the future of the NPT is that the most tangled question in that debate is about the length of any renewal of the treaty. When the nonproliferation treaty was first negotiated, there was a deep difference on its duration that was resolved by a compromise: Let the treaty run for 25 years and then let a majority decide for how long to renew it. Now the time for choice has come.

The United States wants an unlimited extension, and so do most of its northern friends. But many others, led by a "nonaligned group," want a shorter extension so that they can hold the treaty hostage from time to time to advance whatever new positions they may favor. This "nonaligned" posture seems wrong to others (and not just the nuclear powers) who think the survival of the NPT is in the interest of all its members and not the nuclear-weapon states alone.

The Americans did not consult all these countries when they proposed a new escape hatch in the Comprehensive Test Ban for nuclear testing. No one familiar with the normal push-and-pull of such negotiations can be surprised to find that American insistence on a 10-year exit clause for the CTB is now gravely damaging the campaign of Americans and others for unlimited extension of NPT. This result was predictable, and it must have been predicted by many inside the administration who are close to the arms-control scene.

Yet what is most objectionable, from a straightforwardly American standpoint, is that the 10-year exit clause is unnecessary even if one accepts—as I would not—a clear long-run need for testing. The draft treaty already has the usual clause allowing escape when a country decides that its "supreme interests" require it, and any president ready to take so grave a step as a renewal of nuclear testing would surely be ready to use that clause. One is almost forced to conclude that the new exit clause was pushed by technical enthusiasts rather than sound policy makers.

The zeal of such technical enthusiasts is not matched by the quality of their arguments. There simply is no currently persuasive technical case for a new 10-year exit clause. The long future could indeed contain surprises, but the supreme-interests clause is quite enough to deal with them.

Remarkably, the administration's switch of last August has not yet stirred much political attention outside the arms-control community. It was announced to the world at the Conference of Disarmament in Geneva, but unlike New York or Washington, Geneva is not under a media spotlight, and attention in the non-specialist media has been low. So there is still time for the administration to straighten things out without a fuss as a matter of honest reconsideration.

The president must have approved the change of last summer, so it will take the president to turn it around. In reality it will not be a reversal for Mr. Clinton but rather a return—a return to the position that he surely had in his head when he won a standing ovation on this subject in his State of the Union speech just a year ago. He said then that he would work for a Comprehensive Test Ban, and he surely did not mean a 10-year treaty. He made a mistaken change last summer, but it was not an easy or familiar subject, and he may not have heard all the arguments.

Mr. Clinton has time to fix his mistake before the country gets stuck with it. If he acts now, he will simply be setting straight a small but important point. When the noise level goes up in the spring, that will not be so easy, because then he could seem to be yielding to foreigners.

The writer, national security adviser in the Kennedy and Johnnson administrations, is scholar in residence at the Carnegie Corp. of New York.

FAX TRANSMITTAL SHEET

~~Podesta~~ ~~Baggins~~

DATE: JANUARY 23, 1995

TO: PRESIDENT BILL CLINTON **FAX #:** 1-202-456-6703

FROM: JAMES A. ROARK, SR.

BUSINESS CARD:

J. A. ROARK, SR.
Board Member

PROVIDER REIMBURSEMENT
REVIEW BOARD
6660 Security Boulevard
Baltimore, Maryland 21207
(410) 966-5592
FTS 646-5592

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

MESSAGE: **NUMBER OF PAGES:** 20

ATTENTION: MS. NANCY HERNREICH

19 pgs not copied.

THE ATTAHCED LETTERS SUPPORT MY REAPPOINTMENT TO THE PROVIDER REIMBURSEMENT REVIEW BOARD (PRRB). MY CURRENT TERM ENDS ON MARCH 7, 1995 THEREFORE, TIME IS OF THE ESSENCES.

MY LETTER TO PRESIDENT CLINTON GIVES A SUMMARY OF MY CREDENTIALS AND RECOMMENDATIONS. MY RESUME ALSO CONTAINS SOME PERSONAL INFORMATION.

IF SOMEONE NEEDS TO CONTACT ME PLEASE FEEL FREE TO CALL ME AT MY OFFICE. MY OFFICE TELEPHONE # IS 1-410-966-5592.

I RESPECTIVELY REQUEST COPIES OF ANY LETTERS OF SUPPORT. PLEASE FORWARD THEM TO MY HOME ADDRESS. MY ADDRESS IS ON THE COPY ATTACHED.

THANK YOU FOR YOUR TIME AND HELP WITH THIS REQUEST.

MY OFFICE FAX # IS : 1-410-966-5298

E X E C U T I V E   O F F I C E   O F   T H E   P R E S I D E N T

24-Jan-1995 11:06am

TO: Frances R. Wessel

FROM: Daniel W. Burkhardt
Office of Communications

SUBJECT: RE: Roosevelt History Month

The request was declined/regretted in October. John wrote back to Harold: "I think it is premature given the state of Kovler's [the requesting party] efforts to date." John wrote to me: "This doesn't seem formed enough to have P associated. Maybe later."

If we should reconsider, please let me know. Thanks.

JP: Is it OK to pass Dan's note to Ickes' office?
FW

1/25 e-mailed Burkhardt w/ JP's instructions. FW

Have Dan check with Janice on how Harold/she want to proceed!

I'd recommend that Dan contact Harold & get more info.

1/23

Fran:

95 JAN 24 A10 : 52

Please read the attached correspondence and check with John on where it stands or what, if anything he has done with it. Harold asked me to check if there is any status with this.

Thanks

John Sutton

PEOPLE FOR THE AMERICAN WAY

Your Voice Against Intolerance

Bobbie Handman
Vice President
Director/New York Office

October 31, 1994

Mr. Harold Ickes
The White House
600 Pennsylvania Avenue
Washington, DC 20500

Dear Harold,

On September 30th, you wrote Peter Kovler, chair of the Committee for Roosevelt History Month, that you recommended to John Podesta that President Clinton join the committee as Honorary Chair in anticipation of its activities celebrating the inauguration of the Roosevelt Memorial in the fall of 1996.

Mr. Kovler has contacted me for other reasons and I have been assured by several ? people that he is capable of fulfilling at least some of the plans he is developing.

At this point, he feels an urgency to get a definite answer from the Clintons. (He has Ronald Reagan as an Honorary Chair and the endorsement of a number of organizations and universities).

Without too much effort, I hope you'll be able to move this along.

Love,

Bobbie

Bobbie

BH/as

1460 Broadway
Second Floor
New York NY 10036

212 944 5820
212 768 3713 / Fax

THE WHITE HOUSE

WASHINGTON

send to Dan Burkhardt?

Yes

October 24, 1994

MEMORANDUM FOR JOHN PODESTA

FROM: Harold Ickes HI

SUBJECT: Request that the President become an honorary Chairman of the Committee for Roosevelt History Month.

John, attached is a self-explanatory 21 September 1994 letter from Peter B. Kovler to the President requesting that he become honorary chair of the Committee for Roosevelt History Month. Please advise me on the process for determining whether or not the President will honor this request.

Harold

I think it is premature given the state of Kovler's efforts to date

John

SEP-23-94 FRI 03:04 PM PETER*B*KOVLER 202 467 2781 P.03

Committee for Roosevelt History Month

1250 24th St., NW Suite 300 Washington, DC 20037 (202) 857-7810 Fax: (202) 467-2781

21 September 1994

Ann - Find out the process to determine

President William J. Clinton
The White House
East Wing, Suite 200
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear Mr. President,

With the scheduled dedication of the Roosevelt Memorial in the fall of 1996, a group of us believe that it is a unique opportunity to have a Roosevelt History Month that September, much as we now have Black History Month, Women's History Month, etc., etc.

I believe it would be an innovative and unique way to teach younger generations about the great deeds of FDR and his generation. I also believe that the month would resonate with people because so many of the challenges you face have similarities to those encountered by FDR.

If you would join us as an Honorary Chairman, we would be most grateful. Such a designation would require no time or energy on your part, but it would allow us to promote more easily this idea.

If I can answer any questions for you or your staff, I'd be delighted.

