GRAND-DUCHÉ DE LUXEMBOURG

LE PREMIER MINISTRE

January 31th, 1995

95 FEB 16 2/16

To NSC Andy Sens

Dear President,

I was deeply touched by the kind congratulations which you gave me the honour to express at my nomination as Prime Minister of the Grand-Duchy of Luxembourg.

Please accept me warm thanks for your message.

At the same time I express the hope and the will to strengthen the close co-operation and deep friendship which characterize the relations between our two countries.

Yours sincerely,

Jean-Claude JUNCKER
Prime Minister

His Excellency
Mr. William J. CLINTON
President of the United States of America

FACSIMILE TRANSMISSION

TO: Harriet Rabb
c/o John Podesta

FROM: **Anna L. Durand**
General Counsel Office
Department of Health & Human Services

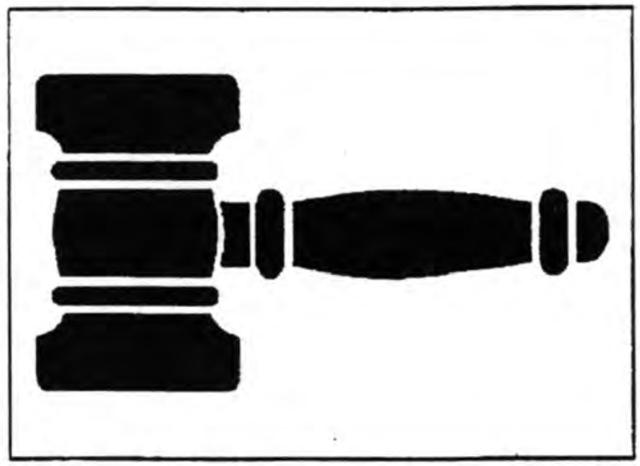
95 FEB 11 A11 : 51

Facsimile Phone Number - 202-690-7998

Telephone Number - 202-690-6318

Address:
700E H.H. Humphrey Building
200 Independence Ave., S.W.
Washington, D.C. 20201

Please call the office if you want to discuss.



Beth Nolan
2-17-95

cover + 3 pgs

h 75

Relevant Abortion Law

Tennessee

	1973-1979	1979-present
Consent Requirement	consent required; no specifics	informed, written consent must include: fact that pregnant # weeks gestation agencies available to assist general and specific risks, benefits major surgical procedure (1992--state court found this requirement violates state constitution)
Waiting Period	none	2 days from receipt of above information (may consent on 3d day) unless delay would endanger woman's life (1992--state court found waiting period violates state constitution)
Other Restrictions	performed by licensed doctor woman's proof of Tenn residence post-performance report to Tenn. Cmmr. of Public Health if 2d trimester, all of above plus must be in hospital	same

Restrictions on Minors	none specified	if < 18, must inform parents or legal guardian unless married, or necessary to preserve life or health parental notice required, but parent doesn't have right to object (1992--state court interpreted as notice to 1 parent and said no notice required if psychological, physiological or emotional health in jeopardy) (1994--waiting pd declared unconstitutional)

Alabama

Pre-1973: Abortion illegal unless necessary to preserve the woman's life or health

Questions re Meharry Records

For 1973-1979 cases:

1. Does chart indicate consent?

2. Does chart indicate Tennessee residence?

3. Does chart indicate report was made to state?

For 1979-1990 cases:

1. Does chart indicate that woman told:
   pregnant
   # weeks gestation
   agencies available to assist
   general and specific risks, benefits
   major surgical procedure?

2. Does chart indicate consent given and procedure performed at least two days later?

   If not, was woman's life in danger?

3. Does chart indicate report was made to state?

4. Was patient under 18 years old?

   If so,
   does chart indicate notice was given to parent or guardian 2 days in advance;
   was she married; or
   does chart indicate procedure necessary to preserve life or health?

!STD6074. DP;st wdc filing
Lack of USDA secretary has hurt Clinton farm policy, Lugar says
Knight-Ridder

Washington--Feb 13--The time the FBI is taking to complete its background check of USDA Secretary-designate Dan Glickman is having a "debilitating" effect on the Clinton administration's farm policy, chairman of the Senate Agriculture Committee said today.

In a luncheon with Knight-Ridder reporters, Sen. Richard Lugar, R-Ind., said he still had "no idea" when the Senate farm panel would receive the paperwork on Glickman so it can begin holding confirmation hearings.

Because of the delay, the Clinton administration has had no farm policy spokesperson "for weeks," Lugar said.

As a result, Congress still does not know what the administration hopes to accomplish in the 1995 farm bill, even though work on that legislation will begin soon, Lugar said.

Lugar said Glickman called him earlier this month to talk about the delay and indicated it could take a while longer before the FBI completes the routine background check that is required on all nominees confirmed by the Senate.

"In his interpretation, (the FBI) felt they had been 'burned' several times before by administration nominees that had been cleared too rapidly and suddenly (ran into problem) in front of congressional committees," Lugar said today.

Lugar said Glickman also told him in confidence about "various items...he had given to the FBI and to the president that he thought might be controversial."

Glickman "believes he has been thoroughly forthcoming, but there is grist for the mill there and it is taking time" to complete the background check, Lugar said. End

By Doug Palmer, Knight-Ridder Financial News
Tel: (202) 383-6178

Attn: Tom Amontree

Joel Klein
If we can move this this week — we can have a hearing next week
John Podesta
2-17-95

THE PRESIDENT HAS SEEN 2/16/95

The Deputy Secretary of Energy
1000 Independence Avenue., S.W.
Washington, D.C. 20585
(202) 586-5500 • FAX (202) 586-0148

Future of Energy
Nat Gas - Clean Air
Power Plants
Rt 4 -> 3 &
Promote Natural Gas

January 15, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: Deputy Secretary Bill White

SUBJECT: Meeting with Colorado energy leaders

I. Background

In some ways the business of the people you will meet offers Monday a preview of the future of the domestic and oil industry. Natural gas productive capacity in the Rocky Mountains has increased from 3.2 billion cubic feet per day in 1988 to 4.7 billion cubic feet today. The Rocky Mountain region has led the nation in increased natural gas reserves. Producers in Colorado have increased production through use of advanced technologies such as three-dimensional seismic interpretation and new fracturing techniques to recover gas from coal seams. They identify with our theme that domestic gas production is a environmentally sound, high technology industry.

The fundamentals of gas pricing look good. Currently gas accounts for only fifteen percent of electricity generated in the United States, so there much room for that market to grow. Today there are few surplus reserves of natural gas, in contrast to the situation over the last decade. However, gas prices have been weaker than expected over the last twelve months for two reasons: an extraordinarily mild winter, and a large supplementation of domestic supply by Canadian gas.

Despite some of the strong fundamental trends for gas production in Colorado, the domestic energy as a situation as a whole still appears troublesome. Domestic oil production continues to decline. Despite urging by the Department of Energy, no government policies have been adopted to stem the declines in the vast oil fields in the Gulf of Mexico and Alaska North Slope. Between 1985 and 1990 the United States increased by almost fivefold its imports from the Arab members of OPEC. Imports from those nations during those five years grew from 470,000 barrels a day to 2,243,000 barrels a day. We have since reduced that number, but policies to more fundamentally shift our energy and supply in demand will require years to yield large results. Today's total production from Saudi Arabia--by far the largest oil exporting country--is less than the extra worldwide oil production needed in the next dozen years, and most of that new production probably will come from the vulnerable Persian

Mack
-> See or call me on this
B

Gulf. For these reasons, you have received a report of findings and recommendations under Section 232 of the Trade Expansion Act by the Department of Commerce, finding that oil imports are a threat to national security.

Increasing oil imports substantially contribute to our current account deficit; increase the risk posed by sharp price rise that might be caused by political instability in the Persian Gulf; and contribute to the erosion of the comparative advantage enjoyed by the United States in oil and gas skills.

II. Current Issues

Three energy policies make sense for the public and enlist the support of this group in Colorado.

First, we have pursued the policies to strengthen the demand for natural gas as a replacement for oil and other fuels. We have encouraged utilities to use natural gas to provide a cleaner air. We have substantially increased the purchases of natural gas vehicles in the federal fleet, but have been limited in our effectiveness by GSA's policy of purchasing only from the Big Three and by the limited appropriations available for this purpose. (There are 160 million vehicles nationwide and we have funds to allow the purchase of only 15,000 natural gas vehicles per year.)

Second, this Administration has tripled our research associated with natural gas. The appropriations have increased from approximately $90 million FY 1992 to $290 million in FY 1995. Much of this investment is for new technologies for the utilization of gas, but other increases support the technologies lowering the cost of production of natural gas. The cost of finding gas has decreased for the last eight years due to technological innovations in exploration and production, and the national labs now are helping to accelerate this technological development.

Third, this Administration is seriously considering a proposal to allow independent producers to expense for tax purposes geological and geophysical costs. There has been technological revolution in geophysics which has significantly reduced the odds of drilling dry holes, but the new geophysical data is expensive. The Department of Energy has endorsed permitting the expensing of these costs by independent producers in the current year, at a cost of approximately $60 million per year to the Treasury. That would be considerably offset to a significant extent by collections from increased activity in the industry, although we cannot count those increases because of the scoring rules. This would increase resources by the equivalent of 200 million barrels of oil. You should be aware, however, that this proposal has never been able to clear the interagency decision processes, so there is no formal Administration position.

Rocky Mountain producers have asked for the Department of Energy to sell the Naval Oil Shale Reseres in Colorado to the private sector. We should. Your 1996 Budget will propose the sale of these properties. This is a good example of our efforts to downsize and reinvent government.

On June 16, 1994, you met with sixty Members of Congress from producing states who presented you with a list of legislative and regulatory recommendations that would benefit the oil and gas industry. Following on that meeting you directed the Department of Energy and the National Economic Council to evaluate the recommendations for action. The evaluation was completed and we understood that decisions were made to support some of the recommendations. Despite that action, no action has been taken by your Administration to propose or endorse any of the recommendations made by the Member of Congress.

PRESIDENT CLINTON AND ROCKY MOUNTAIN OIL AND GAS PRODUCERS MEETING

January 16, 1995
Denver, Colorado

List of attendees (a few may not be listed):

- **Michael Smith**: Founder and president of leading Rocky Mountain Independent: Basin Exploration; strong democratic supporter; Senator Ben Nighthorse Campbell's finance chief; member, Clinton Energy Team.

- **Bill Barrett**: Founder and president of Barrett Resources; one of the Rocky Mountain region's strongest and most innovative producers - 97% natural gas; worked with Reggie Spiller on Naval Oil Shale Reserve gas prospects.

- **Peter Dea**: Exploration geologist at Barrett Resources; long-time democrat; member of the Clinton Energy Team.

- **Steve Coffin**: Vice President of Colorado Interstate Gas/Coastal Corporation. Former Tim Wirth aid, helped organize the Clinton Energy Team.

- **Michael Beatty**: Former General Counsel, Coastal Corporation; principal organizer of the Clinton Energy Team.

- **Merle Chambers**: CEO of Axem Resources; one of the Rocky Mountain region's largest privately held exploration companies; member of the Clinton Energy Team and strong Clinton supporter.

- **Dick Lewis**: Founder and president of Prima Energy; from Yuma, Colorado; led eastern Colorado ranchers/natural gas mineral owners who contributed leases 15 years ago to create one of Denver's most solid and successful exploration companies.

- **John Longwell**: current president of the Colorado Oil & Gas Association (COGA); conscientious and public spirited petroleum engineer; executive vice president of Prima Energy; working hard individually and as a company to reconcile energy and environmental issues.

- **Greg Schnacke**: Executive vice president and executive director of COGA; Kansas native; oil and gas attorney; former Bob Dole staffer in Washington, D.C.

- **Fred Julander**: Founder and president of Julander Energy Company; strong natural gas advocate; founding member of the Business Council for a Sustainable Energy Future; member of the Clinton Energy Team and Clinton supporter.

The Deputy Secretary of Energy
1000 Independence Avenue., S.W.
Washington, D.C. 20585
(202) 586-5500 • FAX (202) 586-0148

October 20, 1994
VIA FAX: 456-2464

MEMORANDUM FOR LEON PANETTA
CHIEF OF STAFF TO THE PRESIDENT

FROM: BILL WHITE

SUBJECT: OIL IMPORTS AND ENERGY POLICY

States

The United States continues to increase its dependence on insecure sources of imported oil. Worldwide demand for oil is expected to increase at a rapid clip over the next decade, while production from the United declines. (See today's story on p. 2 of The Wall Street Journal.) The U.S. Energy Information Administration, OPEC, and the International Energy Agency all forecast worldwide demand for transportation fuels as requiring an expansion of productive capacity between now and the year 2010 of well over ten million barrels a day, even with sharp increases in prices. Those price increases shall come.

By way of comparison, today's total production from Saudi Arabia is less than incremental world production needed in the next dozen years. In contrast with the situation during the years of low oil prices during the glut in the mid-1980s, today we have real oil prices approaching record lows at a time when there is little worldwide excess deliverability.

This trend has troublesome implications for both oil-dependent economies and the balance of international power. I believe our nation will be importing oil valued at close to or above $100 billion per year by the close of the century. The 1970s gave us a preview of the impact of a surge in oil prices: primary energy fuels as a percent of world GNP grew from 2% to 9.4% during that decade, with oil as two-thirds of those totals. Economies stagnated.

There are some costs of oil imports not fully reflected in the price of imports. Based on the need to reduce upward volatility during crisis and avoid rationing, we maintain a Strategic Petroleum Reserve into which the federal government has sunk over $40 billion, including interest. We, and almost all analysts, believe that this has been a wise investment. However, taxpayers have paid for this rather than oil importers or users.

