

Our cap

• \$ 105 from CBO

• \$ 20.8 from
our baseline

REACH TARGET BY 2005

(In billions of dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	10-Year Total
Outlays:												
Discretionary:												
Department of Defense	261	251	247	245	250	259	266	272	272	272	272	2,605
Non-Defense.....	289	292	299	298	297	296	295	296	300	305	310	2,989
Total discretionary.....	550	542	545	543	548	555	561	568	572	577	582	5,594
Mandatory:												
Health:												
Medicare.....	154	172	186	199	213	227	243	260	282	304	326	2,411
Medicaid.....	88	92	100	109	117	127	138	150	163	177	183	1,367
Other.....	—	—	3	4	4	4	4	5	5	5	6	40
Subtotal, health.....	243	264	290	312	334	358	386	415	450	486	524	3,818
Other.....	508	536	570	597	628	660	691	720	754	791	830	6,776
Subtotal, mandatory.....	751	800	860	908	962	1,018	1,076	1,135	1,204	1,278	1,355	10,594
Net interest.....	234	255	266	272	278	281	283	283	280	277	273	2,749
Total, outlays.....	1,535	1,597	1,671	1,723	1,787	1,854	1,921	1,986	2,056	2,132	2,210	18,937
Receipts.....	1,346	1,416	1,473	1,550	1,626	1,712	1,804	1,904	2,009	2,123	2,238	17,856
Deficit.....	189	181	198	173	161	142	117	82	47	9	-28	1,081

Year-by-Year Savings
(In billions of dollars)

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Baseline deficit.....	201	218	209	221	229	235	240	248	255	266
Entitlements.....	-8	-13	-19	-25	-35	-45	-60	-69	-81	-95
Medicare savings.....	-4	-6	-10	-16	-23	-30	-39	-45	-55	-67
Medicaid savings.....	-4	-4	-6	-7	-9	-11	-13	-15	-17	-19
Health Coverage.....	—	3	4	4	5	5	5	6	6	7
Welfare reform.....	-2	-4	-5	-6	-6	-7	-7	-8	-8	-8
Other.....	1	-2	-2	-1	-1	-2	-6	-7	-7	-7
Discretionary.....	-13	-11	-14	-25	-35	-46	-57	-72	-86	-101
Department of Defense.....	-*	-*	-*	—	—	-*	-2	-10	-18	-27
Nondefense.....	-12	-11	-14	-25	-35	-46	-55	-62	-67	-74
Interest.....	-2	-5	-12	-22	-34	-46	-61	-79	-97	-117
Corporate Subsidies.....	-1	-2	-3	-4	-5	-5	-5	-6	-6	-6
Revenue changes.....	3	11	12	16	21	23	24	25	23	25
Deficit or surplus.....	181	198	173	161	142	117	82	47	9	-28

* - \$500 million or less

August 9, 1995



Health Division



Office of Management and Budget
Executive Office of the President
Washington, DC 20503

Please route to: Chris Jennings
Nancy-Ann Min

Through: Barry Clendenin
Mark Miller

Subject: Quotes on CBO Scoring of
Medicare Managed Care

From: Judy Mann
Brent Gustafson
Parashar Patel

Decision needed _____
Please sign _____
Per your request _____
Please comment _____
For your information X

With informational copies for:
HHD Chron., HFB Chron., AM, TH

Phone: 202/395-4930
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Room: #7001

As requested, we have searched for CBO quotes and comments on Medicare managed care. Our search included a Lexis-Nexis search on the issue going back to January 1994. We also conducted a manual search of CBO testimony and statements before various Congressional committees during the health reform debate in 1993. Finally, we found additional quotes from CBO officials going back to 1992. While some of these quotes are not directly relevant to CBO scoring of Medicare managed care savings, they do provide ~~more~~ ^{insight} into CBO scoring of managed care savings in general.

Also included are two quotes from Representatives Arney and Kolbe regarding the political pressures that CBO was allegedly facing last year.

Please note that this memo also includes quotes provided in earlier memos.

Rep. Richard K Arney (R-TX), *National Journal*, "By the Numbers." 2/12/94

Rep. Arney, described in the article as a "frequent CBO critic," was quoted as saying of CBO, "These are generally very professional, well-trained people who would like to do their best work and maintain their standing in the profession. But they are under enormous pressures, and at times, they clearly have produced work product that has a partisan bias and has been used by the majority for political purposes."