Sincerely yours,

Peter Kovler

Peter B. Kovler

cc: Sara Ehrman

Committee for Roosevelt History Month

1250 24th St., NW Suite 300 Washington, DC 20037 (202) 857-7810 Fax: (202) 467-2781

24 September 1994

Ms. Debbie Bird
Fax:456-1799

Dear Ms. Bird,

Last night I gave a copy of this letter to Mr. Panetta, but if Mr.Ickes might be of assistance that would be great.

As I said, many people thought he would be the right person with whom I should speak on this matter, and I thank you for returning my phone call.

Sincerely yours,

PBK

Peter B. Kovler

EXECUTIVE OFFICE OF THE PRESIDENT

FACSIMILE TRANSMITTAL SHEET

Number of pages including cover 3

Date 1/24/95

To Fran Wessel

FAX Number 62215

Comments On second review, I see that this note from John was a month before the Ickes memo. His note to Harold restates this position.

From Dan Burkhardt

SPECIAL SCHEDULING REQUESTS
HONORARY CHAIR, HONORARY PATRON, HONORARY MEMBERSHIP

Today's Date: September 21, 1994 94 SEP 22 A11 : 03

Date of Request:	9/14/1994
Request for:	POTUS
Type of Request:	Honorary Chairman
Requestor Name:	Mr. Peter B. Kovler
Title:	Chairman
Organization:	Committee for Roosevelt History Month 1250 24th Street, NW Suite 300 Washington, DC 20037
Contact Tel. #:	202-857-7810
Event Date:	Fall of 1996
Event Description:	Roosevelt History Month
Notes:	The group has received endorsements from the Vice-President, Bill Galston and Paul Begala. Former President Reagan may sign on.

Recommendations:

JP ________ PL ________

This doesn't seem formal enough to have P associated. Maybe later.

JDP

Committee for Roosevelt History Month

1250 24th St., NW Suite 300 Washington, DC 20037 (202) 857-7810 Fax: (202) 467-2781

14 September 1994

Ricki Seidman
Presidential Scheduler
Fax: 456-2461

Dear Ricki,

The thought occurred to me that you might have an idea for me on the following subject.

As I believe you know because the FDR Memorial Commission people have scheduled some time with the President on 11 October, that monument is scheduled to be dedicated in the fall of 1996.

There is a group of us who believe that this is an opportunity to have a Roosevelt History Month, much as we now have a Black History Month, Women's History Month, etc., etc.

I have discussed this subject and received the endorsement of the Vice-President, Bill Galston, Paul Begala and - as you can see from the stationery - many others.

Is there one person at the White House who could take on the administrative function of getting federal agencies to go to work on this? I have already been in touch with lots of people at lots of agencies, and there seems to be some excitement about the idea.

Also, do you think that the President would be interested in being an Honorary Chairman? Former President Reagan is eager to sign on, but I believe that it would be a shame to have only his name at the top of an effort which is in honor of the greatest President of the 20th Century!

Thank you for any assistance.

Sincerely yours,

Peter

Peter B. Kovler

95 JAN 24 A9:15

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Eli Segal

Fax Number: 565-2784 **Phone Number:**

FROM: John Podesta's ofc (456-2702)

SUBJECT: copy from President's ofc.

DATE: 1/20/95

NUMBER OF PAGES (including cover sheet): 4

MESSAGE:

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

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

THE WHITE HOUSE

WASHINGTON

The President
would like a
copy of this sent
to Eli w/ the
suggestion that
Eli use Fuller to
help with National
Service ~~too~~ by
testifying.

1-20-95
(M. Heinrich
note) FW

THE WHITE HOUSE

WASHINGTON

January 20, 1995

Millard Fuller
Habitat for Humanity International
121 Habitat Street
Americus, Georgia 31709-3498

Dear Millard:

Thanks for your letter of January 5. It was good seeing you at Hilton Head. I appreciate the information on the AmeriCorps blitz, and I'll ask Billy Webster, my scheduler, to look into it.

Please give my best regards to Linda. I hope to see you soon.

Sincerely,

Bill

January 5, 1995

President Bill Clinton
The White House
1600 Pennsylvania Ave.
Washington, D.C. 20500-2000

Dear Bill,

What a treat it was to see you, Hillary and Chelsea at Renaissance Weekend at Hilton Head this past weekend. I only wish you could have been there longer. You could tell how much everyone appreciated seeing you.

As requested, I have written to Hillary about the AmeriCorps blitz build here in May. It would be wonderful if both of you could come down and be a part of that special blitz building week of putting up ten houses in five days. My letter to Hillary explained all of the details.

I also want to thank both of you for your generous $500 gift which was received here right after Christmas. You can see that your official receipt is enclosed.

I know you are incredibly busy these days with the new Congress in session. Our prayers are certainly with you.

Linda joins me in sending all of our love to your whole family.

In enduring friendship,

Millard

Millard Fuller

MF/btk

121 Habitat Street Americus, GA USA 31709-3498 (912)924-6935 fax (912)924-6541

606 4906

606 4913

95 JAN 24 A9:15

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Eli Segal

Fax Number: 565-2784 **Phone Number:**

FROM: John Podesta's ofc (456-2702)

SUBJECT: copy from President's ofc

DATE: 1/20/95

NUMBER OF PAGES (including cover sheet): 5

MESSAGE:

cc: ES pers.
Vol for Cur—
Eli should
pick these
two—
B.

THE WHITE HOUSE

WASHINGTON

January 18, 1995

Ms. Lisa Gray
c/o McLane Elementary School
200 Delphi Road, S.W.
Olympia, Washington 98502

Dear Lisa:

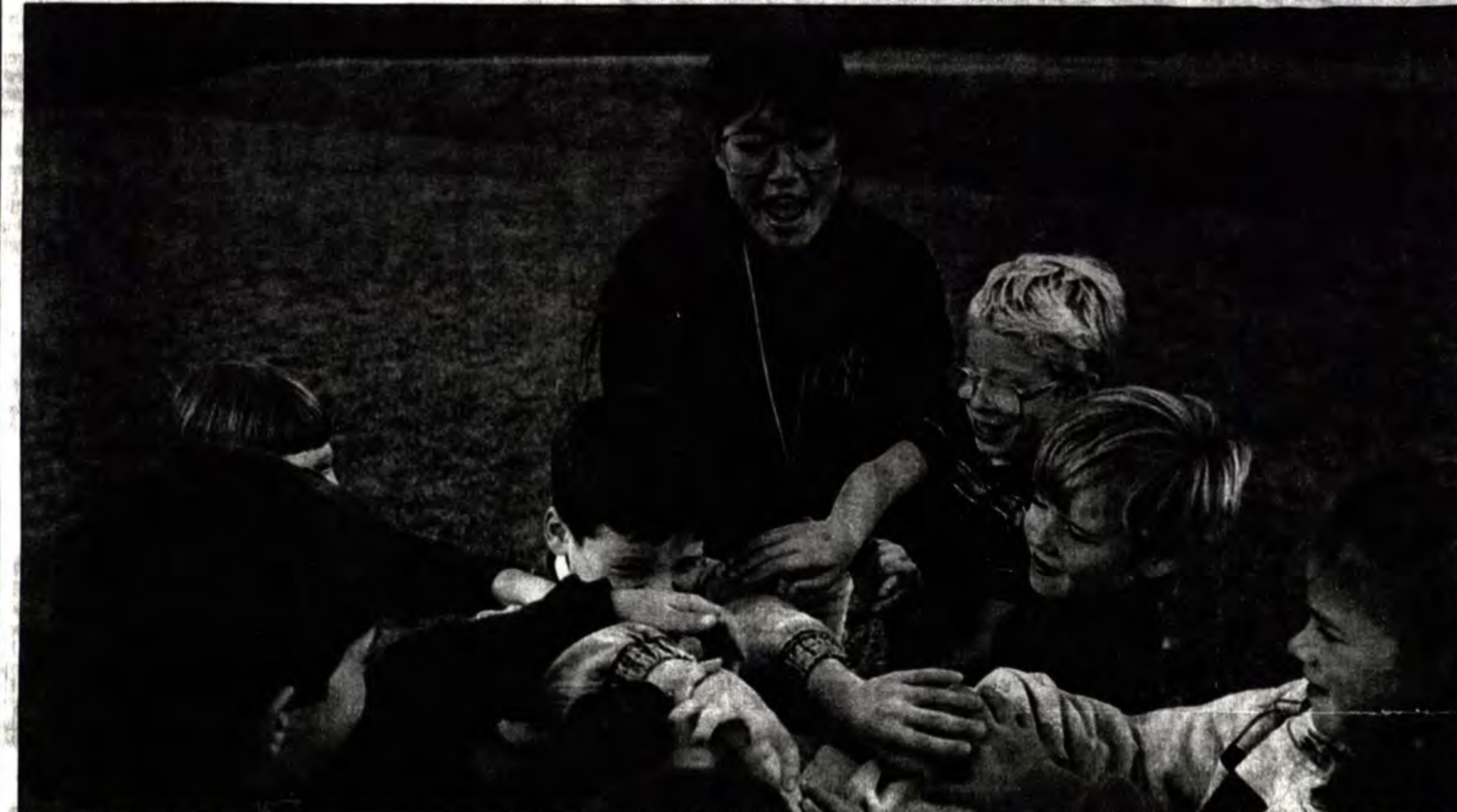
Rick Bird sent me a newspaper article about you, and I was pleased to hear of your fine work at McLane Elementary School.