Attached find an analysis I prepared a week ago to respond to the inevitable questions raised at the time of the first reports of the movements of Iraqi troops. It fairly summarizes this Administration's mark on energy policy. Any "quick fix" is likely to be counterproductive, but we have a ways to go. Also attached find confidential memos I sent to Mack McLarty several months ago concerning some short-run measures for 1994. (I deleted a more detailed enclosure to that memo.)

At some time the President will need to be briefed. By December 31, 1994, the Commerce Department will make a finding that the level of oil imports poses a national security threat. Events happen routinely -- such as the auto announcement yesterday – which require background on this issue.

All of this has electoral consequences as well.

Enclosures

THE PRESIDENT HAS SEEN
2.16.95

The Deputy Secretary of Energy
1000 Independence Avenue., S.W.
Washington, D.C. 20585
(202) 586-5500 • FAX (202) 586-0148

January 15, 1995

Mack
call me Mc...
BC

MEMORANDUM FOR Mack McLarty

FROM: Bill White BW

SUBJECT: Denver visit

Enclosed find a poor copy of an excellent article in the Denver Post.

The author, Janet Day, could write a good article in the Post concerning the President's visit, if there is some energy news. Jim Lyons could handle it effectively with the Post.

Small firms leading quiet rebirth in region

The Denver Post

September 11, 1994

By Janet Day
Denver Post Business Writer

Denver's energy industry is coming back.

It's been a quiet, inconspicuous rebirth, achieved in the past couple of years without the cowboy hats, arrogance and Texas accents of the last oil boom, without the big names or the big bucks, without the swagger or the speculation of the early 1980s.

Small, independent natural gas companies serve as scientific, thoughtful pennypinchers in reviving Denver's reputation as a magnet for engineers and roughnecks alike.

This small boom is being driven by the deregulation of the natural gas industry and the expected increase in demand for the product in the coming decade. The result is entrepreneurs replacing wildcatters, computer science eliminating dry holes and measured growth replacing wild economic swings.

COLORADO'S COMEBACK

- **FOREST OIL:** Plucky firm pulls through tough times./23A
- **BARRETT:** One company's bust is another's boom./23A
- **GRAPHIC:** How natural gas gets from prehistoric swamps to your stove./23A

"This time around, it means so much more for the economy than the last energy boom did. The last time did more harm than good," said Fred Julander, president of Denver-based Julander Energy Co. "The industry today is like the Phoenix — it's a much more handsome creature rising from the ashes of what was left in the 1980s."

For the first time since the U.S. oil industry hit bottom in 1986, energy companies in Denver are reaping record revenues, hiring employees, renting more office space, buying up properties and creating a shortage of available, experienced drill-rig crews.

It still is a business lined with skeptics and the risks that go with any commodity industry, primarily the whims of nature and market prices. Profit margins are thin, and success in the Colorado gas fields depends mainly on keeping costs as low as possible and the rate of expansion as large as possible.

Prices lately have been holding at about $1.65 per thousand cubic feet of natural gas in the prolific Denver-Julesburg Basin northeast of Denver. Wells in those areas produce an average of 10,000 to 15,000 cubic feet of gas a day for the 10- to 20-year life of the well. With those numbers, companies need to drill new wells constantly in areas where the risk is low and production predictable.

...d County, which sits atop the Wat...rg Field region of the Denver-Jules... Basin, has become the busiest county ... country for drilling. Snyder Oil Co. ... has plans to drill 500 new wells in ...ea this year.

...h new well for companies like Sny... an experiment in cutting costs. ...er pipes, different drill bits, better co...dination all are adjusted to find the most cost-effective way to drill. "Time is money and those little efficiencies cut days off drilling time," said Mark Balderston, drill supervisor for Snyder in Greeley. "Even the little things help. A five-minute delay, when you're drilling 500 ...

Overall, costs have been reduced dramatically and enabled smaller companies to become bigger players. In 1982, it cost about $400,000 to drill a well like those in Weld County to depths of more than 7,000 feet. Two years ago, a similar well would have cost $235,000. Today, Snyder has got ten the cost down to $170,000.

But there still is a hard-core group of old oil men in town, grousing about prices and politics while wishing for a repeat of the good old days with access to oil under wilderness areas.

Meantime, major oil firms continue to restructure, lay off employees and pull o... of domestic projects. More than 5,000 em ployees of major oil companies lost their jobs this summer.

"There are a lot of people, many close friends, who got hurt in the industry shakeout. A lot of human lives were caught in the turbulence . . . through no fault of their own," said Richard Lewis, president of Prima Energy Corp., Denver. "But we continue to believe natural gas is the fuel of the future and the Rocky Moun tain region contains significant reserves that will be developed."

In its wake, the oil industry bust left some entrepreneurial talent that's turning the region into the center of the U.S. natural gas industry at far lower costs than anyone thought possible a decade ago.

Some of the best and biggest independents in that game are in Denver, includ-...

BOOM, BUST, BOOM

AVERAGE CRUDE OIL PRICE

1981 (BOOM)	1986 (BUST)	1994 (est.) (NEW BOOM)
...5.93/barrel	$13.99	$17.30 in July

NEW OIL WELLS DRILLED

1981	1986	1994
[illegible]	[illegible]	[illegible]

AVERAGE GAS PRICE (per 1,000 cubic feet)

1981	1986	1994 (est.)
$1.97	$2.05	$1.65

VALUE OF CRUDE PRODUCED

1981	1986	1994
$1 billion	$410 million	N/A.

NEW GAS WELLS DRILLED

1981	1986	1994 (est.)
503	410	Up to 2,000

NAT. GAS PRODUCTION VALUE

1981	1986	1994
...21 million	$324 million	N/A.

EMPLOYEES IN OIL & GAS (production only)

1981	1986	1994 (est.)
29,300	20,078	15,000

...URCE: Independent Petroleum Assn. of ...erica, Colorado Oil and Gas Assn.

...market prices. Profit margins are thin, and success in the Colorado gas fields depends mainly on keeping costs as low as possible and the rate of expansion as large as possible.

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Weld County, which sits atop the Wattenberg Field region of the Denver-Julesburg Basin, has become the busiest county in the country for drilling. Snyder Oil Co. [illegible] has plans to drill 500 new wells in the area this year.

Each new well for companies like Snyder is an experiment in cutting costs. Smaller pipes, different drill bits, better coordination all are adjusted to find the most cost-effective way to drill. "Time is money and those little efficiencies cut days off drilling time," said Mark Balderston, drill supervisor for Snyder in Greeley. "Even the little things help. A five-minute delay, when you're drilling 500 wells a year, can add up to a significant cost."

Overall, costs have been reduced dramatically and enabled smaller companies to become bigger players. In 1982, it cost about $400,000 to drill a well like those in Weld County to depths of more than 7,000 feet. Two years ago, a similar well would have cost $235,000. Today, Snyder has gotten the cost down to $170,000.

But there still is a hard-core group of old oil men in town, grousing about prices and politics while wishing for a repeat of the good old days with access to oil under wilderness areas.

Meantime, major oil firms continue to restructure, lay off employees and pull out of domestic projects. More than 5,000 employees of major oil companies lost their jobs this summer.

"There are a lot of people, many close friends, who got hurt in the industry shakeout. A lot of human lives were caught in the turbulence . . . through no fault of their own," said Richard Lewis, president of Prima Energy Corp., Denver. "But we continue to believe natural gas is the fuel of the future and the Rocky Mountain region contains significant reserves that will be developed."

In its wake, the oil industry bust left some entrepreneurial talent that's turning the region into the center of the U.S. natural gas industry at far lower costs than anyone thought possible a decade ago.

Some of the best and biggest independents in that game are in Denver, including Snyder, HS Resources Inc. and Barrett Resources Corp. Some, such as Barrett, are headquartered in Denver while others have their largest offices in the Mile High City.

Additionally, Denver is home to Western Gas Resources Inc. and Associated Natural Gas Corp., gas-gathering and transmission companies that have more than $1 billion in annual revenues.

Behind those companies are dozens of smaller ones finding niches in hopes that they, too, will one day move up to the level once occupied only by major oil companies. The second wave of independents ranges from mom-and-pop landowners and tiny, privately held companies to small public companies like Prima and Pease Oil & Gas Co., which recently bought another company six times its size.

"The greatest concentration of these companies is in Denver now," said Julander, who also was chairman of last year's Colorado Oil and Gas Association project that studied the natural gas and oil industries in the Rocky Mountain region.

"These are companies that were created in the past 10 years, during some very tough times, but they took advantage of what was there. They're the Apples and Compaqs and Microsofts compared to the majors' being an IBM. The little guys move more quickly, are more efficient and more cost-effective."

Major oil companies haven't turned the market over to smaller firms altogether. Amoco is one of the few global energy firms still in Denver and remains a presence because of its activities in Weld County. Amoco Production Co. owns, drills and runs new and existing wells and processes its own gas and that from other Denver-Julesburg Basin firms at its newly expanded Wattenberg processing plant.

Other local firms like Forest Oil Corp. or Barrett Resources are exploring in western Colorado and Wyoming or out of the area entirely with projects in Oklahoma, Texas, the Gulf of Mexico or overseas.

Yet they remain based in Denver for reasons ranging from Colorado's lifestyle to its central location between Mexico and Canada to the talent pool available.

Today in Colorado more than 15,000 people are employed in energy exploration and production. That's more than the number employed in agriculture or mining, and the average annual salary of energy workers is more than $45,000. Energy employment this year is up from a low of 10,000 people in the early 1990s, but well below the peak energy employment of 40,000 people in the early 1980s.

Colorado's natural gas production value soared in 1993 to $684 million up from $444 million the previous year, according to the Colorado Department of Natural Resources. The value of the state's oil production, however, fell from $574 million in 1992 to $497 million last year.

The domestic energy industry imploded in 1986 when oil prices fell to below $14 per barrel, down from more than $35 per barrel in the early 1980s. At that time, many companies were stretched too thin with speculative properties. Many failed. Others left town, merged with stronger companies or undertook massive financial and operational restructurings to survive.

A few companies survived. Countless engineers were out of work. Available property abounded. Out of this sprung an entrepreneurial spirit that led to the formation of several new firms by people who saw the downturn as an opportunity.

Independent producers now account for 60 percent of the natural gas production in the U.S. and 40 percent of the crude oil produced in the lower 48 states.

Those companies came to the forefront in the early 1990s, when the Clinton administration completed the deregulation of the natural gas industry and made natural gas a major element in energy policy.

In Colorado, more than 1,000 new gas wells were drilled in 1992. The number of new wells drilled this year could double that, with Snyder's plans in Weld County and increased activity on the Western Slope and in La Plata County.

Technology and caution guarantee that nearly all of those wells will produce. The likelihood of a dry well in the natural gas business is all but eliminated by caution in tapping only proven basins, or through technologies such as three-dimensional seismic studies of underground formations, horizontal drilling and computer monitoring of everything from the drill bit to the rock-fracturing solution.

The strategies seem to be working, or at least impressing people with money. Colorado's small oil and gas companies have raised $551 million in the past two years, primarily through secondary offerings with a couple of initial public offerings.

Colorado has prospered, but other states have not.

Utah, for example, saw only a marginal increase in its natural gas production last year and a continued drop in oil drilling. A decade ago, 5,000 people in Utah worked in the oil patch. Today, the numbers are less than half that.

Nationally, the number of working drill rigs exploring for oil or gas last summer dropped to a record low 596. The previous low was 663 in the summer of 1986. The count peaked at 4,500 in December of 1981 during the boom, according to Houston-based Baker Hughes Inc., which has tracked active drilling since 1940.

Another industry predictor — Arthur Andersen & Co.'s annual Oil and Gas Reserve Disclosures survey released in July — showed exploration and development spending in the U.S. in 1993 rose $1.5 billion, or 11 percent, to $14.5 billion. Major companies increased such domestic spending by 5 percent; independents increased it by 21 percent, the study showed.

The Houston-based accounting firm saw those indicators, along with improved western rig counts, higher oil prices and steady gas prices as signs the energy industry will continue to rebound into 1995.

But sustained growth may not be that noticeable to anyone outside the business.

"Natural gas is not as romantic, not as flamboyant as oil," Julander said. "It's the difference between Clark Gable and Jimmy Stewart. Oil is Clark Gable with the swagger and frankly not-giving-a-damn attitude. Gas is Jimmy Stewart. It's more thoughtful, more studied, quieter."

February 15, 1995

95 FEB 15 P6:23

MEMORANDUM FOR JOHN PODESTA

FROM: TIM SAUNDERS
Acting Executive Clerk

ED THOMAS
Assistant to the Executive Clerk

SUBJECT: Simple Senate Resolutions requesting Commemorative Proclamations

We have received **today** two simple Senate resolutions (copies attached) that request the President to issue commemorative proclamations (this makes three so far this year; previously received was "National Women and Girls in Sports Day").

S.Res. 78 requests the President issue a proclamation designating tomorrow, February 16, 1995, as **"Haleyville, Alabama, Emergency 911 Day" (per Jim Dorskind, working with Legislative Affairs, this will be issued as a Presidential Message).**

S.Res. 77 purports to designate May 15, 1995, as **"National Peace Officers Memorial Day."** President Kennedy issued a proclamation for **Peace Officers Memorial Day and Police Week** in 1963 that **covers all succeeding years**; Kennedy's proclamation was issued pursuant to law (76 Stat. 676). However, a section of last years Crime bill (H.R. 3355 of 9/13/94, P.L. 103-322, section 320922) states that the President's proclamation shall further direct ". . . officials of the Government to display at **halfstaff the flag** of the United States on all Government buildings on such day . . ." (except when it falls on Armed Forces Day, the third Saturday in May, as it did in 1994). One option to accomplish this would be for the President to issue a new **Peace Officers Memorial Day and Police Week** proclamation that directs the halfstaffing of the flag and covers all succeeding years.

We have passed copies of the resolutions to Jim Dorskind.

cc: Jim Dorskind

What do you think

John
2-15-95

S. Res. 78

In the Senate of the United States,

February 14 (legislative day, January 30), 1995.