Rep. Jim Kolbe (R-AZ), *National Journal*, "By the Numbers," 2/12/94

In the same article, Rep. Jim Kolbe (R-AZ), a member of the Budget Committee in the 103rd and 104th Congresses, was cited as having said that CBO is "a budgetary brothel,...little more than a campaign research tool for the majority."

Statement of Robert D. Reischauer, Ways and Means Health Subcommittee, 2/2/93

CBO has "consistently taken the position that savings could be achieved by moving people from fee-for-service medicine into group or staff model HMOs. Thus, estimated savings would depend on the extent that a particular proposal would shift people into these types of managed care organizations."

"We are convinced, however, that even if a managed competition approach with all the critical elements described above were carried out, its effects would occur over an extended period of time. Significant savings in national health expenditures would probably not occur within the usual five-year time horizon of CBO cost estimates."

Robert D. Reischauer, *New York Times*: Robert Pear, "Second Thoughts on Health Data," 5/9/94

In defending CBO's reluctance to accept savings from "market-oriented reforms" that encourage greater use of managed care, Reischauer said, "There is more certainty about the savings from budget constraints, price controls and premium caps than with respect to the savings that might result from changed market incentives."

Statement of Robert D. Reischauer, Committee on Ways and Means, 3/4/92

"The proportion of Medicare beneficiaries in coordinated-care arrangements could also expand, although if this resulted from the proposed higher payments to HMOs, the effect would probably be to increase costs overall rather than to decrease them. In fact, there is considerable evidence that HMOs currently receive more than Medicare would have spent on these enrollees in the fee-for-service sector."

"In the past, however, expanding coordinated care has not resulted in lower health care spending in the nation, even when particular organizations have been effective for their specific enrollees."

Quotes Included in Previous Memos

Remark by Sandy Christensen, Health Line, August 1, 1995

The Congressional Budget Office (CBO) and Republicans are currently holding discussions to predict the savings [from moving Medicare beneficiaries into managed care], but CBO's Sandy Christensen said, "Our position right now is the more people enrolled in managed care, the higher the costs will be."

Health News Daily Interview with Dr. June O'Neill, Tuesday, August 1, 1995

While some Republican lawmakers have criticized CBO for "not scoring managed care," O'Neill countered that "the question 'what does managed care save?' depends on the context. In the context of the current Medicare program, the research has been very slim and what is there is somewhat controversial, I would say, of what managed care either saves or doesn't save." She also called it "conceivable that fee-for-service with gatekeepers and preferred providers would come out to be just as cheap" as HMOs under Medicare.

[Dr. O'Neill] noted that "there is abundant evidence *not for the elderly but for the ordinary population* that HMOs are cheaper than other modes of insurance." Emphasis added.

Asked to distinguish her approach from that of her predecessor, Robert Reischauer, O'Neill stressed the similarities: "We actually both attended the same graduate school and had the same advisor, so we have the identical training." *In addition, she noted that the office's staff remains the same.* Emphasis added.

Statement of Paul N. Van de Water, Senate Budget Committee, February 1, 1995

"Despite the cost-saving potential of managed care plans, expanding enrollment in such plans among the Medicare population would be unlikely to reduce Medicare's costs under the current system."

"To generate savings to Medicare from expanded enrollment in HMOs, changes in Medicare's enrollment conditions and payment system for HMOs would have to be made. Medicare's enrollment requirements would be relatively easy to redesign, but appropriate changes in the payment system would be more difficult to specify."

"[D]efining a set of additional factors [to reflect HMOs' true cost of serving Medicare beneficiaries] that would improve the accuracy of the payment rate without generating undesirable incentives for HMOs has proved to be a difficult task."

August 9, 1995



Health Division



Office of Management and Budget

Executive Office of the President

Washington, DC 20503

Please route to: Chris Jennings
Nancy-Ann Min

Through: Barry Clendenin *BC 8/10*
Mark Miller *mm*

Decision needed _____
Please sign _____
Per your request X
Please comment _____
For your information X

Subject: Addendum to Memo on CBO Quotes on
Medicare Managed Care

With informational copies for:
HD Chron, HFB Chron

From: Judy Mann *JM*
Brent Gustafson *BG*
Parashar Patel *PP*

Phone: 202/395-4930
Fax: 202/395-3910
Email:
Room: 7002

The following are additional comments attributed to CBO regarding Medicare managed care which are an addendum to previous memos.

June O'Neill, Senate Budget Committee, 5/4/95, and Senate Finance Committee, 5/11/95

"Despite apparent evidence that the overall resource cost of services used by Medicare beneficiaries falls when they move from the fee-for-service sector to an effective HMO, higher HMO enrollment may have the perverse effect of increasing Medicare's costs--not lowering them--under Medicare's current payment system."