Your commitment to children and to public service gives me great hope for the future. You and the other AmeriCorps members are shining examples of what effort, caring, and determination can achieve. The work you do this year is an investment in America, and your impact will last far beyond the final bell or last day of school.

Hillary and I wish you a joyful New Year.

Sincerely,

Bill Clinton



Steve Bloom The Olympian

VOLUNTEER: Americorp volunteer Lisa Gray plays a game with McLane students during recess. The exercise is designed to teach teamwork.

Americorps volunteer makes a difference

On the playground: At McLane Elementary, the Olympia woman is working for an educational credit and saving the school some money.

By Frieda Bush
The Olympian

Lisa Gray's work as an Americorps volunteer is not child's play.

Although she organizes indoor and outdoor activities for children at McLane Elementary School, the job is often a challenge.

"It's not always easy. If the kids don't get along, I have to mediate," she said. "If they don't understand the rules, I have to explain them."

The pay is modest, minimum wage, but the experience has been invaluable for the 21-year-old former community college student. Gray already was working toward an associate of arts degree at South Puget Sound Community College when she was chosen as one of 17 Americorps volunteers working with the Olympia School District.

It was the sharp eye of McLane Principal Rick Bird that helped the district nab part of a three-year $300,000 annual grant administered by Community Youth Services. The organization coordinates the selection and placement of 37 young adults between the ages of 17 and 25.

In exchange for a year of full-time work in a community-service position, young adults earn minimum wage and an educational credit of up to $4,700 toward student-loan repayment or college tuition.

For Gray, the national service program drawn up by President Clinton means she will have a chance to complete a four-year degree in teaching. For the Olympia School District, the program means 17 more people helping to tutor students who are falling behind or supervising playground games.

The district did not lay off any existing employees, and the extra help requires a matching, but minimal, investment. The district will pay about $1,100 per year for each Americorps volunteer, said Bill Hulten, director of personnel and employee relations. The district also picks up the cost of fingerprinting and background checks for each person who works with children.

"For the (low) cost of program, we will eat that $55 per person," Hulten said.

If the district were to hire 17 people for these positions, it would cost more than $100,000 per year, Hulten said.

Americorps volunteers are expected to demonstrate they have made a difference, said Brian Boyd, Americorps coordinator with Community Youth Services.

But just a few weeks into the program, Bird is already convinced of its merit.

"(Gray) has already made a difference," Bird said. "Every day there are 25 to 30 kids that will choose to play with the volunteer. Those kids are happily engaged in an activity."

Inside: Other participants. C3

The Olympian
Wednesday, November 2, 1994

Americorps volunteers put to work in South Sound community

By Frieda Bush
The Olympian

Ten South Sound social-service agencies have taken Americorps volunteers under their wing, and the community should see measurable results by the end of the year, a program coordinator says.

"We're really focused on getting specific things done," said Brian Boyd, program coordinator for Community Youth Services.

Boyd had the task of selecting 37 volunteers for the national service program from of field of more than a 100 candidates.

Boyd's goal was to get at least half of the volunteers working in the community by mid-September.

He met that goal and matched the remaining volunteers with positions as recently as two weeks ago. The largest share of volunteers went to the Olympia School District, where 17 young adults supervise and tutor children.

The remaining 20 positions went to Safeplace, Community Action Council, Head Start, Big Brothers/Big Sisters of Thurston County, Senior Services for South Sound, Olympia Child Care Center, Community Youth Services, Community Mental Health, YMCA and United Citizens Betterment Organization. And for each agency there is a different but measurable goal, Boyd said.

But the volunteers have some common goals. Most are from the Thurston County area. Most were already enrolled in college or have just graduated from college.

"It's one thing to feel the commitment to public service," Boyd

■ REPORT SAYS STRUCTURE OF CIA, NOT DIRECTOR WOOLSEY, TO BLAME FOR AMES SPY CASE Nation/ A3

GOOD MORNING

It's Wednesday, November 2, 1994

Today's forecast: Partly sunny with a chance of showers. High near 50; low 25-30.

Weather / A10

Lisa Gray works with McLane students.

AMERICORPS AT HOME

The national service program that lets volunteers earn credit for tuition has enabled the Olympia School District to hire 17 full-time helpers it wouldn't have been able to afford.

South Sound / C1

Spirits give cooking an extra splash

Put down that scotch and set dinner on fire. **Lifestyles / D1**

The Olympian

Serving Washington's South Puget Sound

35 cents

THE PRESIDENT HAS SEEN 1/23

THE WHITE HOUSE

WASHINGTON

January 21, 1995

Paul Deegan faxing to Rubin.

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN

SUBJECT: Sperling Memo on Minimum Wage

Attached is a memo from Gene Sperling, via Panetta and Rubin, on raising the minimum wage. There are four decision points: (i) whether to raise it; (ii) if so, by how much; (iii) whether to include indexing; (iv) whether to announce a raise in the State of the Union.

Gene discusses the arguments for and against a raise and concerning various amounts. But the bottom line is that the NEC, joined by Leon, George and Pat Griffin, thinks we should call for a raise and most of your advisors think it should be 75 cents -- 50 cents the first year, 25 cents the second. Gene notes that Pat Griffin favors a single 50 cent increase, since it would have the best chance of passing.

There is a secondary issue concerning indexing. George favors indexing a 75 cent increase, and Gene notes that Bob Reich is "generally supportive of indexing" though not sure it is worth it if the increase is only 75 cents. However, the NEC/White House consensus is <u>not</u> to index. Bob Rubin notes that indexing would add considerably to the vehemence of business opposition.

The one issue on which there is no clear consensus is whether to announce an increase in the State of the Union. Gene lays out the pros and cons on the last page of the memo and notes that, while there was general agreement at the last NEC meeting to make a SOTU announcement, there is still considerable disagreement on the issue within the White House.

Approve raising minimum wage ✓	Disapprove___	Discuss___
Approve 75 cents over two years ___	Disapprove___	Discuss___
Approve <u>no</u> indexing___	Disapprove___	Discuss___
Approve announcing in State of Union ___	Disapprove___	Discuss___

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN 1/23

January 20, 1995

95 JAN 20 P9 : 32

MEMORANDUM TO THE PRESIDENT

THROUGH: Leon Panetta, Robert Rubin

FROM: Gene Sperling

SUBJECT: Minimum Wage

On the minimum wage, there are three decisions that must be made: 1) whether to support a minimum wage increase; 2) if so, how much to increase it; and, 3) when to announce any decision. After several meetings and significant consultation with the Hill, the NEC has come to a single recommendation on the first two issues, while timing still represents a fairly open issue that must be resolved.

I. BRIEF BACKGROUND: The Federal minimum wage is currently $4.25 an hour. The minimum wage had been frozen at a nominal level of $3.35 per hour from 1981 to 1990. In 1990, Congress voted to raise the minimum wage by 90 cents -- in two 45 cent stages -- from $3.35 to $3.80 in 1990, and from $3.80 to $4.25 in 1991. The real value of the minimum wage is now above its value from 1988 to 1990, but is below its value for every other year going back to 1955.

The minimum wage has two important purposes. First, the minimum wage raises the bargaining power for low-wage workers who are not represented by a union and have low skills. The minimum wage may also have a "ripple" effect, whereby wages of workers earning somewhat more than the minimum wage are increased to maintain internal wage standards. As a result, the minimum wage helps many poor and moderate-income families. The second purpose of the minimum wage is that it induces firms to train their workers and take a high-value added/low turnover strategy.