Whereas 27 years ago a new era of providing emergency service was ushered in with the creation of the emergency 911 service;

Whereas the first emergency 911 service in the United States was developed by the independent Alabama Telephone Company, a member of the Continental system;

Whereas the Alabama Telephone Company chose Haleyville, Alabama, as the site of the first emergency 911 service in the United States;

Whereas Haleyville, Alabama, became the birthplace of emergency 911 service on Friday, February 16, 1968, when a demonstration call was made from Alabama Representative Rankin Fite of Hamilton, Alabama, at the Haleyville City Hall, to United States Representative

Tom Bevill of Jasper, Alabama, at the Haleyville Police Department;

Whereas the historic first call began service that now serves the entire United States and has saved thousands of lives during the past 27 years; and

Whereas numerous men and women in the Haleyville area have conscientiously answered thousands of emergency phone calls during the past 27 years and have provided fast assistance as well as needed assurance to victims of accidents, crime, and illness: Now, therefore, be it

Resolved, That the President is requested to issue a proclamation designating February 16, 1995, as "Haleyville, Alabama, Emergency 911 Day" and calling on the people of the United States to observe the day with appropriate ceremonies and activities.

Attest:

Sheila P. Burke

Secretary.

THE WHITE HOUSE
FEB 15 1995
RECEIVED

S. Res. 77

In the Senate of the United States,

February 13 (legislative day, January 30), 1995.

Whereas the well being of all citizens of this country are preserved and enhanced as a direct result of the vigilance and dedication of law enforcement personnel;

Whereas more than 500,000 men and women, at great risk to their personal safety, presently serve their fellow citizens in their capacity as guardians of the peace;

Whereas peace officers are the front line in preserving our children's right to receive an education in a crime free environment that is all too often threatened by the insidious fear caused by violence in schools;

Whereas 157 peace officers lost their lives in the performance of their duty in 1994, and a total of 13,413 men and women have now made that supreme sacrifice;

Whereas every year 1 in 9 officers are assaulted, 1 in 25 is injured, and 1 in 4,000 is killed in the line of duty; and

Whereas, on May 15, 1995, more than 15,000 peace officers are expected to gather in our Nation's Capital to join with the families of their recently fallen comrades to honor them and all others before them: Now, therefore, be it

Resolved, That May 15, 1995, is hereby designated as "National Peace Officers Memorial Day" for the purpose of recognizing all peace officers slain in the line of duty. The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this day with the appropriate ceremonies and respect.

Attest:

Sheila P Burke

Secretary.

½ staff the flags

offender rehabilitation program that has been approved by the court, in consultation with a State Coalition Against Domestic Violence or other appropriate experts, if an approved program is readily available within a 50-mile radius of the legal residence of the defendant.".

SEC. 320922. DISPLAY OF FLAGS AT HALFSTAFF.

(a) PUBLIC LAW 87–726.—The first section of Public Law 87–726 (36 U.S.C. 167) is amended—

(1) by striking "(2)" and inserting "(3)";

(2) by inserting after clause (1) the following new clause: "(2) directing the officials of the Government to display at halfstaff the flag of the United States on all Government buildings on such day, as provided by section 3(m) of the Act of June 22, 1942 (Chapter 435; 56 Stat. 377; 36 U.S.C. 175),";

(3) by striking "(3)" and inserting "(4)"; and

(4) by inserting in paragraph (4) ", including the display at halfstaff of the flag of the United States" after "activities".

(b) ACT OF JUNE 22, 1942.—Section 3(m) of the Act of June 22, 1942 (Chapter 435; 56 Stat. 377; 36 U.S.C. 175) is amended by inserting "The flag shall be flown at halfstaff on Peace Officers Memorial Day, unless that day is also Armed Forces Day." after "a Member of Congress.".

SEC. 320923. FINANCIAL INSTITUTION FRAUD.

Section 528 of Public Law 101–509, approved November 5, 1990, is amended by striking "with the authority of the Resolution Trust Corporation or its successor" at the end of subsection (b)(2) and inserting "on December 31, 2004". 28 USC 509 note.

SEC. 320924. DEFINITION OF "PARENT" FOR THE PURPOSES OF THE OFFENSE OF KIDNAPPING.

Section 1201 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(h) As used in this section, the term 'parent' does not include a person whose parental rights with respect to the victim of an offense under this section have been terminated by a final court order.".

SEC. 320926. HATE CRIME STATISTICS ACT.

Subsection (b)(1) of the first section of the Hate Crime Statistics Act (28 U.S.C. 534 note) is amended by inserting "disability," after "religion,".

SEC. 320927. EXEMPTION FROM BRADY BACKGROUND CHECK REQUIREMENT OF RETURN OF HANDGUN TO OWNER.

Section 922(s)(1) of title 18, United States Code, is amended in the first sentence by inserting "(other than the return of a handgun to the person from whom it was received)" after "handgun".

SEC. 320928. AMENDMENT OF THE NATIONAL CHILD PROTECTION ACT OF 1993.

(a) PROTECTION OF THE ELDERLY AND INDIVIDUALS WITH DISABILITIES.—

(1) BACKGROUND CHECKS.—Section 3(a)(1) of the National Child Protection Act of 1993 (42 U.S.C. 5119a) is amended by striking "an individual's fitness to have responsibility for the safety and well-being of children" and inserting "the provid-

COPY

From: **OFFICE OF THE PRESIDENT** through Office of the Staff Secretary	NAME SYLVIA MATHEWS
	DATE OF LETTER 2-7-95
Request for:	REFERRAL DATE 2-15-95
95 FEB 15 AII : 43	URGENT! REPLY DUE ASAP
✓ Reply for the President	RESPONSE DUE
___ Information	CC: PAM MADARIS
___ Staff action/reply	
___ Other	

Re: SEC. RUBIN'S DELEGATION TO MEXICO

Action requested PRESIDENTIAL LETTER DESIGNATING TRIP AS PRESIDENTIAL MISSION

Comments PER JOYCE CARRIER (TREASURY), STILL TYING DOWN DATES BUT CONSIDERING MARCH 4-6. WILL NEED 40 SEATS (ADMIN. OFFICIALS, STAFF, 12 MEMBERS, PRESS). OKAYED BY LEON PANETTA + ERSKINE BOWLES

To: Kitty Higgins

From: Todd Stern

REFERRAL DATE

Action on referral

To:

From:

Comments

Leon –
Erskine wants to get
your okay on this
as well
JP

To: **OFFICE OF THE PRESIDENT**

From: Office of the Staff Secretary

Comments

FEB - 7 1995

FEB 10

P — Tell Sylvia OK

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

E February 7, 1995

MEMORANDUM FOR ERSKINE BOWLES
Deputy Chief of Staff
The White House

FROM: Sylvia Mathews
Chief of Staff

SUBJECT: Request that Secretary Rubin's CODEL to Mexico be Designated as a Presidential Mission.

As you know, on January 31, 1995 President Clinton, Speaker Gingrich, Minority Leader Gephardt, Majority Leader Dole, and Minority Leader Daschle issued a statement authorizing the use of the Exchange Stabilization Fund to provide financial assistance for Mexico.

While the Leadership is in full agreement with this undertaking, there is still an interest in knowing more about the package and the Mexican situation. Because of the immediacy of this issue, which has resulted in this action, we believe that Secretary Rubin should lead a Congressional Delegation (CODEL) to Mexico to provide Members of Congress with the necessary briefings from Mexican officials regarding this package.

On this mission, we would like to highlight that this action was necessary in order to protect American jobs, prevent an increased flow of illegal immigrants across our borders, ensure stability in this hemisphere, encourage reform in emerging markets around the world, and assure Members on the collateralization.

We are looking at two possible dates for the trip. The weekend of February 17th begins President's Day recess and Congress is off Friday, Monday, and Tuesday. One option would be to depart from Andrews AFB on Thursday afternoon, February 16th, and return Friday evening or Saturday morning. The other option would be to follow a similar schedule the following weekend, departing the 23rd and returning the 24th or 25th. We would also like to take with us members of the press and some private sector representatives bringing the total delegation to perhaps 20 people.

Previously such delegations have been provided with a government aircraft when pursuing such Presidential objectives as it is the most effective use of time and money.

Therefore, I would respectfully request that this trip be designated a Presidential Mission, and that it be billed to the Department of Defense on a non-reimbursable basis. I would appreciate a reply at your earliest convenience.

MEMORANDUM OF CALL

Previous editions usable

TO: ~~[illegible]~~ FRAN

☑ YOU WERE CALLED BY– ☐ YOU WERE VISITED BY–

JESSICA ARONS

OF (Organization)

☑ PLEASE PHONE ▶ ☐ FTS ☐ AUTOVON

6-5530

☐ WILL CALL AGAIN ☐ IS WAITING TO SEE YOU

☐ RETURNED YOUR CALL ☐ WISHES AN APPOINTMENT

MESSAGE

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ING REQUESTS
PATRON, HONORARY MEMBERSHIP

February 3, 1995

95 FEB 3 P1:16

e Chair

lash

nt

Scholarship Foundation, Inc.

ifornia 90292

2/8 JP: Is yr decision ~~[illegible]~~ still a yes?

Event Des

Notes:

l honor Mr. Donald Bren,
ard of the Irvine Company,
lopment company in
oundation issues
e children of Marine Corps
p also requests a letter
in recognition of Mr.

Bren.

IT'S A NO!!! NO but send a letter

Recommendations:

JP Yes but EB ________

Is there an honorary chair?

2-7-95

Chair Gov. Pete Wilson

Doesn't pledge JD

2-7-95

THE WHITE HOUSE
WASHINGTON

95 FEB 14 P8:45

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Christopher Dodd

Fax Number: 863-8174 **Phone Number:** 863-8000

FROM: John Podesta

SUBJECT: Note from the President (says, "cc her letter to C. Dodd - These folks should get calls"

DATE: 02/14/95

NUMBER OF PAGES (including cover sheet): 2

MESSAGE:

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

cc her
letter to
C. [illegible]
These follow shed
get caller
[illegible]

unple

WESTERN UNION TELEGRAM

ISSUE DATE: Ø1/25/95 MsgCtrlNo: 999 262 1466
3Ø5854Ø2Ø8 FRB TDXN COCONUT GROVE FL 35 Ø1-24 1Ø5ØP EST

PRESIDENT BILL CLINTON,

WHITE HOUSE DC 2Ø5ØØ

BRAVO!

YOUR SPEECH TONIGHT WAS SUPERB. IT CONVINCED ME TO SWITCH FROM THE REPUBLICAN PARTY TO THE NEW DEMOCRATIC PARTY. DON'T LET THESE GUYS INTIMIDATE YOU. YOU HAVE MORE SUPPORT THAT YOU CAN EVER REALIZE.

SUSAN GILBERT BRYAN
1 GROVE ISLE DRIVE
COCONUT GROVE, FL. 33133

2250 EST
Msg Seq No. : 1985Ø

THE WHITE HOUSE
WASHINGTON

DATE: 02/14/95

TO: CRAIG SMITH
JIM DORSKIND

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

Please coordinate a reply and return it to my office ASAP.

cc: The First Lady

BARRACK, RODOS & BACINE

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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TELECOPY COVER SHEET

2/14/95
DATE

TO: Name: President Bill Clinton

Company:

Telecopier Number: (202) 456-6703

Telephone Number:

FROM: Name: Harris Wofford

MESSAGE:

RE: CASE NO. 706

TOTAL NUMBER OF PAGES (including cover sheet): 3

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Thank you,

Kerri Kallbach

Operator (215) 963 0600

Harris Wofford
~~United States Senator~~

Feb. 14, 95

FAX for the President:
202 456-6703.

Would you kindly show copy to:

1. Hillary Clinton
The First Lady's Office

2. Chief of Staff
Leon Panetta

3. Craig Smith

Thanks — Harris Wofford

HARRIS WOFFORD
407 Old Gulph Road
Bryn Mawr, PA 19010

February 14, 1995

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

Dear Mr. President,

Continuing the conversation we started on Air Force One about ways in which I can be of assistance to you and the Administration, I want you to know of one small short-term assignment that would be of interest to me: serving as one of your three special representatives to the United Nations General Assembly this fall.

The background for my interest in this goes back long before my three-and-a-half-year service on the Foreign Relations Committee of the Senate. While in the Army Air Corps in 1945, I was given a furlough to attend the founding session of the U.N. in San Francisco. (In the summer of 1943, at age 17, before joining the Army, I spent several weeks in Washington lobbying for the Senate and House resolutions pledging U.S. participation in a post-war world organization. That effort was led in the House by Representative William Fulbright, one of the leaders to whom I then looked, as you did two decades later.)

In the 1950s, as an associate of Chester Bowles, I worked on many U.N. issues, including the development of U.N. technical assistance programs. In the 1960s, while on President Kennedy's staff and later as the Associate Director of the Peace Corps, I helped promote the development of the U.N.'s volunteer assistance program, to parallel and work with the U.S. Peace Corps. And as the Peace Corps' Special Representative for Africa, 1962-64, I coordinated the Peace Corps' cooperation with United Nations programs in a number of countries.

In the 1980s, I worked closely with Senator Cranston and with former Kennedy science adviser Jerome Wiesner of M.I.T. on issues of arms control, and originated and directed the Wiesner Committee that helped draft the 1984 Democratic Platform on arms control. In the early 1980s, I was president of the International League for Human Rights. And for many years I've been involved with the process of change in South Africa, as a member of the board of the United States--South Africa Leader Exchange program.

For several decades, until it closed shop, I was active on the Commission to Study the Organization of Peace, in one period as a drafter of the Commission's report on the Law of the Sea; and I've long been a member of the Council on Foreign Relations.

Other ties to U.N. overseas activities stretch from 1949, when Clare and I studied in India and wrote a book on Gandhi and the birth of the new India, through work and study in Europe, Israel, and other parts of the Middle East. All this gives impetus to my hope to go to the United Nations' 50th anniversary session.