"That link to fee-for-service costs means that Medicare pays a fixed capitation amount for each Medicare beneficiary enrolled in an HMO, regardless of the actual resource cost of the services provided. Second, Medicare's capitation rates do not fully adjust for the generally healthier group of people who are likely to choose the HMO option compared with those who remain in fee-for-service, nor do they account for the greater efficiency of managed care."

"Medicare's HMO enrollment could generate savings, however, if the method of setting capitation rates was changed. . . But significant savings would not be generated unless the payment link between fee-for-service and managed care was broken."

Previous Republican Statements on Cutting Medicare

"The reimbursement levels of Medicare have reached potentially disastrous levels..."

From the "Minority Views" included with the Ways and Means Committee Report on the Health Security Act (H.R. 3600) signed by every Republican Member of the Committee, July 14, 1994:

"For more than a decade Congress has cut back on payments to doctors and hospitals until they no longer cover the cost of care for Medicare... patients -- and the additional massive cuts in reimbursement to providers proposed in this bill [H.R. 3600] will reduce the quality of care for the nation's elderly. There will be no place else to shift."

From the "Minority Views" included with the Ways and Means Committee Report on the Health Security Act (H.R. 3600) signed by every Republican Member of the Committee, July 14, 1994:

"Medicare Part A, I hope, will not be on the table [to fund tax cuts] because I would like to see that reserved for when we reform the health care later on next year."

Congressman Bill Archer, December 18, 1994, on "Meet the Press"

"We have here in this bill the seeds of the destruction of Medicare... let's not destroy a health care program in this country that we know works and that our seniors are depending on."

- Congressman Clay Shaw, June 25, 1994, speaking against proposed Medicare expenditure reductions during Ways and Means Committee consideration of H.R. 3600

"Make no mistake about it for the elderly in this country, [these cuts are] going to devastate their program under Medicare."

- Congressman Bill Archer, June 25, 1994, speaking against proposed Medicare expenditure reductions during Ways and Means Committee consideration of H.R. 3600

"The Medicare cuts proposed by the President would devastate the Medicare program... The committee must not approve these destructive Medicare cuts."

- Congressman Clay Shaw, May 18, 1994, press release referring to the health care reform proposal (H.R. 3600) presented by President Clinton.

"I just don't believe that quality of care and availability of care can survive these additional cuts. And that is the price that is going to have to be paid to pay for these cuts."

- Congressman Bill Archer, June 25, 1994, speaking against proposed Medicare expenditure reductions during Ways and Means Committee consideration of H.R. 3600

"I would love to believe that we could achieve the level of cuts you have in this bill... But history tells us that this isn't possible. And I think we are just playing games here, we are just making the numbers match. That's all Democrats have done in your bill to make it revenue neutral. You have just estimated the number needed from Medicare to make the numbers match, and I think the public understands that."

- Congressman Jim McCrery, June 25, 1994, speaking against proposed Medicare expenditure reductions during Ways and Means Committee consideration of H.R. 3600

"The Republicans are attempting to secure the program which would be almost absolutely destroyed and trashed if the cuts that have been brought into the bill are established."

- Congressman Clay Shaw, June 25, 1994, speaking against proposed Medicare expenditure reductions during the Ways and Means Committee consideration of H.R. 3600

"Mr. Chairman, I recognize and agree with your call for bipartisan support on this issue, but there are some proposals that many of us in good conscience will never support because we know that they are bad for the American people."

- Congressman Clay Shaw, May 18, 1994, press release referring to the health care reform proposal (H.R. 3600) presented by President Clinton.

"I think those of us on this committee especially well remember the lessons of Medicare catastrophic coverage legislation, and recognize that making changes without broad public support is a potential disaster."

- Congressman Clay Shaw, May 18, 1994, press release referring to the health care reform proposal (H.R. 3600) presented by President Clinton.

NOTE: The 1994 Ways and Means Committee health reform bill would have achieved \$168 billion in Medicare savings over seven years, all of which would have been re-directed to expand health care coverage, as compared to 1995 Republican proposals to reduce Medicare spending by nearly \$300 billion over seven years.

"Forget the budget pressure, let's find out what number saves Medicare. We'll plug that into the budget. We're not going to find out what number the budget needs and try to reshape Medicare to that effect."