II. EMPLOYMENT AND DISTRIBUTIONAL EFFECTS: The potential effect of a minimum wage increase on employment has been the principal argument raised in opposition to such an increase. While the potential employment effects of a minimum wage increase surely need to be considered, the weight of the empirical evidence suggests that the effect of a moderate raise from its current level is likely to be negligible. Laura Tyson points out that while there is no respectable case for the large job loss figures used by some special interests, there is respectable economic literature that would show a small, marginal job loss. However, Laura and others found most compelling the variety of recent studies examining the effects of raises in the federal minimum wage both across the nation and in particular states, as well as the effects of raising state minimum wages above the federal level.

For example, studies of the federal minimum wage examined the effects of a 90 cent increase in two increments over a two-year period. One of the state studies examined the effects of New Jersey recently raising its state minimum wage by 80 cents, from $4.25 an hour to $5.05 an hour; another examined the effects of California increasing its minimum wage 90 cents from $3.35 an hour in 1987 to $4.25 an hour in 1988 (which would equal $5.20 in 1993 dollars). All of these studies found that the minimum wage increases did not reduce employment opportunities. (These studies were conducted by David Card, Alan Krueger, Larry Katz.)

An important point to note about the minimum wage is that while there may be some who are teens or just providing a supplement to a family living comfortably, most are people who are either sole earners for their families or are providing vital support to help maintain a middle income existence. Indeed, 36% of minimum wage workers are the sole earner in their family, while the average minimum wage worker provides nearly 50% of the income in their household.

While increasing the minimum wage does help many people at the bottom of the economic ladder it is also, as mentioned above, important for families where a second income is keeping them barely in the middle class. For example, 43% of minimum wage earners are in the bottom 20% of income, 45% are in the middle 60% -- and only 12% are in the top 20%. Only about one-third of minimum wage earners are teens while two-thirds are adults. Some argue against the minimum wage because it is not as targeted as the EITC toward working poor families. Others find it to be a positive point that an increase in the minimum wage would have such a positive effect on both working poor and middle income households.

III. RECOMMENDATION

NEC Recommendation: The general recommendation from your economic advisors as well as Leon Panetta, George Stephanopoulos and Pat Griffin was to call for a 75 cent increase over two years -- 50 cents the first year and 25 cents the second year -- bringing the minimum wage to a total of $5.00. The rationale for the two-stage increase to 75 cents is based on both our best estimate of what is sound economically, as well as representing a reasonable political starting point for a minimum wage proposal. From a political perspective, the most important single issue is the degree of support we can gather from Congressional Democrats for our proposal. Several people believe that the best chance for passage is a single 50 cent increase. Pat Griffin believes that we should just go with a single 50 cent increase. Some, such as Gene Sperling, believe that even if we want to end up at a 50 cent increase proposal, we should start with the 75 cent increase so that we have room to bargain and still pass a 50 cent increase. Leon believes a single 50 cent increase has the best chance for passage, but is open to the notion of starting higher to give us bargaining room.

The only other difference is that George Stephanopoulos would prefer to add indexing to the 75 cent increase. Secretary Reich is generally supportive of indexing, but not sure he supports it if is done from only a 75 cent increase.

a) Economic Rationale: As mentioned above, the economic literature demonstrates that there is good evidence that a minimum wage increase under 90 cents does not have negative employment consequences. While a $1 increase may still be in the ball park, our feeling is that we would be on stronger footing if our increase was within the levels where the recent economic studies by Katz and Krueger showed no negative employment impact. Furthermore, at $5.00, the national minimum wage would still be below the highest state minimum wage levels -- New Jersey at $5.05 and Hawaii at $5.25.

There was also agreement among most of the economists on the NEC that 75 cents in one year might be too steep and that we were on sounder ground dividing it between 50 cents and 25 cents. Furthermore, a 50 cent increase immediately puts the minimum wage level back up to where it was when the last minimum wage increase passed in 1991. The additional 25 cents increase puts the number up to an even $5.00. While some may have found a 75 cent minimum wage increase to be small by historical standards, the minimum wage increase you call for must also be considered in the context of the dramatic increase you proposed and signed for the EITC.

b) Political Rationale: As mentioned above, you must consider your recommendation both in terms of the statement it makes and the degree your proposal increases the chance of passage. A higher minimum wage increase is likely to be more satisfactory to those who most support the minimum wage increase -- organized labor and some progressive Democrats. The AFL-CIO calls for a $1.50 increase -- with three 50 cent increases plus indexing. Sabo and seven Democratic co-sponsors called last year for an increase in the minimum wage to $6.50, while denying employers a tax deduction for excessive compensation (more than 25 times the lowest compensation paid any other employee). Kennedy also supports a minimum wage increase close to the AFL-CIO recommendation. On the other hand, several Democrats in the Senate have expressed some reservations about proposing a minimum wage increase, and would feel better if we kept the increase to a lower level.

Advocates who argue for a higher number increase state, that since the chance of passage of the minimum wage with the present Congress is considered small by some, the proposal should at least accomplish the political goal of being satisfactory to labor. An argument for going for a lower number -- 50 cents -- is that it would be small enough to lessen intense opposition from some business groups, while responding to the concerns of some Democrats who feel that an increase in the minimum wage goes against the "new Democrat" message. Furthermore, Pat Griffin and others felt that a 50 cent proposal had the best chance of passage.

We felt that a two-stage 75 cent increase without indexing made the most sense from a political perspective as well as an economic perspective. First, while a 75 cent increase would be unlikely to satisfy organized labor and the most ardent supporters of the minimum wage, it would meet your campaign promise of making up the lost value due to inflation since the last minimum wage increase while adding 25 cents to spare, and it seems to be a level that could hold most Democrats in Congress together. Finally, to the degree that a one-time 50 cent increase represents the proposal with the best chance of passage, a 75 cent proposal gives us some negotiating room.

IV. INDEXING: The proposal that was considered for indexing would tie the minimum wage to the wages of the median worker or the 25th percentile worker. These standards are preferable to indexing to the CPI because they would avoid contributing to an inflationary cycle that could result if the CPI was used. The arguments for indexing are that it would protect the value of the minimum wage without making Congress continually have to seek new legislation. Politically, Republicans who oppose indexing would be put in the position of having to support indexing the capital gains tax cut for well-off Americans while opposing indexing for wages for workers at the lowest wage levels.

Nonetheless, the NEC and White House staff felt that a 75 cent increase was adequate without indexing. The arguments against it were the low chance of passage, the risk that it would be perceived as inflationary (even with our attempts to index to a measure other than the CPI), and the concern that the perceived benefit to workers would not be large enough to overcome the political downsides. Furthermore, even strong advocates of a stronger minimum wage increase might not support an indexing proposal because they would fear that indexing after only a 50 cent or 75 cent increase would lock them into too low of a level for the future. Bob Rubin also stressed that while business groups would oppose us on a minimum wage increase, if indexing were added it would add significant intensity to that opposition that would work against us on this as well as other business-related matters.

V. SUB-MINIMUM WAGE:

The NEC also discussed the issue of adding a sub-minimum wage for teenagers. There was a three-year trial subminimum wage in the 1989 minimum wage increase, (15% less for teens for up to 6 months), but the results were that it was hardly used for several reasons -- including recordkeeping requirements. Because the impact was so minimal, some might claim that we should go ahead and do this. Yet, the decision of the NEC was that in light of that de minimis impact, there was no economic rationale to justify the problems a subminimum wage proposal would create with those likely to support passage of a minimum wage increase.

VI. ARGUMENTS AGAINST NEC RECOMMENDATION: Despite the fact that the NEC was virtually unanimous it its recommendation, we wanted to give you "cons" -- the opposing arguments you are likely to hear for either not increasing the minimum wage or, on the other hand, calling for a larger increase.

- **Hurts New Democrat Message:** Some Congressional Democrats believe that this works against the "new Democrat" message -- as an increase in the minimum wage is perceived as a traditional Democratic/labor agenda item and is likely to be vigorously opposed by small business. Arguing against this concern is the fact that while there will be intense small business opposition, polls consistently show that 70% of Americans support an increase in minimum wage. Other Democrats concerned about the minimum wage have argued that if we do propose a minimum wage that we package it together with other policies designed to increase wages for working Americans.