When Craig Smith recently asked if I would agree to be nominated for the board of the Institute for Peace, I said Yes. It's a long-term, voluntary and occasional assignment (about four meetings a year). But I emphasized to Craig, that if I had to choose, I would much prefer appointment for the short but full-time 1995 assignment at the U.N. this fall.

Later Craig reported that the U.N. delegation for the fall of 1996 would probably be open, but 1995 would be difficult because of tentative commitments already made or planned.

But as you know, in the fall of 1996 I want to be available for maximum assistance in the election in Pennsylvania and around the country.

So if the 1995 appointment can be arranged, I would be delighted and honored to serve.

Respectfully,

Harris

THE PRESIDENT HAS SEEN
2-13-95

THE WHITE HOUSE

WASHINGTON

95 FEB 10 P9:51

February 10, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: **KATHRYN HIGGINS** Kitty
Secretary to the Cabinet

SUBJECT: **Summary of Weekly Cabinet Reports**
February 10, 1995 - February 17, 1995

DEPARTMENT SUMMARIES

DEPARTMENT OF THE TREASURY

- **EITC Promotion:** Treasury is developing a strategy to promote the Earned Income Tax Credit. It will be ready for review this week.

DEPARTMENT OF COMMERCE

- **Release of the GII Agenda for Cooperation**: On Wednesday, February 15, the Vice President and Secretary Brown will release the policy document The Global Information Infrastructure (GII) Agenda for Cooperation before an audience of private and public sector representatives and the press. This document will serve as an important framework as the Administration prepares for the G-7 GII Conference in Brussels, which the Secretary will attend.

- **Economic Report:** Next week (date uncertain), Commerce's Census Bureau will release AFDC data in a report entitled Mothers Who Receive AFDC Payments -- Fertility and Socioeconomic Characteristics. Among other data, the findings include: 29% of mothers 15-44 years old who received AFDC in 1993 had their first child before 18; never married mothers represented 48% of this age group; and about one in ten foreign-born mothers were on AFDC in 1993 with three quarters not U.S. citizens.

- **Export Council**: You will participate in the first meeting of the President's Export Council Monday, February 13.

- **California Trip:** On Thursday, February 16, the Secretary will travel to California, where he will visit an earthquake reconstruction site and discuss the joint Commerce/Labor JOBLINKS program, participate in an event celebrating the Competitive Communities initiative of the Department's Economic Development Administration, address a Los Angeles Chamber of Commerce event, and attend a DNC reception. On Friday, he will address the South Bay Association Chamber of Commerce at the request of Representative Jane Harman and make closing remarks at the 1995 Business Week President's Forum in Palm Springs, following Thursday night's speech by George Bush.

DEPARTMENT OF LABOR

- **SEC Testimony:** Monday, February 13 the Secretary will testify before the Securities and Exchange Commission on the need to provide safe harbor protection for information companies disclose on advanced (high performance) work practices. Offering safe harbor protection would deter nuisance lawsuits, and encourage more companies to publicize their use of such information in measuring their performance. This supports the larger Administration message regarding worker training because encouraging the disclosure of corporate investments in training--a measurable advanced work practice--could stimulate additional training investment.

- **OSHA Reinvention in Cleveland:** The Secretary will participate in an OSHA reinvention event on Friday afternoon in Cleveland, Ohio. He will visit Prestolite Electric, Inc., a medium-sized manufacturer of alternators. This company drastically changed its approach to workplace safety and health after a March 1994 OSHA safety complaint inspection. As a result of OSHA's intervention, the company has appointed a joint safety and health committee, is developing an ergonomic program, and is holding monthly safety and health meetings.

- **Minimum Wage Event with House Leadership:** On Tuesday, the Secretary will participate in a minimum wage event with the House leadership. The strategy for bill introduction is being developed.

- **Low Wage Worker Speech:** The Secretary will deliver the keynote address at a Department of Labor Conference on Low Wage Workers on Thursday, February 15. This will be a major policy speech, an adjunct to the Anxious Class speech series, in which the Secretary will outline DOL's commitment to safeguard basic labor rights and to fight for a minimum wage increase. Approximately 200 representatives from national and grass-roots organizations representing low-wage workers and unions are expected to attend this conference.

- **Middle Class Bill of Rights Travel to Pennsylvania:** The Secretary will travel to Pennsylvania and participate in Middle Class Bill of Rights events on Thursday afternoon and Friday morning. On Thursday afternoon, he will hold a Middle Class Bill of Rights town meeting at a community college in Pittsburgh. *(Note: The Pittsburgh event is in planning stages--no specific details yet.).* On Friday morning, he will visit the Harley-Davidson Motor Company, Inc. plant in York, Pennsylvania, a big proponent of worker training and re-training. Harley-Davidson, in conjunction with its union and with local community colleges, has developed several training programs for its workers and is a supporter of school-to-work efforts in York. The Secretary will hold a town meeting at the plant where he will discuss the job training and education components of the Middle Class Bill of Rights with workers, union representatives, company officials and graduates of the training program. Rep. Bill Goodling will participate in this event with the Secretary. Sen. Arlen Specter has also been invited to participate.

- **School to Work:** The Department of Labor will publish a Federal Register Notice next week to announce the competition for the next round of School-to-Work state implementation grants. DOL will award $86 million to 10-20 states.

Reg?

- **America's Job Bank on Internet Possible Announcement:** The Department of Labor has completed work to make America's Job Bank available on Internet. This will enable any job seeker, in the comfort of his or her home, office or public library, to access job listings and general labor market information from across the nation. The Department is planning a mid-February announcement (date uncertain) with a message which ties into the Middle Class Bill of Rights. Possible White House involvement is being discussed.

DEPARTMENT OF TRANSPORTATION

- **Senator Daschle:** The DOT Inspector General is looking into allegations made on "60 Minutes" last Sunday and in the New York Times, that FAA documents were destroyed or tampered with in South Dakota. Allegations have been made that Senator Daschle sought for the FAA to certify Forest Service air craft, rather than the Forest Service. FAA certifies aircraft at a lower standard than the Forest Service. Several people were recently killed when a Forest Service plane certified by the FAA crashed. The New York Times is expected to editorialize on the situation on Sunday.

Erskine
Sen Mi
McNeil

- **Gregory May Investigation:** The DOT Inspector General recently concluded an investigation into unusual personnel training practices at the FAA in the previous Administration. The IG drew a series of conclusions and made 17 recommendations to the Department. DOT responded immediately to the recommendations. The IG investigation report and the DOT response were sent to the Hill last Tuesday. Some media coverage is expected. DOT is now beginning the process of evaluating any personnel actions that might be taken and setting up time lines and responsibilities to implement the IG's recommendations.

- **Pena Investments:** Today, the Los Angeles Times ran a story alleging that the

Secretary's old investment firm received pension investment work from the Los Angeles Metro system. The Washington Post may run the story tomorrow. ABC interviewed the Secretary today but has apparently decided against running the story.

- **Aviation Safety Summit -- Follow-up Announcement:** Federal Aviation Administrator David Hinson and the Secretary held a press conference on February 9 to announce an action plan to address the recommendations from the Aviation Safety Summit held last month. In the 30 days since the meeting, FAA officials have aggressively developed timelines for over 180 initiatives arising from the conference.

- **NHTSA Delco Electronics/GM Partnership:** The National Highway Traffic Safety Administration (NHTSA) has signed a $13 million cooperative research agreement with a consortium of automotive industry research partners to advance the state-of-the-art of collision avoidance technologies. The $6.1 million Federal share is being provided by the Administration's Technology Reinvestment Project through the Advanced Research Projects Agency. Public announcement of the program is tentatively being scheduled during the ITS America's annual meeting in Washington, D.C. March 15-17.

- **Aviation Agreement With Canada**: Negotiations are currently proceeding well with Canada regarding the liberalization of aviation. Assuming negotiations are complete, you are likely to sign the agreement during his visit to Canada this month.

- **Threats to U.S. Airline Flights in Europe, Africa and Asia**: On January 10, 14, 20, the Department of State released public announcements regarding information received from Philippine authorities concerning bomb threats directed at the U.S. flag airlines flying to and from points in the Asia Pacific Region. The U.S. Government and airlines implemented special security measures that the FAA believes are sufficient to counter the threats. As a result, the FAA has not directed airlines to cancel any flights. Thursday, February 9, the announcement was extended to all U.S. air carriers operating in Europe and Africa in addition to Asia. These measures will be in effect for as long as necessary.

DEPARTMENT OF JUSTICE

- **Arrowhead Superfund Case:** Next week the Department will file a proposed Consent Decree resolving all matters in this Superfund cost recovery case. It was filed in 1989, against fifteen defendants who either owned or operated the Arrowhead Refining Company waste oil refining site in Hermantown, Minnesota, or arranged for the disposal of waste oils containing hazardous substances at the site. Total site costs will be approximately $32 million. This proposed settlement will recover approximately 60% of those costs. The originally named defendants joined over three hundred third-party defendants including many individuals who ran small businesses. The large number of parties involved in the case, and the presence of many small businesses and individuals, has given the case a very high profile in Minnesota and in the Minnesota and Wisconsin congressional delegations.

- **Knock and Announce Case:** On February 13, the Solicitor General will file an amicus brief supporting the State of Arkansas in this case. The question presented is whether the Fourth Amendment requires police officers, in executing a valid search warrant, to knock and announce their authority and purpose before entering a home. The Solicitor General will argue that one component of the Fourth Amendment's requirement of reasonableness is whether officers announce their presence, and permit the occupants to open the door, before executing a search warrant. He will also argue, however, that there is no absolute requirement that officers knock and announce before entering, and that when officers have a reasonable basis for making an unannounced entry into a home, such as to avoid danger to the officers or the destruction of evidence, the Fourth Amendment permits such an entry.

* Good. Still get good publicity on.

- **Motor Voter Suits:** On January 27, 1995, the Department filed a motion for preliminary injunction in Wilson v. United States, California's challenge to the constitutionality of the National Voter Registration Act (NVRA). The United States is defending the constitutionality of the NVRA and asking the court to order California to implement the Act. In addition, on February 6, 1995, the Department filed an expedited answer, counterclaim and third party complaint in Condon v. Reno, South Carolina's challenge to the constitutionality of the NVRA. A hearing on South Carolina's motion for preliminary injunction is scheduled for February 21, 1995.

- **Anti-Affirmative Action Bill:** On February 1, 1995, Senator Jesse Helms (R-NC) introduced S.318, the Civil Rights Restoration Act, which would amend the Civil Rights Act of 1964 to make preferential treatment on the basis of race, color, religion, sex, or national origin an unlawful employment practice. The language of the bill, which has no co-sponsors and has no action scheduled, is similar to that of a proposed California ballot amendment.

- **Baseball:** The Antitrust Subcommittee of the Senate Judiciary Committee is holding a hearing on the baseball exemption on February 15. Assistant Attorney General Bingaman may be called to testify.

Should we testify?

HEALTH AND HUMAN SERVICES

- **Social Security Benefits Statements:** On February 15, the Social Security Administration will issue its first set of mailings to Americans over the age of 60 who are not currently drawing Social Security benefits. These mailings, scheduled to reach over seven million people by the end of 1995, will provide estimates of individuals' personal earnings and Social Security benefits. By the year 2000, Social Security hopes to mail these statements to all working Americans over the age of 25. Secretary Shalala may participate in a press event with Senator Moynihan and SSA Commissioner Shirley Chater to publicize this mailing.

Yes. This is right — should VP do?

- **Massachusetts' Health Care Waiver:** Massachusetts and HHS have reached tentative agreement on all issues -- including budget neutrality -- for MassHealth, a statewide health care reform demonstration proposal. The program seeks to increase coverage for low-income children and families, the disabled, and the low-income, long-term unemployed. The Department expects to be able to announce approval of the proposal in the next few weeks, after terms and conditions of the approval are finalized.

- **National Policy and Resource Center on Women and Aging:** In the upcoming week, the Department will announce the award of $1.1 million to Brandeis University for a three year cooperative agreement to establish a National Policy and Resource Center on Women and Aging. This will serve as a national focal point for issues related to older women.

What will it say?

- **Criticisms of Vaccines for Children:** We expect that GAO will release a report sometime in the next month which is expected to be critical of the Vaccines for Children program. The Department is currently drafting a letter to GAO from David Satcher, head of CDC, in response to the criticism. The Department expects that there will be media interest in this report.

- **AZT Study Halted:** On Monday, February 13, the National Institutes of Health (NIH) plans to distribute a press release and notify investigators about the results of a clinical trial testing the effects of AZT on HIV-positive children. The trial found that higher dosages of AZT resulted in abnormal levels of certain toxicities. This notification will halt these studies.

HOUSING AND URBAN DEVELOPMENT

What's wrong w/ this?

- **Nation of Islam Testimony:** During the first week of March, Secretary Cisneros will testify before the General Oversight and Investigations Subcommittee of the House Banking and Financial Services Committee regarding security contracts entered into by HUD or HUD-regulated entities with companies affiliated with the Nation of Islam. In the past month, some of the nation's major newspapers have issued stories concerning public housing authorities that contract with the Nation of Islam to provide security at their developments. HUD is currently conducting a review of public housing authorities that conduct business with the Nation of Islam to determine if there is any evidence that these housing authorities have violated their contractual relationship with the Department. The Department intends to issue a public statement soon on the issue.

- **Empowerment Zones Travel:** On Friday, February 17, 1995, the Secretary will join Mayor Campbell in Atlanta, GA, for a press conference on Atlanta's empowerment zone plan, followed by various press interviews.

- **Georgia Flood Grants:** On Saturday, February 18, 1995, Secretary Cisneros will

Should [illegible] announce

announce the release of more than $100 million in emergency Community Development Block Grant funds to the State of Georgia, City of Albany, City of Macon and City of Warner Robins for disaster relief efforts.