• **Will Create Opposition without Creating Strong Support**: A 75 cent increase is likely to run the risk of stirring strong small business opposition without generating strong support from organized labor which is likely to feel it is far too low. Arguing against this is the degree that we can work with Democrats to work together to draw a line on the side of working Americans, against Congressman Armey and others who strongly oppose this popular issue.

• **Unfunded Mandates:** An increase in the minimum wage does affect some state and local governments who do pay the minimum wage for some jobs and therefore could claim that this is an unfunded mandate.

VII: TIMING: The main timing question is whether or not to announce your minimum wage decision in the State of the Union.

Pro:

• The State of the Union allows you to directly make your case over the heads of the special interests to the general public on an issue where the general public is with us.

• The State of the Union allows you to blend the minimum wage in with an overall strategy to raise incomes for working people.

• There has been considerable speculation about how we are going to decide this issue -- waiting past the State of the Union continues that process -- going earlier may distract from the build up to the State of the Union.

Con:

• A minimum wage increase in the State of the Union might be treated as a major news item that could distract from the basic messages in the State of the Union.

• There is still time to announce it prior to the State of the Union (though it would have to be almost immediately) or after it as a way of keeping our economic story going or building up to rewarding work for the welfare working session.

• There is some evidence of increasing anxiety about doing this among Congressional Democrats.

• There was general agreement in the last NEC meeting that this announcement should be in the State of the Union -- though there exists today significant disagreement on this issue within the White House.

THE PRESIDENT HAS SEEN 1/23

THE WHITE HOUSE

WASHINGTON

January 21, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: TODD STERN TDS

SUBJECT: Sperling Memo on Minimum Wage

Attached is a memo from Gene Sperling, via Panetta and Rubin, on raising the minimum wage. There are four decision points: (i) whether to raise it; (ii) if so, by how much; (iii) whether to include indexing; (iv) whether to announce a raise in the State of the Union.

Gene discusses the arguments for and against a raise and concerning various amounts. But the bottom line is that the NEC, joined by Leon, George and Pat Griffin, thinks we should call for a raise and most of your advisors think it should be 75 cents -- 50 cents the first year, 25 cents the second. Gene notes that Pat Griffin favors a single 50 cent increase, since it would have the best chance of passing.

There is a secondary issue concerning indexing. George favors indexing a 75 cent increase, and Gene notes that Bob Reich is "generally supportive of indexing" though not sure it is worth it if the increase is only 75 cents. However, the NEC/White House consensus is <u>**not**</u> to index. Bob Rubin notes that indexing would add considerably to the vehemence of business opposition.

The one issue on which there is no clear consensus is whether to announce an increase in the State of the Union. Gene lays out the pros and cons on the last page of the memo and notes that, while there was general agreement at the last NEC meeting to make a SOTU announcement, there is still considerable disagreement on the issue within the White House.

Approve raising minimum wage ✓	Disapprove___	Discuss___
Approve 75 cents over two years ___	Disapprove___	Discuss___
Approve <u>no</u> indexing___	Disapprove___	Discuss___
Approve announcing in State of Union ___	Disapprove___	Discuss___

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN 1/23

January 20, 1995

95 JAN 20 P9:32

MEMORANDUM TO THE PRESIDENT

THROUGH: Leon Panetta, Robert Rubin

FROM: Gene Sperling

SUBJECT: Minimum Wage

On the minimum wage, there are three decisions that must be made: 1) whether to support a minimum wage increase; 2) if so, how much to increase it; and, 3) when to announce any decision. After several meetings and significant consultation with the Hill, the NEC has come to a single recommendation on the first two issues, while timing still represents a fairly open issue that must be resolved.

I. BRIEF BACKGROUND: The Federal minimum wage is currently $4.25 an hour. The minimum wage had been frozen at a nominal level of $3.35 per hour from 1981 to 1990. In 1990, Congress voted to raise the minimum wage by 90 cents -- in two 45 cent stages -- from $3.35 to $3.80 in 1990, and from $3.80 to $4.25 in 1991. The real value of the minimum wage is now above its value from 1988 to 1990, but is below its value for every other year going back to 1955.

The minimum wage has two important purposes. First, the minimum wage raises the bargaining power for low-wage workers who are not represented by a union and have low skills. The minimum wage may also have a "ripple" effect, whereby wages of workers earning somewhat more than the minimum wage are increased to maintain internal wage standards. As a result, the minimum wage helps many poor and moderate-income families. The second purpose of the minimum wage is that it induces firms to train their workers and take a high-value added/low turnover strategy.

II. EMPLOYMENT AND DISTRIBUTIONAL EFFECTS: The potential effect of a minimum wage increase on employment has been the principal argument raised in opposition to such an increase. While the potential employment effects of a minimum wage increase surely need to be considered, the weight of the empirical evidence suggests that the effect of a moderate raise from its current level is likely to be negligible. Laura Tyson points out that while there is no respectable case for the large job loss figures used by some special interests, there is respectable economic literature that would show a small, marginal job loss. However, Laura and others found most compelling the variety of recent studies examining the effects of raises in the federal minimum wage both across the nation and in particular states, as well as the effects of raising state minimum wages above the federal level.

For example, studies of the federal minimum wage examined the effects of a 90 cent increase in two increments over a two-year period. One of the state studies examined the effects of New Jersey recently raising its state minimum wage by 80 cents, from $4.25 an hour to $5.05 an hour; another examined the effects of California increasing its minimum wage 90 cents from $3.35 an hour in 1987 to $4.25 an hour in 1988 (which would equal $5.20 in 1993 dollars). All of these studies found that the minimum wage increases did not reduce employment opportunities. (These studies were conducted by David Card, Alan Krueger, Larry Katz.)

An important point to note about the minimum wage is that while there may be some who are teens or just providing a supplement to a family living comfortably, most are people who are either sole earners for their families or are providing vital support to help maintain a middle income existence. Indeed, 36% of minimum wage workers are the sole earner in their family, while the average minimum wage worker provides nearly 50% of the income in their household.

While increasing the minimum wage does help many people at the bottom of the economic ladder it is also, as mentioned above, important for families where a second income is keeping them barely in the middle class. For example, 43% of minimum wage earners are in the bottom 20% of income, 45% are in the middle 60% -- and only 12% are in the top 20%. Only about one-third of minimum wage earners are teens while two-thirds are adults. Some argue against the minimum wage because it is not as targeted as the EITC toward working poor families. Others find it to be a positive point that an increase in the minimum wage would have such a positive effect on both working poor and middle income households.

III. RECOMMENDATION

NEC Recommendation: The general recommendation from your economic advisors as well as Leon Panetta, George Stephanopoulos and Pat Griffin was to call for a 75 cent increase over two years -- 50 cents the first year and 25 cents the second year -- bringing the minimum wage to a total of $5.00. The rationale for the two-stage increase to 75 cents is based on both our best estimate of what is sound economically, as well as representing a reasonable political starting point for a minimum wage proposal. From a political perspective, the most important single issue is the degree of support we can gather from Congressional Democrats for our proposal. Several people believe that the best chance for passage is a single 50 cent increase. Pat Griffin believes that we should just go with a single 50 cent increase. Some, such as Gene Sperling, believe that even if we want to end up at a 50 cent increase proposal, we should start with the 75 cent increase so that we have room to bargain and still pass a 50 cent increase. Leon believes a single 50 cent increase has the best chance for passage, but is open to the notion of starting higher to give us bargaining room.

The only other difference is that George Stephanopoulos would prefer to add indexing to the 75 cent increase. Secretary Reich is generally supportive of indexing, but not sure he supports it if is done from only a 75 cent increase.

a) Economic Rationale: As mentioned above, the economic literature demonstrates that there is good evidence that a minimum wage increase under 90 cents does not have negative employment consequences. While a $1 increase may still be in the ball park, our feeling is that we would be on stronger footing if our increase was within the levels where the recent economic studies by Katz and Krueger showed no negative employment impact. Furthermore, at $5.00, the national minimum wage would still be below the highest state minimum wage levels -- New Jersey at $5.05 and Hawaii at $5.25.

There was also agreement among most of the economists on the NEC that 75 cents in one year might be too steep and that we were on sounder ground dividing it between 50 cents and 25 cents. Furthermore, a 50 cent increase immediately puts the minimum wage level back up to where it was when the last minimum wage increase passed in 1991. The additional 25 cents increase puts the number up to an even $5.00. While some may have found a 75 cent minimum wage increase to be small by historical standards, the minimum wage increase you call for must also be considered in the context of the dramatic increase you proposed and signed for the EITC.

b) Political Rationale: As mentioned above, you must consider your recommendation both in terms of the statement it makes and the degree your proposal increases the chance of passage. A higher minimum wage increase is likely to be more satisfactory to those who most support the minimum wage increase -- organized labor and some progressive Democrats. The AFL-CIO calls for a $1.50 increase -- with three 50 cent increases plus indexing. Sabo and seven Democratic co-sponsors called last year for an increase in the minimum wage to $6.50, while denying employers a tax deduction for excessive compensation (more than 25 times the lowest compensation paid any other employee). Kennedy also supports a minimum wage increase close to the AFL-CIO recommendation. On the other hand, several Democrats in the Senate have expressed some reservations about proposing a minimum wage increase, and would feel better if we kept the increase to a lower level.

Advocates who argue for a higher number increase state, that since the chance of passage of the minimum wage with the present Congress is considered small by some, the proposal should at least accomplish the political goal of being satisfactory to labor. An argument for going for a lower number -- 50 cents -- is that it would be small enough to lessen intense opposition from some business groups, while responding to the concerns of some Democrats who feel that an increase in the minimum wage goes against the "new Democrat" message. Furthermore, Pat Griffin and others felt that a 50 cent proposal had the best chance of passage.

We felt that a two-stage 75 cent increase without indexing made the most sense from a political perspective as well as an economic perspective. First, while a 75 cent increase would be unlikely to satisfy organized labor and the most ardent supporters of the minimum wage, it would meet your campaign promise of making up the lost value due to inflation since the last minimum wage increase while adding 25 cents to spare, and it seems to be a level that could hold most Democrats in Congress together. Finally, to the degree that a one-time 50 cent increase represents the proposal with the best chance of passage, a 75 cent proposal gives us some negotiating room.

IV. INDEXING: The proposal that was considered for indexing would tie the minimum wage to the wages of the median worker or the 25th percentile worker. These standards are preferable to indexing to the CPI because they would avoid contributing to an inflationary cycle that could result if the CPI was used. The arguments for indexing are that it would protect the value of the minimum wage without making Congress continually have to seek new legislation. Politically, Republicans who oppose indexing would be put in the position of having to support indexing the capital gains tax cut for well-off Americans while opposing indexing for wages for workers at the lowest wage levels.

Nonetheless, the NEC and White House staff felt that a 75 cent increase was adequate without indexing. The arguments against it were the low chance of passage, the risk that it would be perceived as inflationary (even with our attempts to index to a measure other than the CPI), and the concern that the perceived benefit to workers would not be large enough to overcome the political downsides. Furthermore, even strong advocates of a stronger minimum wage increase might not support an indexing proposal because they would fear that indexing after only a 50 cent or 75 cent increase would lock them into too low of a level for the future. Bob Rubin also stressed that while business groups would oppose us on a minimum wage increase, if indexing were added it would add significant intensity to that opposition that would work against us on this as well as other business-related matters.

V. SUB-MINIMUM WAGE:

The NEC also discussed the issue of adding a sub-minimum wage for teenagers. There was a three-year trial subminimum wage in the 1989 minimum wage increase, (15% less for teens for up to 6 months), but the results were that it was hardly used for several reasons -- including recordkeeping requirements. Because the impact was so minimal, some might claim that we should go ahead and do this. Yet, the decision of the NEC was that in light of that de minimis impact, there was no economic rationale to justify the problems a subminimum wage proposal would create with those likely to support passage of a minimum wage increase.

VI. ARGUMENTS AGAINST NEC RECOMMENDATION: Despite the fact that the NEC was virtually unanimous it its recommendation, we wanted to give you "cons" -- the opposing arguments you are likely to hear for either not increasing the minimum wage or, on the other hand, calling for a larger increase.

- **Hurts New Democrat Message:** Some Congressional Democrats believe that this works against the "new Democrat" message -- as an increase in the minimum wage is perceived as a traditional Democratic/labor agenda item and is likely to be vigorously opposed by small business. Arguing against this concern is the fact that while there will be intense small business opposition, polls consistently show that 70% of Americans support an increase in minimum wage. Other Democrats concerned about the minimum wage have argued that if we do propose a minimum wage that we package it together with other policies designed to increase wages for working Americans.

• **Will Create Opposition without Creating Strong Support**: A 75 cent increase is likely to run the risk of stirring strong small business opposition without generating strong support from organized labor which is likely to feel it is far too low. Arguing against this is the degree that we can work with Democrats to work together to draw a line on the side of working Americans, against Congressman Armey and others who strongly oppose this popular issue.

• **Unfunded Mandates:** An increase in the minimum wage does affect some state and local governments who do pay the minimum wage for some jobs and therefore could claim that this is an unfunded mandate.

VII: TIMING: The main timing question is whether or not to announce your minimum wage decision in the State of the Union.

Pro:

• The State of the Union allows you to directly make your case over the heads of the special interests to the general public on an issue where the general public is with us.

• The State of the Union allows you to blend the minimum wage in with an overall strategy to raise incomes for working people.

• There has been considerable speculation about how we are going to decide this issue -- waiting past the State of the Union continues that process -- going earlier may distract from the build up to the State of the Union.

Con:

• A minimum wage increase in the State of the Union might be treated as a major news item that could distract from the basic messages in the State of the Union.

• There is still time to announce it prior to the State of the Union (though it would have to be almost immediately) or after it as a way of keeping our economic story going or building up to rewarding work for the welfare working session.

• There is some evidence of increasing anxiety about doing this among Congressional Democrats.

• There was general agreement in the last NEC meeting that this announcement should be in the State of the Union -- though there exists today significant disagreement on this issue within the White House.

1/23

THE WHITE HOUSE

WASHINGTON

95 JAN 20 P 7 : 58

January 20, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: STEPHEN B. SILVERMAN SBS
Acting Secretary To The Cabinet

SUBJECT: Summary of Weekly Cabinet Reports
January 20, 1995 to January 27, 1995

CABINET-WIDE ACTIVITY

Post State of the Union Activity

Following the State of Union Speech, the Cabinet will fan out across the country to emphasize the importance of the Middle Class Bill of Rights and the Education Tax Credit proposal. Sixteen Cabinet Members and more than twenty sub-Cabinet Members will travel to colleges and universities on Wednesday and Thursday. Cabinet officials will conduct radio and media interviews (including editorial boards) in each of the media markets they visit. A complete listing of sites and locations will be available Monday.

California Floods

Your visit to Northern and Southern California to view flood damage was extremely well-received. The strong coordinated federal, state and local efforts to help the communities and families recover is ongoing. Over 19,000 applications for individual assistance have been received; by Tuesday over 6,000 checks will have been mailed for $8 million dollars for temporary housing. Nineteen outreach teams (like the one you met in Rio Linda) are knocking on doors and meeting with local officials to ensure that all victims are being reached.

DEPARTMENT SUMMARIES

Department of the Treasury

- **Mexico:** Treasury is coordinating an inter-agency effort to pass the Mexican Financial Guarantee package. The effort includes Hill calls and visits and regional and national media interviews, briefings and photo opportunities.

  Guns: The Bureau of Alcohol, Tobacco and Firearms (ATF) will participate in a law enforcement effort to get guns off the streets of Washington, D.C. The initiative is modeled after a gun detection program in Missouri that authorities credit with reducing gun-related crime by 49 percent. ATF will contribute to the effort by tracing a larger number of guns seized in the city to build a stronger case against suspects who illegally buy and sell weapons.

Department of Labor

- **Job Corps Controversies:** Three tragic incidences of violence occurred at Job Corps centers this weekend. In Knoxville, Tennessee, a Job Corps student was allegedly tortured and murdered by three fellow students off center grounds. The Department will be paying for her funeral costs and expenses and will arrange counseling services for her family and for her fellow Job Corps Center students. In North Carolina, two students allegedly brutally kicked a female student. A student from the Charleston, West Virginia Job Corps Center, was shot by a fellow student. The shooting was accidental and occurred off center grounds.