DEPARTMENT OF EDUCATION

- **Goals 2000:** On February 21, Secretary Riley will join Senator Hatfield in Salem, Oregon to announce two awards for the state. Oregon is the first state to complete its State Improvement Plan under Goals 2000 and therefore the first to receive a second-year award. It is also the first state to be awarded participation in the Education Flexibility Partnership Demonstration Program under which the state gains authority to waive selected Federal rules and regulations for its state educational agency and local school districts. On February 17, Secretary Riley will travel to Delaware and join Governor Tom Carper in an event to launch the state's New Directions Initiative to implement Goals 2000.

What about Marketing?

- **Student Loans:** Under separate cover, Secretary Riley sent you the Department's strategy to roll out the Federal Direct Loan Consolidation Program. The plan includes a Consolidation Test Project and a first year goal of consolidating the loans of up to one million Federal Family Education Loan (FFELP) borrowers (5% of the current total). The plan also details options for dealing with loan access problems.

- **American Council on Education:** Secretary Riley will accompany you to San Francisco next week for your speech to ACE.

DEPARTMENT OF THE INTERIOR

- **Habitat Conservation Plan:** On Monday, February 13, Secretary Babbitt will hold a press conference in Portland, Oregon with officials from Weyerhaeuser to announce the signing of a Habitat Conservation plan to protect spotted owls on 200,000 acres of Weyerhaeuser land in Oregon. Fish and Wildlife Service biologists believe that this is a very good deal that will protect owls and complement the Forest Plan. It also ensures that two mills will continue to operate in Oregon that will keep 300 people employed. This is an example of working with landowners to make the Endangered Species Act work for the benefit of the species and the landowner.

use good to publicize

[illegible]

- **Grazing Rule:** The grazing reform rule will be sent to the *Federal Register* today and will be released publicly on Friday, February 17. Secretary Babbitt reports that most of the western Senators who are concerned about this issue are already aware of the major components of the final rule (including the elimination of the fee provisions); however, Interior will be again contacting key Members of Congress ahead of the release so that there are no surprises.

DEPARTMENT OF ENERGY

- **Climate Change Action Plan:** Against the backdrop of international climate change negotiations, the Department signed agreements this week with five electric utilities to reduce their greenhouse gas emissions in 2000 to levels at or below 1990. Two other utilities, Texas Utilities and the Tennessee Valley Authority, are also making large commitments to reduce emissions from what they would have been. These initiatives will also reduce emissions of local pollutants that adversely impact health and the environment. The signings occur as international negotiations are about to resume in New York on implementation of the climate change provisions of the 1992 Rio Accord.

- **India and China Trips:** Secretary O'Leary left for India and China yesterday. In China, she will be accompanied by 60 U.S. business leaders representing the power development, financial, energy efficiency, renewable energy, oil and gas, and coal sectors. Leaders from several environmental groups and other Administration officials will also participate. The trip was closely coordinated with the NSC and Ambassador Kantor.

ENVIRONMENTAL PROTECTION AGENCY

- **Clean Air Act Testimony:** Yesterday, in a hearing in front of the House Commerce Subcommittee on Oversight & Investigation, California Governor Wilson testified that he was not in favor of reopening the Clean Air Act, with the exception of addressing some California issues. In addition, Congressman Bliley and several other members of Congress indicated that they were not willing to reopen the Clean Air Act. Initial reaction in the Associated Press was positive, emphasizing that the Administration sets strong standards, but is willing to be flexible on how those standards are met.

Good

- **California Federal Implementation Plan:** Because the state of California failed to meet Clean Air Act standards, EPA was issued a court ordered deadline of February 14 to implement a federal clean air plan (FIP) for California. On Monday, the Agency won an appeal in a Los Angeles district court to delay the effective date of the FIP until 1997. This action will give California time and flexibility to implement its own state-wide plan, and EPA will continue to work in close partnership with the state to achieve the public health goals of the Act.

- **City of Detroit:** EPA announced yesterday that the Detroit area has met national health standards for smog and is officially in attainment of public health standards set in the Clean Air Act. EPA worked closely with Mayor Archer, the state and the private sector so that the area will not have to implement additional controls, such as enhanced vehicle inspection and maintenance programs and gasoline pump controls.

- **Dow Chemical:** The Dow Chemical Company issued a press release yesterday announcing their commitment to reducing dioxin releases by 90% over the next 10 years. Dow will spend approximately $250 million dollars to accomplish this reduction, and although it will use incineration where necessary, it will seek to use primarily pollution prevention methods. Because recent studies have reaffirmed the association of dioxin with cancer and non-cancer health risks, including birth defects and reproductive health effects, this voluntary action on the part of Dow will help protect the health of American families and communities.

DEPARTMENT OF AGRICULTURE

- **Agricultural Trade with China:** On February 7, USDA announced that China is eligible for an additional 1 million metric tons of wheat under USDA's Export Enhancement Program (EEP). This allocation supplements the June 29, 1994 initial allocation of 3 million tons of wheat for China. The initial allocation was virtually exhausted on January 11. The announcement was coordinated with the NEC. On February 8, sales of 630,000 tons of U.S. corn to China were cancelled. This cancellation was a commercial decision by the end user in China and does not relate to the ongoing dispute over intellectual property rights. The Chinese buyer believes that U.S. and international corn prices will decline and therefore, purchases can occur at a lower price in the future. China recently announced its intention to purchase 2.1 million bales of U.S.-produced cotton, which has an expected value of nearly $1 billion. These cotton exports will represent nearly 10 percent of all cotton grown in the United States.

- **Food Stamps:** At a House Agriculture Subcommittee hearing on February 8, USDA Under Secretary for Food, Nutrition, and Consumer Services Ellen Haas announced that the Administration is opposed to proposals to block grant the food stamp program. Under Secretary Haas said that a block grant for food stamps would not achieve the nutrition and health outcomes and benefits that are in the national interest, would be extremely costly to U.S. food and farm economies, and would result in widely different treatment among states. USDA expects to present proposals to improve the food stamp program as a part of the Administration's 1995 Farm Bill proposals. This announcement was closely coordinated with the Domestic Policy Council and OMB.

- **Ethanol:** On February 16, oral argument is scheduled in the Washington, D.C. Circuit Court of Appeals on EPA's rule which phases in a 30 percent renewable oxygenate content requirement in reformulated gasoline. EPA promulgated the final rule on June 30, 1994, and a lawsuit challenging it was filed by the American Petroleum Institute and the National Petroleum Refiners Association. The court stayed the rule on September 30, 1994, and the rule cannot take effect unless the court rules against the petitioners. Even though the rule is not in effect, the use of ethanol, a renewable oxygenate which is made from corn, has increased. Methanol, the chief competition for ethanol, has seen a four-fold increase in price in the past year, making ethanol more economical. The ethanol and corn industries continue to strongly support the rule to ensure ethanol's continued availability as an alternative energy source.

- **Farm Debt Report:** The USDA Economic Research Service's *Agricultural Income* *and Finance Situation and Outlook* will be released on February 15 and will reveal that total farm business debt grew 4.3 percent in 1994 to $148.1 billion, the highest level since 1986. While farmer debt repayment capacity is lower, no major lender stress is anticipated.

UNITED STATES TRADE REPRESENTATIVE

- **Trade Ministerial:** Last week Ambassador Kantor announced that the follow-up Trade Ministerial to the Summit of Americas will be held in Denver, CO on June 30th. USTR and the Commerce Department will jointly host the Trade Ministers of 34 Western Hemisphere nations to discuss how to accomplish a hemispheric free trade zone by the year 2005. The selection of Denver as the site for the trade summit was front page news in the Denver Post.

- **China:** Senior official negotiations will continue with the People's Republic of China into the February 25 sanctions deadline. Ambassador Kantor will dine with the Chinese Ambassador tonight at the home of Senator Feinstein where these issues will be discussed.

- **Travel:** Next week Ambassador Kantor will travel to Raleigh, North Carolina to participate in the Emerging Issues Forum's 10th Anniversary Meeting chaired by Governor Jim Hunt. While in North Carolina he will visit an IBM plant that manufactures personal computers for export to Asia and Latin America and do a number of press interviews.

SMALL BUSINESS ADMINISTRATION

- **Fastrack:** Next week in New Orleans Administrator Lader will announce a new pilot program which allows lenders to use their own forms to process loans up to $100,000 in exchange for a reduced 50% guaranty from the SBA. The program will be piloted in up to 15 sites beginning this month.

DEPARTMENT OF STATE

- **South Korea:** During Foreign Minister Gong's visit to Washington he assured Secretary Christopher and others of South Korea's support for the US-DPRK Framework. He also reiterated South Korea's determination to play a central role by providing two light water reactors.

- **Bosnia Federation:** On the margins of the Wehrkunde conference in Munich last week Assistant Secretary Holbrooke convened a meeting on the Bosnia Federation. To enhance the prospects of the Federation the parties agreed to a nine-point plan, including: appointment of an American arbitrator with the authority to make binding decisions on all matters referred by either side; formation of a standing oversight commission in Sarajevo; offers to send international mediation teams to work in specific communities; and provision of outside expertise in constitutional systems and public administration.

- **Middle East Peace Process:** State continues to prepare for Sunday's Arab-Israeli ministerial. At the same time, yesterday's Rabin-Arafat meeting did not go well -- a development that will affect negatively Palestinian and Egyptian attitudes toward the regional cooperation that we want to promote at the meeting.

- **FY '96 President's Budget:** Hill reaction has been muted to proposed International Affairs Account spending. There has been some criticism that the requested level is too high; the request for UN Peacekeeping has been termed "unrealistic." The supplemental request has also received little support.

DEPARTMENT OF DEFENSE

- **Russia:** Russian forces are gradually severing resupply routes to Chechen forces defending southern Grozny in preparation for a final assault on the beleaguered capital. An estimated 400,000 civilians have been displaced by the conflict and at least 180,000 have sought refuge beyond Chechnya. Between 50,000 and 150,000 women, children and elderly remain in the war zone and most of those living in the cellars of Grozny lack adequate food, water, electricity and medical supplies. Delivery and distribution of relief by international organizations is being hampered by severe damage to Chechnya's infrastructure.

  Western reaction to Chechnya remains relatively muted, although the Council of Europe's Parliamentary Assembly did vote last week to suspend Russia's application for membership.

- **Bosnia:** The NATO military committee is recommending that the North Atlantic Council approve plans to pre-position initial communications infrastructure to support a withdrawal.

- **Somalia:** All UN civilian personnel are expected to leave Somalia by February 14. U.S. forces are currently providing aerial Quick Reaction Force for the operation. U.S. ground forces will likely be ashore between February 28-March 4.

- **Haiti:** U.S. and other non-U.S. Multi-National Force personnel remain positioned throughout Haiti. The troops are still based primarily in Port-au-Prince and Cap Haitian, but continue their presence via operations in outlying areas. In addition, U.S. Special Forces units remain based in 27 outlying towns to provide stability throughout the region. There are now over 660 International Police Monitors from 16 countries working with approximately 3,224 members of the Haitian Interim Public Security Force and 972 public safety trainees throughout Haiti. On Monday, January 30, the Haitian National Police Academy opened and convened its first class.

- **First Female Bomber Pilot Enters Training:** On March 31, Lt. Kelly Flinn will become the country's first woman pilot to enter B-52 combat crew training. Following training she is scheduled to be assigned to Minot Air Force Base, North Dakota.

UNITED NATIONS

- **Peacekeeping:** Ambassador Albright testified yesterday and will be on the Hill next week trying to persuade Members of Congress to oppose legislation to kill United Nations peacekeeping. However, we continue to face an uphill battle on this issue.

- **War Crimes Tribunal:** Next week Ambassador Albright will meet in New York with the judges of the International Tribunal to discuss our continued support of the Tribunal and their interest in expediting investigations of war crimes committed in the former Yugoslavia.

- **Travel:** Ambassador Albright will also participate in Governor Hunt's Emerging Issues Forum. Later that day she will visit Fort Bragg to discuss peacekeeping and meet with some of our troops.

cc: Vice President Gore
Leon Panetta
Harold Ickes

THE PRESIDENT HAS SEEN
2-13-95

THE WHITE HOUSE

WASHINGTON

95 FEB 9 P8:31

February 9, 1995

Start Monday

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed

SUBJECT: Welfare Reform Update

I. House Republican Bill

Today, Clay Shaw announced details of the welfare reform bill he will mark up in subcommittee next week. He has agreed to include most of our child support provisions, but his bill is still heavy on conservative micromanagement and puts states at financial risk.

An outline of the Shaw bill is attached. It converts nearly 50 means-tested programs into three capped entitlement block grants. Funding levels are frozen for five years at 1994 levels, for a federal savings of $14 billion ($7.6 billion from capping AFDC). Immigrant and other SSI provisions save another $23 billion.

Although Engler and Thompson helped negotiate the bill, the governors ended up with more strings and 15% less money. The bill mandates several provisions the NGA resolution specifically rejected, requiring all states to deny aid to young unwed mothers and legal immigrants, and imposing the family cap nationwide. Work is mandatory for everyone after 2 years, and states are required to cut off families after 5 years on welfare.

Our strategy as this bill moves through the House will be to: 1) highlight areas where the Republican plan is prescriptive and mean; and 2) call attention to the potential cost shift in key states and districts with moderate Republican Congressmen, Senators, and governors.

II. Democratic Alternatives

The Mainstream Forum, led by Nathan Deal and Charlie Stenholm, reintroduced their welfare reform bill today. Their bill is a souped-up version of ours: move people to work as quickly as possible, family cap state option, minor mothers live at home, national campaign on teen pregnancy, all our child support provisions, but a faster phase-in.

The Mainstream Forum bill gives the states a great deal of flexibility, but maintains the individual entitlement. It calls for a four-year lifetime limit, but lets states keep people on longer if they wish. Their bill would cost $17 billion, but they propose a host of offsets: cutting off legal immigrants (but this time they plow $6 billion back to the states so it's not an unfunded mandate), the EITC fraud provisions from our FY96 budget, and counting welfare benefits as taxable income.

House Democrats are galvanizing around the theme that welfare reform should be about work, not just punishing the poor. On Friday, Gephardt will hold a press conference with House Democrats from across the spectrum (from Eleanor Holmes Norton to Nathan Deal) to announce a united front. They will propose that as of October 1, 1996, all new applicants who can work must be working or moving toward work. For now, they see this more as a unifying theme than a concrete policy proposal.

On Friday, we also expect Gov. Carper to send a letter to governors warning them that the current version of the Republican bill puts their states at financial risk and imposes numerous strings the NGA specifically rejected.

SHAW BILL

Overview of Ways and Means and Opportunities Committees Portions of the House Republican Welfare Reform Bill February 1995

Title I: Block Grant for Temporary Assistance for Needy Families
Title II: Child Care Block Grant
Title III: Child Protection Block Grant
Title IV: Restricting Welfare for Aliens
Title V: Supplemental Security Income Reforms
Title VI: Child Support Enforcement Reforms

Title I: Block Grant for Temporary Assistance for Needy Families

1. Purposes
   a. Provide assistance to needy families with children
   b. End the dependence of needy parents on government benefits by promoting work and marriage
   c. Discourage illegitimate births

2. Eligible states; State plan. States must submit the following to the Department of Health and Human Services on an annual basis:
   a. A plan that contains an explanation of:
      --their program of cash benefits to needy families
      --their welfare-to-work program, including support services
      --how they are meeting the requirement of mandatory work after the family has been on welfare for 2 years (or less at state option)
      --how and whether they are meeting the requirement to place 2% of their caseload in work programs in 1996, rising to 20% by 2003 and thereafter
      --their program to reduce the incidence of illegitimate births
   b. A certification that the state will operate a child support enforcement program
   c. A certification that the state will operate a child protection program
   d. A certification that the state will operate a foster care and adoption program

3. Grants to states:
   a. The block grant money is an entitlement to states
   b. The amount of money in the block grant is $15.265 each year between 1996 and 2000
   c. Each state receives the same proportion of the block grant each year as it received of AFDC spending in 1994
   d. Use of Funds:
      --in any manner reasonably calculated to accomplish the purposes (see above)
      --in the case of families that have lived in a state for less than 12 months, states may provide them with the benefit level of the state from which they moved

--states may transfer up to 20% of the funds in any given block grant to other block grants
--states may, for up to 6 months, pay a reduced benefit to a needy family with a child whose paternity has not been established

c. Penalties. States are subject to three penalties:
--if an audit determines that states have spent money on activities not consistent with the purpose of this legislation, the amount of misspent funds will be withheld from the state's payments during the following year (with the restriction that not more than 25 percent of a quarterly payment can be withheld)
--the annual grant is reduced by 3 percent if states fail to submit the performance data required so that Congress can provide oversight on state accomplishments
--states are fined 1 percent of their annual grant if they fail to participate in the Income and Eligibility Verification System designed to reduce welfare fraud

4. Prohibitions. Block grant funds cannot be used to provide:
   a. Benefits to a family that does not include a minor child
   b. Benefits to an individual receiving benefits from old-age assistance, foster care, or Supplemental Security Income
   c. Benefits to noncitizens unless the individual is an alien who has resided in the U.S. for over 6 years or a legal resident over age 75 who has lived in the U.S. for more than 5 years
   d. Cash benefits to a minor child born out of wedlock to a mother under age 18 or to the mother
   e. Cash benefits for additional children born to families already on welfare
   f. Cash benefits for families that have received block grant funds for 5 years
   g. Benefits to a family with adults not cooperating with the state child support enforcement agency
   h. Benefits to a family with an adult who has not assigned to the state the child's claim rights against the noncustodial parent

5. Data collection and reporting. States are required to submit annual data on several important measures of their Temporary Assistance Block grant; e.g., the number of families receiving benefits, the earning of families, other welfare benefits received by families, and the number of months on welfare

6. Audits. Each state must submit to an audit every second year under terms of the Single Audit Act

COMMITTEE ON WAYS AND MEANS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515–6348

February 9, 1995

MEMORANDUM

TO: Members, Committee on Ways and Means

FR: E. Clay Shaw, Jr., Chairman Subcommittee on Human Resources

In a speech at the U.S. Chamber of Commerce later this morning, I will present an outline of the direction my Chairman's mark will take as we begin consideration of welfare reform in subcommittee next week. Later today, we will deliver to all Members of the Committee a complete explanation of all of the provisions, with the exception of child support enforcement provisions which are in the final design stages. We are expecting some changes between now and Monday's markup.

Here is an outline of the plan we have developed:

Cash Welfare Block Grant
- 6 current Aid to Families with Dependent Children programs will be replaced with a single block grant to States.
- Spending on cash welfare will be capped for 5 years, saving taxpayers $7.6 billion.
- States will be **prohibited** from using federal tax dollars to: (1) pay cash welfare to mothers under 18 who have children out-of-wedlock; (2) give extra payments to families that have more children while on welfare; and (3) pay cash welfare to a single family for more than 5 years.
- Welfare recipients must work to continue getting cash payments after two years.

Child Care Block Grant
- Around ten current federal child care programs will be merged into another block grant, achieving $3.6 billion in savings.
- As with other block grants, States will be given enormous flexibility to better serve their residents, simplify programs, and save taxpayers money.

Child Welfare Block Grant
- More than 24 current programs will be combined into another block grant to help states protect neglected and abused children, saving nearly $4 billion over five years.
- Neglected and abused children will be freed from federal regulations to realize quicker adoptions, more accountability, and fewer arbitrary rules from Washington.

- As with other block grants, States will be required to send information about their programs to the federal government, so we can figure out what works.

Reducing Welfare Rolls

- Drug addicts and alcoholics will no longer be considered disabled and therefore eligible for cash payments from SSI.
- As in the Contract, non-citizens would no longer be eligible for most welfare programs. Exceptions will remain for refugees and legal, long-term residents over 75; non-citizens will still qualify for education and training programs so they can improve their job preparation to become more productive future citizens.
- Sponsorship provisions will be strengthened.
- CBO estimates these provisions will reduce welfare spending by about $23 billion over 5 years (although much of this savings will accrue to States because of the block grants described above).

MAINSTREAM FORUM BILL

Individual Responsibility Act of 1995 - Summary

Outline of Welfare Reform Bill

Title I:	Time-Limited Transitional Assistance
Title II:	Make Work Pay
Title III:	The Work First Program
Title IV:	Family Responsibility and Improved Child Support Enforcement
Title V:	Teen Pregnancy and Family Stability
Title VI:	Community Service
Title VII:	Program Simplification
Title VIII:	Financing

I **Time-Limited Transitional Assistance:** Imposing a time limit on welfare eligibility is the only way to fundamentally change the system from one that writes checks to one that puts people to work. The two-year lifetime, **Work First** time-limited assistance program will transform a system based on the right to income maintenance into a system based on the obligation to work. This time-limited assistance would be phased-in, beginning in FY 1997, when 16% of a state's AFDC families must participate in the program. This percentage increases to 20% in FY 1998, 24% in FY 1999, 28% in FY 2000, 32% in FY 2001, 40% in FY 2002, until reaching 52% in FY 2003 and each succeeding fiscal year.

II **Making Work Pay:** The bill would ensure that a welfare recipient will be better off economically by taking a job than by remaining on welfare. To do this, the current disincentives within the system that make welfare more attractive than work must be eliminated. There are five vital components in this regard:

*Health Care - Extended Transitional Medical assistance (TAM) from one to two years.

* EITC - The bill would improve outreach efforts to both recipients and employers to ensure that they make use of EITC.

*Child Care - Federal funding for child care assistance would be consolidated into a single program under the Title XX social services block grant. States would be required to submit one plan for all assistance under this program instead of be required to comply with four different sets of federal regulations for different federal child care programs. Title XX is a capped entitlement program without specific authorization. A consolidated block grant of $1.2 billion a year would replace the At Risk Child Care program and the 75% of the Child Care Development Block Grant used for direct child care assistance. There would be an individual entitlement for child care assistnance for individual participating in the Work First program or who are leaving welfare. The Federal government would reimburse states for the cost of the individual entitlements at 70% or the Medicaid matching rate plus ten percent, whichever is higher.

*AFDC Work Disregards - The AFDC benefit structure provides little financial incentive to work harder and earn more. In general, a rise in earnings is largely offset by a corresponding drop in AFDC benefits. As a result, welfare recipients who try to work are only marginally better off than by remaining on welfare. The proposal would allow states to liberalize the earned-income disregards within an established federal guideline.

*Asset Limitation - While work is a first step out of poverty, asset accumulation is necessary to keep a person out of poverty. The proposal would increase the vehicle asset threshold to $5,000; increase the non-vehicle asset threshold for either AFDC or food stamps, capped at a level of $2,000 or up to $8,000 for specific use in setting up a microenterprise, purchase of a first home, or for higher education.

III Work First Program: The bill would establish a WF program to move welfare recipients off of welfare into jobs. The WF program would be administered at the state level. The bill encourages the states to tailor programs which meet their individual needs. However, the bill also recognizes that states may not be able to develop a WF program immediately. Thus, the bill establishes a Federal Model which each State would use until it develops its own program.

- The Federal model is expected only to be a transitional program until states develop their own programs.
- States are required to submit their own programs within five years of the enactment of this bill.
- States could choose to adopt the Federal Model or adopt their own program within the broad federal guidelines set in this bill that require states to place an emphasis on placing individuals in private sector employment.

Community Service - At the end of two years, if a welfare recipient has not found full-time employment, he or she will no longer be eligible to receive AFDC, but the state will have the option to provide a welfare recipient with a full-time (30 hours or more) community service job and/or have access to placement and support agencies and/or subsidized jobs as described in the "Work First" section. States may readmit up to 10% of their caseload who have not found employment after two years of the Work First program <u>and</u> two year community service, <u>or</u> those who left welfare after finding employment and were forced to return but have no time left on the clock. In addition, states may petition the Secretary of HHS to increase this percentage up to 15% if they meet the economic hardship conditions set forth by the Secretary. All recycled recipients will be reevaluated by a caseworker or case management team and a new employability contract will be established.

IV. **Family Responsibility and Improved Child Support Enforcement:** The goal of the proposal is to maintain and improve the child support program by promoting the benefits of two supportive and responsible parents.

- Establish in each state a central registry to streamline the current collection and distribution of child support by keeping track of all support orders registered in the state.

- Improves interstate enforcement through the adoption of UIFSA and other measures to make interstate enforcement more uniform.

- Establish hospital-based paternity by: requiring states to offer paternity/parenting social services for new fathers; making benefits contingent upon paternity establishment (recipients provide full cooperation in establishing paternity to receive benefits); require hospital based paternity establishment for all single mothers.

- Enforce child support through demanding and uncompromising punitive measures for deadbeat parents including: strongly reinforcing direct income withholding; requiring states to establish procedures under which liens can be imposed against lottery winnings, gambler's winnings, insurance settlements and payouts, and other awards; and require non-compliant noncustodial parents delinquent in their child support payments to enter a work program in which they work to pay off benefits going to support their child.

V. **Teen Pregnancy and Family Stability:** The bill promotes individual reproductive responsibility by giving states the option to implement the family cap; requiring minor mothers to live with a responsible adult, preferably a parent; supporting a national education campaign to teach our children that children who have children are at high-risk to endure long-term welfare dependency; providing incentives for teen parents to stay in school; providing funds for states to create or expand programs for minor noncustodial parents to promote responsibility and work; and giving states the option of eliminating current disincentives to marriage.

VI **Program Simplification:** Streamline the waiver process which is bureaucratic and gives too much discretion to the Secretary of HHS to deny state waivers simply because they do not like their program. In its place, the bill sets forth guidelines that if the state plans meet, then it will be approved by the Secretary of HHS.

States bear a heavy administrative burden in implementing the AFDC and Food Stamps programs, mainly because of complicated, inconsistent and rigid policies. The operation of these programs should be simplified by unifying the policies that determine eligibility for these programs. The bill would simplify the application and eligibility process for AFDC and Food Stamps. Some of the most time-consuming and difficult tasks in administering these programs are the initial procedure now required to take and process applications. Twenty specific provisions are included in this bill that will significantly improve this process. These include provisions to unify the application, deductions, eligibility, income, resources, certification and recertification rules for AFDC and Food Stamps.

VII SSI Reform: If Congress fails to act within 90 days after the submission of the Slattery Commission Report, then funding for the children portion of SSI will be frozen at the FY 94 level.

VIII Financing: The plan would save $20.3 billion over five years by ending welfare for most noncitizens except for emergency medical services. Exemptions will be made for refugees and asylees for six years after they arrive and noncitizens over age 75 who have been legal residents for at least five years. It does not abandon new immigrants. Rather, it merely transfers responsibility for their welfare from the government to where it truly belongs--their legal sponsors, the American citizens who by law must endorse most immigrants' applications for citizenship based on the promise that immigrants will not become public charges. We propose six billion dollars of monetary assistance to states to be used under state discretion to aid their immigrant populations who will be detrimentally affected by this cut. In addition, we propose to give states the authority to sue a sponsor if an immigrant applies for state or local assistance and to mimic the federal government in denying state benefits to noncitizens.

The bill would raise $9 billion over five years by adding income from AFDC, Food Stamps and housing assistance to taxable income so that a dollar from welfare isn't worth more than a dollar from work. The bill would increase EITC enforcement to reduce fraud in the program to save at least $3.5 billion over five years. It would make several other smaller changes within the welfare system to save approximately $2.5 billion over five years.