- **Bridgestone-Firestone Strike:** After initially refusing to meet, the CEO of Bridgestone-Firestone, met today in Washington with Secretary Reich to discuss the situation. The meeting was cordial and the Secretary discouraged the CEO from hiring permanent striker replacements. The Federal Mediation is involved in the dispute.

Department of Transportation

- **Increased Security Measures in the Asian-Pacific Area:** The Federal Aviation Administration (FAA) issued security directives requiring U.S. carriers operating at 31 airports in the Asia-Pacific and foreign flag carriers flying directly to the United States from those airports to implement additional security measures because of security threats. FAA's Office of Civil Aviation Security Intelligence is in direct constant contact with the intelligence community. If the nature of the threat changes, the measures will be adjusted accordingly.

- **Major Announcement Option--Innovative Financing:** This reinventing government announcement is scheduled for January 31 or February 1. Transportation is coordinating the release with White House staff. Innovative Financing relaxes the rules on local entities using Federal funds so that they can increase their use of private capital.

- **Interstate Commerce Commission (ICC) Sunset:** The Secretary anticipates that Transportation's report regarding the future of the ICC will be published in the Federal Register next week. The Secretary will recommend the eventual elimination of the ICC and transfer of remaining functions to other agencies.

- **NTSB Public Hearing:** During the week of January 23, the National Transportation Safety Board (NTSB) will hold a public hearing in Pittsburgh regarding the USAir 427 crash that ocurred in Hopewell Township. At this point the cause of the accident remains undetermined.

Department of Justice

- **Motor Voter Lawsuits:** On Monday, the Department will file "motor voter" suits against Pennsylvania and Illinois, and will file a counterclaim in the suit filed by California. The Department informed Illinois and Pennsylvania last week that it intends to file lawsuits against them to bring about their compliance with the National Voter Registration Act (NVRA) of 1993. These cases, once initiated, will be the Department's first enforcement actions under the NVRA. On or about January 23, 1995, the United States plans to file an answer and counterclaim in Wilson v. United States, (N.D. Cal.), the State of California's challenge to the constitutionality of the NVRA. The Attorney General will hold a press conference on Monday to announce all of these actions.

- **Gays in the Military Lawsuit:** On January 25, the Department will argue in the Tenth Circuit for the discharge of an Army Major based on her angry former female lover's allegations that they engaged in homosexual acts. The Department is appealing the court's stay of the Major's discharge order.

- **Drug Court Regulations:** Proposed regulations for the Drug Court Program are currently at the Office of Management and Budget for approval and may be out next week.

- **Piscataway Reverse-Discrimination Case:** On January 24, 1995, the Third Circuit will hear oral argument in United States v. Board of Education. of the Township of Piscataway. The Department supports reversal of a district court ruling that the school board violated Title VII of the Civil Rights Act by retaining a black business education teacher rather than an equally qualified white teacher. The Department contends the school board properly used race as only one of a number of factors in its decision and that -- even absent a finding of past discrimination or manifest under-representation -- the school board could properly take faculty diversity into account.

Leon

Ship Headed To U.S. Suspected Of Carrying Over 200 Chinese And Vietnamese Nationals: A vessel in the Pacific Ocean has been under surveillance by the U.S. Coast Guard since January 15. The 140-foot vessel is out of Bangkok and is supposedly destined for Los Angeles carrying at least 200 People's Republic of China and Vietnamese nationals, plus a load of heroin. The smugglers plan on using Vietnamese crew boats to take about 20 aliens at a time into Los Angeles area. Family members in the United States are paying to have the aliens smuggled in. This operation is being monitored by the Eastern and Western INS Anti-Smuggling Units.

Health and Human Services

- **Outreach to Governors:** In preparation for this month's National Governors' Association Winter Meeting, the Department will send letters to all fifty governors next week outlining HHS major initiatives and accomplishments over the past six months. In addition, the Secretary plans to contact all governors who have major Medicaid and welfare waivers pending at the Department to inform them of the status of their applications and to reiterate the Administration's commitment to a streamlined review of these reforms. She has sent similar letters to the governors prior to other NGA meetings.

Office of National Drug Control Policy

- **Anti-Marijuana PSAs:** On Monday, January 23, 1995, Director Brown and Jim Burke of the Partnership for a Drug-Free America will release the Partnership's latest anti-marijuana public service announcements. Director Brown will read a letter from you at the event.

- **National Drug Control Strategy:** The Office is circulating a draft of the strategy, which you are expected to release during the week of February 6, 1995.

Department of Education

- **Budget Rescissions:** This past Wednesday, Secretary Riley testified before the House Appropriations Subcommittee on Labor, Health and Human Services, and Education. The hearing reviewed the 1995 appropriations with an emphasis on downsizing. Questions centered on program elimination, consolidation, block grants, employee buyouts, and criticism of Goals 2000. The Department has been asked to respond to testimony from the Heritage Foundation, GAO, and the Education and Finance Council. Floor action on a rescission bill is expected during February, and it appears that rescissions could take effect sometime in March.

Department of the Interior

- **Panda Importation Permits:** Following a meeting the President of the San Diego Zoological Society and the Executive Director of the American Association of Zoos and Aquariums in San Diego, Secretary Babbitt approved the zoo's application to import a panda from China. The application added research objectives that should result in new data critical to panda conservation in the wild in China and obtained commitments from the Chinese government to use funds generated by the panda exhibit, including a detailed monitoring plan.

- **Implementation of the Indian Self-Governance Act:** On Monday, as required by the new statute, Secretary Babbitt will send to Congress a list of programs within Interior that could be administered by tribes, instead of Interior Bureaus or agencies. This list is required under legislation you signed late last year that expands opportunities for tribes to manage federal programs. The Self-Governance Program currently allows certain tribes to administer Bureau of Indian Affairs programs like a "block grant," giving them more flexibility to address local priorities. Last year's amendments expand the program to more tribes and to non-BIA programs. Opponents may claim that Interior will be allowing Indian tribes to operate national parks, wildlife refuges, dams or fish hatcheries. In fact, on a case-by-case basis, agencies will negotiate with tribes for those components that will be conducted by the tribe. Paramount in the negotiations will be measures to ensure the protection of these resources and other Federal responsibilities.

Environmental Protection Agency

- **Common Sense Initiative:** This week, Administrator Browner addressed the kick-off meeting of one of the six pilot industries involved in EPA's Common Sense Initiative (CSI), the metal finishing sector. These meetings begin the process of working to achieve the goal of the CSI -- to move away from one-size-fits-all regulations, and find ways of doing business that are cleaner for the environment and cheaper for industry and taxpayers.

- **Conference of Mayors:** On Wednesday, January 25, Administrator Browner will address the U.S. Conference of Mayors' Brownfields Task Force. EPA has been working closely with the mayors on several of their top-priority issues, such as brownfields, incinerator ash, Superfund administrative reforms and storm water. In her speech, Administrator Browner will announce several new decisions and initiatives that are responsive to their concerns and priorities.

Department of Agriculture

- **Secretary Designate Hearings:** Secretary designate Glickman continues to meet with

Members of the Senate Agriculture Committee in preparation for his confirmation hearings, tentatively scheduled for the end of January or early February. Senator Richard Lugar has indicated that the confirmation hearings will be a priority for the Senate Agriculture Committee.

Crop Reform Rollout: Later this month, USDA will announce a major milestone in implementing your reform of the federal crop insurance program in response to 1993's devastating Midwest flood. The Federal Crop Insurance Reform Act, which you signed last October, replaces the costly and unpredictable *ad hoc* crop disaster relief packages of past years with an expanded insurance system. Next week, USDA will announce that national signup for the new program is ready to begin. Farmers can now start to purchase the newly-created "catastrophic" crop insurance policies for 1995 crops from their local USDA offices or private insurance agents.

Erskine
Sumner McRee

Department of State

- **Japan:** Following up on your offer of assistance, Ambassador Mondale authorized disbursement of $25,000 to the Japanese Red Cross under his disaster assistance authority. The Ambassador also designated the Commander of U.S. Forces Japan to coordinate the airlift of 37,000 blankets requested by the Japanese government and to fulfill requests for military assistance. A senior official from USAID's Office of Foreign Disaster assistance has arrived in Tokyo to help with coordination.