Funding: The bill provides more funding for states to help meet the costs of the WF program as well as the increased caseload for child care costs. For the WF program, our bill would have a seventy percent matching rate or the Medicaid matching rate + ten percent, whichever is higher for the states. For Community Service, our matching rate would be seventy percent matching rate or Medicaid matching rate + ten percent for the Administrative costs, whichever is higher for state. For wages, it would be the Medicaid matching rate.

THE PRESIDENT HAS SEEN 2/13

THE WHITE HOUSE

WASHINGTON

February 6, 1995

95 FEB 9 A 9 : 29

MEMORANDUM FOR THE PRESIDENT

FROM: RICK ALLEN RA

SUBJECT: NATIONAL SERVICE UPDATE

You have followed the increased press attention focused on AmeriCorps, beginning with Joe Klein's piece, continuing with your strong defense of the initiative on the western trip and following through the State of the Union. This memorandum will touch on various aspects of the press coverage and outline our current status on the Hill and with one key constituency.

1. <u>State of the Union Coverage of AmeriCorps</u>: Your championing of AmeriCorps and mention of Cindy Perry in the address played well in subsequent media coverage. AmeriCorps found broad editorial support (I have included examples from the *Chicago Sun Times, Philadelphia Inquirer, Boston Globe, Dallas Morning News, Milwaukee Journal, Kansas City Star*, Medford, Oregon's *Mail Tribune*, and *New York Newsday*). We were able to drive stories (and their own op-eds) in their hometown media about and from the four AmeriCorps members who attended the address (garnering coverage in Miami, Kansas City, Portland, and Kentucky -- I've attached a few from Kansas City and Miami as examples).

The whiff of political battle rousted out many papers heretofore silent. I enclose two news stories, one from the *Wall Street Journal* and the other from the *Chicago Tribune*. A number of columnists also sprang to AmeriCorps' defense. E.J. Dionne's piece, which extolled AmeriCorps as a method to build citizenship, is the best enunciation yet of this principle (we've got a similar one, from Robert Putnam, pending with the *New York Times*); Marianne Means', which made it clear that the opposition is motivated by mean-spirited partisanship, may be the clearest statement of the political reality. I include both and four other good ones from around the country.

The electronic media was also more engaged in these cycles. McNeil-Lehrer ran the most substantial piece on the day of the State of the Union (positive, and marred only by a debate between Senator Breaux and Congresswoman Molinari, in which the Senator had limited effectiveness on the "volunteerism" argument described below).

The period from King Day through the State of the Union generally marked a shift in the press' angle, as well as their degree of interest. The preoccupation with "balance" has resulted in recent stories repeating critics' assertions as fact. We have moved quickly to counter what is a small number of repeated (and demonstrably false) anecdotes. I enclose Eli's Letter to the Editor of the *Wall Street Journal* as an example of our response on one of them (Grassley's assertion that AmeriCorps' costs run as high as $70,000 per Member).

2. <u>Cabinet Support</u>: In the roll-out which followed the address, the Cabinet included AmeriCorps Members in many of their appearances and featured AmeriCorps in their remarks. Particularly helpful were Secretaries Cisneros, Pena and Lee Brown, Administrator Browner, Director Witt and Deputy Secretary Kunin. This coordinated Administration response helped to re-emphasize the collaborative nature of AmeriCorps, and its importance.

3. Kristol and the Conservatives Attack: Gingrich's attack wasn't coincidental. Bill Kristol is leading an effort to destroy AmeriCorps (the strategy memo of his think tank is attached). Their arguments (many patently false) were regurgitated by George Will last weekend (also attached). We are responding in many ways, including through a piece we did with Father Theodore Hesburgh, which is now with the *Post*. A particularly cogent defense came from the *Baltimore Sun's* editorial page editor, Sara Engram (that paper ran her piece opposite Will's), which you will enjoy. After Eli wrote him, demolishing his arguments and urging him to visit AmeriCorps in the field, Will had his office call, indicating that he wants to speak with us about the program -- we don't expect a conversion on the road to Damascus and will be pursuing a *Taking Exception* piece in the *Post*, as well as more receptive conservative commentators such as Bill Safire, who has favorably mentioned AmeriCorps twice already (Gary Hart, who is close to Safire, is helping us on this).

Post-State of the Union coverage has been generally favorable. *CBS Sunday Morning* ran a very supportive long piece on the 5th; a tape is enclosed. Scheduled upcoming television coverage includes *NBC Nightly News* (scheduled for next week) and *CBS Sunday Night News* (this Sunday). The *New York Times* is also expected to run a major national story imminently.

4. Status in Congress: Our Democratic base remains strong (only three current House Democrats and four Senate Democrats voted against the 1993 Bill). Senator Nunn made a particularly effective floor speech recently (copy attached). Eli has been meeting individually with our 1993 Republican votes, as well as with the Appropriations Chairs (Bond/Jerry Lewis replacing Mikulski/Stokes for the new programs and Specter/John Porter replacing Harkin/Neal Smith for VISTA and the Senior Corps). To date, our supporters have remained pleased, although the Appropriations barons remain noncommittal. Lewis has taken the public position that his difficulty is with the increase in funding, rather than the program itself.

Chris Shays continues to be our most consistent champion among House Republicans, but others have joined him. As an example, after an attack by Congressman Petri, Republican Jim Walsh joined Shays and three Democrats in a tough responsive Dear Colleague. That group of five, all former Peace Corps volunteers, also held a Hill press conference welcoming your State of the Union AmeriCorps Members and supporting the program, based on the impact their service has had on them.

Pat is inviting our 23 remaining 1993 House Republican supporters to the White House for a briefing. We will let you know when it is scheduled (a drop-by would be very helpful). In a Monday meeting with George Stephanopoulos, Mike McCurry, Pat Griffin, and Mark Gearan to coordinate tactics, all were of the opinion that we should continue to pursue AmeriCorps funding as a battle of principle that we can win, which places an emphasis on 35 or so House Republicans and 12 or so Republicans in the Senate.

5. Rescission and Appropriations: There appears to be no formal list of intended rescission items from the Republican leadership. Rescission, perhaps attached to the Administration's supplemental request, would be particularly devastating to AmeriCorps if "unobligated funds" were rescinded -- as our grants are made at the end of the Fiscal Year (tracking the school year), the bulk of our funding for this (1995) Fiscal Year could thus be targeted.

After rescission, appropriations for FY 1996 will be the next Hill struggle. Your budget calls for slightly over $1 billion in total Corporation funding, including $828 million for AmeriCorps. That funds 47,000 AmeriCorps Members (fulfilling your three year target of 100,000). In our Monday meeting with Pat, George, Mike and Mark, we discussed what level of ultimate funding could be defined as a success. While recognizing the likelihood of Republican-driven reductions, the group recommends pursuing the budget's funding level aggressively.

6. <u>Military Veterans</u>: Eli and Herschel Gober are chairing a Veterans National Service Advisory Council; all of the major Veterans Service Organizations were represented at the initial meeting in December. In contrast to their open hostility in 1993, our work with the veterans community seems to be bearing fruit. Allies like former Joint Chiefs Chair David Jones (whose op-eds are attached) have also made a significant difference.

7. <u>Your Involvement</u>: Moderate Republicans have repeatedly emphasized how important they regard your unequivocal sponsorship of AmeriCorps. At our White House meeting Monday, four areas of your potential involvement were discussed: (a) convening key supporters of AmeriCorps who have clout with the Republicans at the White House (particularly business leaders -- an indication of the breadth of our early corporate support is shown by an attachment) to launch "Americans for National Service"; (b) spotlighting AmeriCorps success stories as you travel; (c) granting print press and radio interviews in Congressionally-targeted markets and (d) ultimately, directly contacting swing Hill votes at the appropriate time.

As the debate has intensified, it has been clear to us how the Republicans have decided to frame their argument:

- *They argue that paid service is not "volunteering" and in fact threatens the charitable sector*. In this respect, we have been scrupulous in the use of "**Members**" to describe AmeriCorps participants; we do not call them 'volunteers" despite the applicability of the definition. We would ask you to drive home this word choice. We also have found that citing the participation of major national non-profits in AmeriCorps (from Habitat for Humanity to the YMCA, from United Ways around the country to the Red Cross, from the National Council of Churches to the National Community AIDS Partnership) is persuasive regarding the value of AmeriCorps to the independent sector.
- *They argue that AmeriCorps is traditionally liberal and bureaucratic*. We point to our decentralized delivery system, which vests most of the power with the states; the traditionally American ethic of citizen involvement; the enthusiasm of charities; and our small Washington operation.
- *They argue AmeriCorps isn't cost-effective*. We point to the four-fold benefits: (i) the direct service (the Texas immunization program saved over $5 for every dollar invested); (ii) the community-building caused by coming together to solve common problems; (iii) the life-long habits of service and community involvement; and (iv) the enhanced productivity that results from a college education, made more affordable with AmeriCorps

Given the volatility of the appropriations situation alone, this is likely to be a war with battles strung out over the course of the entire year (and, given our need to win reauthorization in 1996, into next). We are ready for the challenge; even more importantly, the extraordinary caliber of the AmeriCorps Members and the commitment of their communities will continue to complement your support.

THE PRESIDENT HAS SEEN 2/13

THE WHITE HOUSE

WASHINGTON

95 FEB 9 P 2:53

6 February 1995

MEMORANDUM FOR THE PRESIDENT
LEON PANETTA

FROM: Harold Ickes HI

SUBJECT: U. S. Senate vote - exit poll 1994

Attached is a two page document captioned "U. S. Senate Vote Exit Poll 1994" which was presented at the Democratic Senate retreat on 3 February by Geoff Garin.

It was Garin's very strong opinion, based on analyzing a number of polls, that the 1994 general election was not a vote for or against the President; rather it was a vote about governance, which had come to be seen by the voters as being dominated by the Democrats, and about the role of government.

He stressed the fact that, for the most part, candidates who "ran away" from the President did not help themselves. He cited Jim Cooper of Tennessee in particular. He pointed out that Cooper did not do any better among the "anti-Clinton" voters than did Senator Sasser. Based upon the empirical evidence, he was of the very strong opinion that it would have been better for congressional candidates to have run with the President rather trying to separate themselves from him.

He said that those candidates like Senators Joe Lieberman and Bob Kerrey who had done well, the former got 47% of those who disapproved of the President's job performance and Senator Kerrey got 38% of those who disapproved of the President's job performance, did so because both were seen as "independent", not "independent" of the President, but as independent representatives who were in touch with their constituencies.

2/3/95
Geoff Garin

U.S. Senate Vote
Exit Poll 1994

	Vote Democratic %	Vote Republican %	Vote 3rd Party %
Arizona			
Approve of Clinton (40%)	74	20	-
Disapprove of Clinton (55%)	14	78	-
California			
Approve of Clinton (47%)	77	16	-
Disapprove of Clinton (47%)	16	75	-
Connecticut			
Approve of Clinton (46%)	87	12	-
Disapprove of Clinton (52%)	47	49	-
Delaware			
Approve of Clinton (46%)	71	27	-
Disapprove of Clinton (51%)	16	81	-
Florida			
Approve of Clinton (45%)	57	43	-
Disapprove of Clinton (52%)	6	94	-
Maine			
Approve of Clinton (48%)	59	39	-
Disapprove of Clinton (48%)	16	81	-
Maryland			
Approve of Clinton (49%)	89	11	-
Disapprove of Clinton (46%)	27	73	-
Massachusetts			
Approve of Clinton (58%)	80	19	-
Disapprove of Clinton (38%)	26	74	-
Michigan			
Approve of Clinton (45%)	76	19	-
Disapprove of Clinton (49%)	14	80	-
Minnesota			
Approve of Clinton (50%)	75	18	6
Disapprove of Clinton (46%)	11	84	5
Missouri			
Approve of Clinton (40%)	66	25	-
Disapprove of Clinton (57%)	12	85	-
Montana			
Approve of Clinton (36%)	77	23	-
Disapprove of Clinton (60%)	14	86	-
Nebraska			
Approve of Clinton (30%)	89	11	-
Disapprove of Clinton (65%)	38	62	-
Nevada			
Approve of Clinton (34%)	86	8	4
Disapprove of Clinton (61%)	29	60	3

(Continued)

U.S. Senate Vote
Exit Poll 1994

	Vote Democratic %	Vote Republican %	Vote 3rd Party %
New Jersey			
Approve of Clinton (46%)	80	18	-
Disapprove of Clinton (50%)	23	74	-
New Mexico			
Approve of Clinton (43%)	90	10	-
Disapprove of Clinton (54%)	26	74	-
New York			
Approve of Clinton (50%)	76	22	-
Disapprove of Clinton (46%)	32	63	-
Ohio			
Approve of Clinton (41%)	72	21	7
Disapprove of Clinton (54%)	13	79	8
Oklahoma			
Approve of Clinton (35%)	81	14	-
Disapprove of Clinton (61%)	16	78	-
Pennsylvania			
Approve of Clinton (44%)	77	19	-
Disapprove of Clinton (50%)	19	77	-
Tennessee "A"			
Approve of Clinton (39%)	80	18	1
Disapprove of Clinton (57%)	12	86	1
Tennessee "B"			
Approve of Clinton (38%)	75	24	-
Disapprove of Clinton (58%)	12	87	-
Texas			
Approve of Clinton (36%)	79	21	-
Disapprove of Clinton (60%)	13	86	-
Virginia			
Approve of Clinton (42%)	85	9	7
Disapprove of Clinton (53%)	14	70	16
Washington			
Approve of Clinton (41%)	82	18	-
Disapprove of Clinton (54%)	16	84	-
Wisconsin			
Approve of Clinton (44%)	86	14	-
Disapprove of Clinton (53%)	34	65	-
Wyoming			
Approve of Clinton (30%)	82	16	-
Disapprove of Clinton (66%)	20	78	-

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
2.13.95

February 11, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN PODESTA
TODD STERN

SUBJECT: Information Items

The following are information items we have received in the past several days:

(A) **Weekly Cabinet Report.** The report is lengthy. I have highlighted key points.