- **North Korea:** January 21 is the deadline set in the U.S./DPRK Agreed Framework to begin easing U.S. barriers to trade and investment. The timing and content of the announcement of sanctions-easing measures are still being discussed interagency. Secretary Perry and Secretary Christopher will testify before the Senate Foreign Relations Committee next week.

Department of Defense

- **Chechnya:** Intense criticism of the Chechen war continues in the Duma and the press. There has been no movement, however, on last week's Russian National Security Council recommendations that Minister of Defense Grachev be replaced by General Gromov and that the authorities of the Ministry of Defense and the General Staff be reorganized.

- **Migrants:** Last Monday the current phase of Haitian repatriation ended with a load of 128 involuntary repatriations departing Guantanamo (plus one baby born en route). The Cuban migrant count at Guantanamo is 21,122. The count at Panama is 7,815. To prevent possible violence when Cuban refugees are transferred from Panama back to Guantanamo, U.S. forces are being reinforced at both locations.

- **Partnership for Peace:** Belarus signed the framework document January 11, becoming the 21st of 22 Partners (all except Tadjikistan) to do so and raising the number of contract partners having joined the Partnership for Peace to 24.

United Nations

- **Haiti:** The Multi-National Force (MNF) troop contributors have agreed that the environment in Haiti is "secure and stable." The Secretary-General's report was a little more ambiguous but did recommend the transition from the MNF to the UN Mission in Haiti. This week we will begin consultations with the "Friends of Haiti" on a resolution recommending that the next stage of the UN mission -- and the hand-off from the MNF -- commence. We expect some difficulties with the Russians, who want to link the hand-off with operations in Georgia, Tadjikistan and Nagorno-Karabackh.

- **Sanctions Against the Bosnian Serbs:** The Council will review sanctions against the Bosnian Serbs during the week of January 23. We anticipate no change to the current regime.

United States Trade Representative

- **Japan:** Latest data from the Computer Systems Policy Project shows U.S. computer companies making inroads into the Japanese government procurement market. Foreign share of the Japanese quasi-government market as well as the national government market increased to 33% and 6.1% respectively. Under the 1992 U.S. - Japan Agreement, consultations (which were last held in 10/94) will take place soon to continue encouragement of the Japanese government to further open their market to foreign computer products and services.

cc: Vice President Gore
Leon Panetta

THE PRESIDENT HAS SEEN 1/23

THE WHITE HOUSE

WASHINGTON

95 JAN 19 A11 : 49

January 18, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: **MACK McLARTY**

SUBJECT: **PROFIT SHARING IN THE AUTOMOBILE INDUSTRY**

Per our recent visit, I wanted to highlight the profit sharing numbers of the Big Three (see attached). Being the fourth generation in the automobile business, I can assure you this is a big change in management and labor relations. This type of profit sharing/cooperation is not dissimilar to Sam Walton's approach with his associates.

$7,500 for each worker at Chrysler is a substantial amount, and should help to increase wages of hard working men and women who indeed play by the rules.

It seems to me we should consider communicating this positive news in the right way.

wjc

I agree
a great
story, congratulations
Mack

cc: Leon Panetta
Mark Gearan
Mike McCurry
George Stephanopoulos

USA TODAY
1/13/95

FORD PROFIT SHARING: Ford's autoworkers should receive at least $3,400 each in profit sharing for 1994, the carmaker says. That's less than half the $7,500 each worker at Chrysler is expected to get for 1994, but substantially more than the $100 each General Motors worker is expected to get. (The Ford number is for all employees in the USA, while the Chrysler and GM numbers are for hourly workers only.) Ford disclosed its profit-sharing plans as it launched production of Explorer sport utilities at its St. Louis plant, where it also builds Aerostar vans. Ford's other Explorer plant is in Louisville.

DEPARTMENT OF THE TREASURY

Washington

1/23

January 21, 1995

John,

This is in response to a request from Erskine Bowles.

Sylvia Mathews

cc Erskine Bowles
Gene Sperling

What if we allowed min deduct of eg 2000 for those in living w/ parents

THE PRESIDENT HAS SEEN 1/23

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

95 JAN 21 P12 : 55

SECRETARY OF THE TREASURY

January 21, 1995

MEMORANDUM FOR PRESIDENT CLINTON

FROM: ROBERT RUBIN RER

SUBJECT: $3,000 DEDUCTION FOR EDUCATION EXPENSES

The proposed deduction for education expenses is permitted only for tuition and fees at qualified institutions of higher education. The maximum deduction would be $5,000 for 1996 through 1998 and $10,000 thereafter. Pursuant to your request, we are estimating the revenue effect of allowing a deduction of up to $3,000 for room and board , commuting for non-resident students, and books. The $3,000 deduction would count against our current proposal's $10,000 limitation on deductible educational expenses.

Our preliminary estimate based on certain assumptions regarding the details of the proposal[1] and the limited data available is that this proposal would lose approximately $10 billion over 5 years, **increasing the total cost of education deductions to approximately $33.5 billion over 5 years. The** proposal has the following problems:

- It will allow a deduction for personal expenses. Generally, personal expenses such as food, rent, and commuting are not deductible. Allowing this deduction could set a bad precedent. For example, if we begin down this "slippery slope" some individuals may contend that expenses of commuting to work should be deductible.

- It will create administrative and compliance problems. The new deduction will be difficult to administer. If the definition of qualified room and board is limited to expenses paid to an educational institution, students who live off campus or at home will be disadvantaged. This may primarily affect students at two-year colleges, students with families of their own, and those who cannot afford the additional cost of living on campus. In addition, most universities have a limited amount of on campus housing. A broader definition that includes off campus room and board would be subject to significant abuse, since it would

---

[1] The allowance for room and board and fees will be phased in on the same schedule as the overall deduction limitation -- $1,500 for tax years 1996 through 1998 and $3,000 for 1999 and after. Qualified room and board includes off-campus housing and meals, but not housing and meals supplied by relatives. Costs of commuting of non-resident students are deductible, but commuting and room and board cannot both be deducted by or on behalf of the same student. Room and board expenses incurred outside of the United States are not deductible, even if as part of a program sponsored by a qualified U.S. educational institution.

be difficult to determine and monitor the value of room and board for students living off campus.

- It will be difficult to finance. We have not identified any financing options to pay for this proposal. At this stage in the budget process it may be difficult to find offsetting revenues.

Effect on Fiscal Year Receipts
Above the Line" Deduction for Post Secondary Net Tuition Orginal Proposal
and
PRELIMINARY ESTIMATE
Additional Revenue Loss If Deduction of $1,500 (1996-98) and $3,000 (1999 and subsequent)
For Room and Board or Commuting Expenses Plus Books 2/

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	total 1995-00	total 1995-05
						($ billions)							
Original Proposal: Change in receipts	-	-0.7	-4.7	-4.9	-5.7	-7.5	-7.5	-7.8	-8.1	-8.3	-8.4	-23.5	-63.7
Additional loss attributible to new deduction		-0.3	-1.8	-1.9	-2.4	-3.8	-3.7	-3.8	-3.9	-4.0	-4.0	-10.2	-29.6
Total change in receipts proposal as modified		-1.0	-6.5	-6.9	-8.1	-11.3	-11.3	-11.7	-12.0	-12.2	-12.5	-33.7	-93.3

Quick3 educ2 01/13/95 table III

1/ Amount deductible is equal to tuition and fees less grants.
Maximium deductible amounts are for: 1996-1998 - $5,000 and for 1999 and subsequent $10,000.
Deduction phase out between $100,000 and $120,000 AGI Joint.
Maximum deduction and income phase out range are not indexed.

2/ Deduction is subject to overall limits of $5,000 and $10,000.

Erskine

[illegible]

THE PRESIDENT HAS SEEN 1/23

95 JAN 20 P8:04

KANSAS

To Erskine [illegible]

Gov. Carlin called the other day to follow up on other's calls to him about being considered for Archivist. He said he has a number of people pushing his name for that position. They think that person needs to be an outsider with Administrative Experience. He doesn't want to go through other channels as he thinks that people are not submitting other names because the position has become so political.

cc: ERSKI

I am meeting Gov Carlin on 1/26 @ 3