(B) **Weekly Intergovernmental Report.**

(C) **CEQ Weekly Report.** Key points: The *risk assessment* bill, made even worse in committee, will be considered on the House floor February 22. House Democrats have asked the Administration for help in the floor fight; *takings* legislation was considered yesterday in the House Judiciary Committee. In his testimony, Associate AG John Schmidt underscored the Administration's commitment to private property and to minimizing the effects of government programs on landowners, but stated our clear opposition to automatic compensation proposals; the House Government Reform Committee is expected to pass a radical *moratorium* on most federal regulations from Nov. 20, 1994 through all of 1995.

(D) **Higgins memo on State of Union follow-up.** Describes news reports on appearances by Cabinet and Subcabinet visits to various parts of the country following your State of the Union. We will forward the clips if you wish to see them.

(E) **McGinty on Oregon Forest Plan update.** This is a response to concerns you raised based on conversations with Gov. Kitzhaber. Katie defends the progress of our forest plan in Oregon. *Timber* -- For FY 95, the Forest Service and BLM will deliver 600 million board feet (60% of the 1.1 billion board feet we promised by FY 97, and on target to meet that goal), with 40% of that, or 235 mbf in Oregon. Katie quotes Judge Dwyer's opinion that, given the condition of the forests, any more logging sales than are contemplated in the plan would probably be illegal. *Economic adjustment* -- by the end of FY 94, we had distributed $126 million to the region, 29% of which ($36 million) went to Oregon plus another $42 million in SBA loan guarantees to

When

"disaffected" timber communities. *Reinvention* -- Katie also argues that we've done a good job on the REGO front.

(F) **Reed welfare reform update.** Summarizes the House Republican bill that Clay Shaw will mark up in subcommittee next week and the Democratic Mainstream Forum bill, and attaches more detailed fact sheets on both. Bruce also notes that House Democrats are rallying around the theme of work and that a broad coalition, including Gephardt, will propose that, as of October 1, 1996, all applicants who can work must be working or moving toward work immediately.

(G) **Rick Allen National Service update.** Discusses (i) press coverage of AmeriCorps following your State of the Union; (ii) Cabinet support in the follow-up of the address; (iii) the conservative attack, led by Bill Kristol and Gingrich, and our response to it; (iv) the status of our support in Congress, with a strong Democratic base and a smaller contingent of Republican supporters (23 House Republicans voted for our 1993 bill); (v) the rescission and appropriation picture -- since grants are made near the end of the fiscal year, a large part of our FY 95 money could be targeted for rescission; (vi) the progress Eli and Herschel Gober have made with Veterans groups; and (vii) the need at various points throughout this year for your involvement to defend the program against Republican attack. I have not forwarded the attachments to Rick's memo.

Cannot move up

(H) **Riley letter on implementing Direct Loan Consolidation program.** FFELP (Federal Family Education Loan Program) loans can be converted into Direct Consolidation Loans under certain circumstances. There are currently $60 billion in outstanding FFELP loans to 20 million borrowers. The Department of Education is conducting a consolidation test project and will phase-in full implementation. It intends to convert about 1 million loans in the program's first calendar year, at a projected savings to taxpayers of $420 million. Secretary Riley has attached a nine-page report on the implementation plan, which we have not forwarded.

(I) **Ickes memo on Garin poll analysis.** Bottom line: after analyzing a number of polls, Geoff has concluded that the 1994 election was not a vote for or against you, but a vote about governance and the role of government, which had come to be seen as dominated by Democrats.

(I) **McLarty note on Atlanta Olympics trip.** Reports on February 8 trip to Atlanta and Jeetings with Billy Payne, Chairman of the Olympics, Gordon Giffin, Gov. Miller and Mayor Campbell.

Problem: Non voting union auth than overall pop – That's a niche we need to get this wide publicity

THE PRESIDENT HAS SEEN 2/13

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The Law Enforcement Steering Committ
1001 22nd St. N.W., Suite 200
Washington, D.C. 20037

February 10, 1995

Honorable Henry Hyde
Chairman, Committee on the Judiciary
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Law Enforcement Steering Committee (LESC) is a nonpartisan coalition of national law enforcement associations which represents over 450,000 sworn law enforcement officers across the country. The LESC is an unprecedented coalition of labor, management, and research organizations dedicated to improving policing and securing public safety. The Law Enforcement Steering Committee is comprised of the Federal Law Enforcement Officers Association, the Fraternal Order of Police, the International Brotherhood of Police Officers, the Major Cities Chiefs, the National Association of Police Organizations, the National Organization of Black Law Enforcement Executives, the National Troopers Coalition, the Police Executive Research Forum, and the Police Foundation. The LESC is firmly committed to the broad goal of protecting the nation's citizens by pursuing a wide range of public safety issues before Congress.

The Law Enforcement Steering Committee worked for over six years to secure tough anti-crime legislation on behalf of all Americans. The LESC was united in its support for last year's crime conference report, which was signed into law by President Clinton on September 13, 1994 (P.L. 103-322). The Violent Crime Control and Law Enforcement Act of 1994 provided a tough, balanced approach to fighting crime, with critical resources dedicated to putting more police on the streets, building prisons to keep convicted criminals off the streets, and securing and improving prevention programs to reduce crime. <u>The Law Enforcement Steering Committee is united in its belief that the 104th Congress must not retreat from the key tenets of P.L. 103-322.</u>

Specifically, the LESC steadfastly believes that the current COPS program, which directs $8.8 billion directly to localities to hire 100,000 police officers, must be retained intact. The LESC opposes the use of block grants, which would dilute the impact and decrease the accountability of the current program. Unless the funds are allocated directly to the law enforcement agencies, funds will be diverted by local authorities for non-police purposes. Additional police personnel dedicated to community policing is essential in our efforts to taking back the streets.

For years, many in Washington have fueled the "prevention vs. punishment" debate. The LESC rejects this reasoning and continues to support an anti-crime strategy that includes punishment and prevention. While we must pursue the resources to arrest criminals, prosecute and convict them, and put them in prison, we must simultaneously pursue resources to prevent lives of crime and destruction.

Crime control legislation has been continually undermined by partisan politics and pressure from special interest groups. In the meantime, violence has exploded in our communities, making peace officers'jobs increasingly dangerous and frustrating. The LESC once again urges that Congress prevent partisan politics from destroying the legislative progress that occurred in 1994.

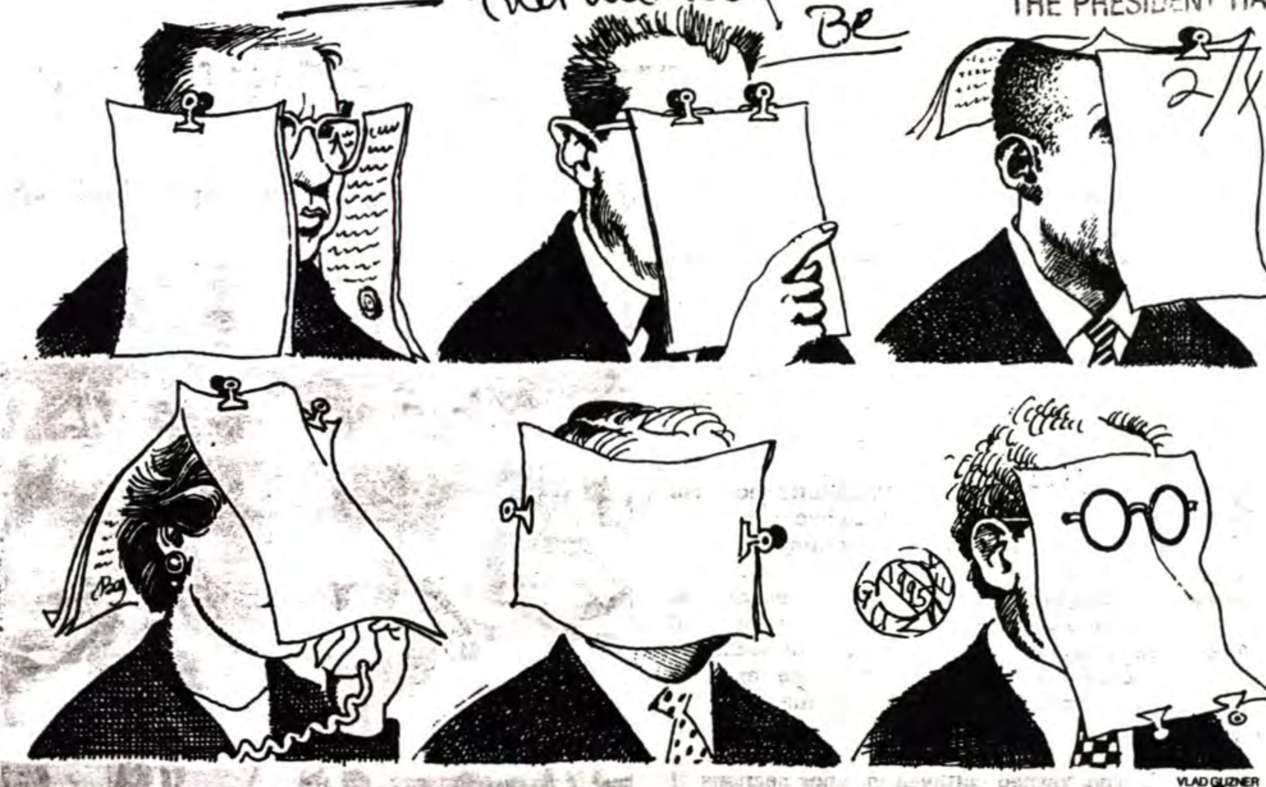
If you have any questions regarding the LESC's position, please do not hesitate to contact me as the current Chair of the Law Enforcement Steering Committee at (703) 979-0290.

Sincerely,

Kenneth T. Lyons

Kenneth T. Lyons
National President, IBPO
Chair, LESC

To VP — we need to discuss this Monday — Be



Land of 4,000 Unreadable Rules

specificity / procedures / outcomes / no overreg

A lawyer argues that this would be a better country if we had less law.

THE DEATH OF COMMON SENSE
How Law Is Suffocating America.
By Philip K. Howard.
202 pp. New York: Random House. $18.

By Cass R. Sunstein

AMERICANS pride themselves on the "rule of law" — the idea that government officials must act according to clear and specific rules laid down in public and in advance. The catch phrase that ours is "a government of laws and not of men" captures the aspiration to rule-bound justice. But Philip K. Howard thinks that we need less law, fewer rules and more common sense. He thinks that American law is now endangering both freedom and prosperity precisely because it is so excruciatingly rule-bound.

Mr. Howard, a New York lawyer, builds his case nicely, with many impressive stories of mindless bureaucratic rigidity. Consider the sad case of Mother Teresa and the Missionaries of Charity, who had agreed to convert two abandoned buildings into a homeless shelter in 1988. New York City's building code requires an elevator in every renovated multiple-story building. The Missionaries were told, after two years of protracted discussions and red tape, that their promising project could not go forward because it did not comply with the regulations — even after they explained their order's religious beliefs, which prohibit the use of modern conveniences, including elevators. Mother Teresa ultimately gave up; no shelter was built.

Consider as well the Federal Occupational Safety and Health Administration's book of more than 4,000 unreadable regulations, prohibiting inspectors from asking whether the workplace is really safe and instead dictating such things as the acceptable lengths that planks can stick out from a temporary scaffold (maximum, one foot). Ponder the senseless regulatory obstacles to much-needed public toilets in New York, in the form of rules requiring every such toilet to be accessible to handicapped people; or the endless requirements for day-care centers, which have driven child care underground, where there are no regulatory protections at all; or environmental regulations that ignore cost and waste resources on trivial problems.

Mr. Howard is especially troubled by laws that impose expensive procedural requirements. Fixing a $50 lock in a New York public school, he says, takes 10 bureaucratic steps consuming six months. He also says the Federal Government has estimated that "annually, 289 million hours are spent complying with its procurement procedures." With so many procedural requirements, Mr. Howard thinks it is no wonder that our officials cannot do what they are supposed to do.

Mr. Howard has a final complaint. The post-1960's transformation of so many diverse interests into "rights" — for the handicapped, for welfare recipients, for endangered species — has imposed unnecessary costs and prevented people from working together. He believes that instead of a legally fueled "rights revolution," carrying the language of absolutes, we need a sense of mutual obligations, a willingness to compromise and a sense of proportion.

What should be done? Mr. Howard doesn't offer many details, but he wants a lot less law. He thinks that we should release ourselves from rules, process and rights, and try to harness private initiative through laws that allow officials and ordinary citizens alike to exercise their own judgment and common sense.

Some of this is pretty familiar, but Mr. Howard's argument is fresh, reflecting an impressive combination of wisdom, wry humor and quiet passion. Its weak point is that it is too impressionistic and anecdotal, collecting lots of stories without giving anything like a systematic sense of the costs and benefits of rules or the costs and benefits of what he calls common sense. Once freed from rules, public officials and private citizens may exercise their discretion invidiously. They may be confused, biased or corrupt. Without rules, it may be very hard to monitor whether people are doing what they should do. And without fair process, officials may make damaging mistakes. To know whether law is really suffocating America, and whether rule-free common-sense judgments would be better, we need to have a more systematic investigation of our current approach and of possible alternatives. In some contexts rules and rights are indispensable; the alternatives would be much worse.

Nonetheless, I think that a more systematic investigation would show that Philip Howard points in most of the right directions — toward much less governmental focus on how people do things, much more attention on real-world results; less in the way of governmentally specified technologies and outcomes, more in the way of public use of private initiative; fewer Soviet-style governmental mandates and commands, more reliance on flexible programs creating proper incentives. "The Death of Common Sense" is a reflection of a mood rather than a sustained argument, but it sets the right mood. When we think about "reinventing government," it's a good place to start. □

Cass R. Sunstein, who teaches at the University of Chicago Law School, is the author of "Democracy and the Problem of Free Speech."