- Speaker Newt Gingrich, May 7, 1995, on "Meet the Press"

Congressman Pete Stark's

MEDICARE MONITOR

Vol. 1 Issue 10

May 12, 1995

IS ARMEY ACCUSING FELLOW REPUBLICANS OF LYING?

Dear Colleague:

"In a blistering attack delivered to an American Enterprise Institute forum on the politics of Medicare," the *National Journal* reported this week, "[Majority Leader Dick] Armeley insisted 'anyone claiming we are cutting Medicare is simply lying,' since the program will continue to grow, only at a slower rate."

Is Mr. Armeley saying that Republicans on the Ways and Means Committee lied last year during consideration of health care reform? It seems a reasonable conclusion to reach.

After all, Republicans in 1994 called a proposed \$168 billion reduction in Medicare spending a "cut." Why less than a year later a \$283 billion "cut" in Medicare should not be considered one would be a mystery.

[See the reverse side for Republicans' 1994 portrayal of reductions in Medicare expenditures.]

Remember, the level of cuts (or reductions in growth, or whatever one prefers to call it) proposed last year is *one half* the level passed by Budget Committee Republicans this year.

You decide what's a cut.

If federal policy is changed so that services now fully covered by Medicare are only partially covered, and charges currently paid by Medicare are pushed on to beneficiaries, wouldn't you call this a cut? (See page 10 of the "House Republican Budget Committee Recommendations" for three such examples.)

And if the funds not spent on Medicare beneficiaries create room in the budget to cut taxes for wealthy Americans, isn't it accurate to describe the Medicare cuts as financing tax cuts for well-to-do Americans?

I've never had difficulty accepting that reductions in projected expenditures are a cut, because of the drastic nature of the

Every Republican on the Ways and Means Committee last year, eleven of which are on the panel this year as well, were signatories to the following statement --

"...the additional massive CUTS in reimbursement to providers proposed in this bill will reduce the quality of care for the nation's elderly."

The current Ways and Means Chairman made the following charge last year --

"I just don't believe that quality of care and availability of care can survive these additional CUTS. And that is the price that is going to have to be paid to pay for these CUTS."

Current Subcommittee Chairman Clay made the following indictment --

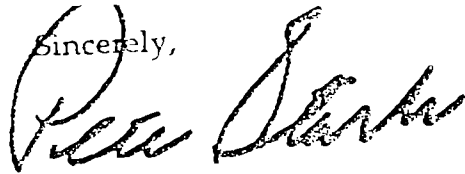
"The Medicare CUTS proposed by the President would devastate the Medicare program... The committee must not approve these destructive Medicare CUTS."

A Republican Member of the Health Subcommittee this year and last year commented --

"I would love to believe that we could achieve the level of CUTS you have in this bill... But history tells us that isn't possible."

NOTE: The 1994 Ways and Means Committee health reform bill would have achieved \$168 billion in Medicare savings over seven years, all of which would have been re-directed to expand health care coverage, as compared to 1995 Republican proposals to reduce Medicare spending by \$283 billion over seven years, none of which would be reinvested to cover uninsured Americans.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Stark", written in a cursive style.

Pete Stark
Member of Congress

239 Cannon House Office Building, Washington, DC 20515 202-225-5065

August 9, 1995

BUDGET RECONCILIATION STATUS REPORT

NOTE: This report will soon be replaced by a separate daily report tracking Reconciliation action.

[Changes from previous day indicated by asterisk (*).]

House: (Sept. 22 reporting deadline); Note--the Reconciliation instructions for House committees set a total direct spending cap for each committee's programs for FY96, FY96-2000, and FY 96-2002. Each committee must produce spending cuts which meet the instructions for each of the three budget periods. However, for brevity, the following summaries reflect only the 7-year totals.

Agriculture -- Instructions require savings of \$43.760 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$30.374 billion from food stamps and \$13.386 billion from price support programs. Full committee mark-up scheduled for September 13, 14, and 15. Chairman Roberts likely to include his Freedom to Farm Act (introduced 8/3) in the committee's Reconciliation package.

Banking -- Instructions require savings of \$2.391 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$2.181 billion from reform of flood insurance premiums and \$210 million from FHA multifamily property disposition. Chairman Leach has indicated he may try to attach his bank overhaul bill (HR 1858).

Commerce -- Instructions require savings of \$469.490 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$182 billion from Medicaid; \$270 from Medicare (shared with Ways & Means); \$14 b from FCC spectrum auction; \$483 million from FCC user fees; \$1.308 b from extending NRC user fees; \$702 million from FDA user fees; \$1.659 b from selling US Enrichment Corp; \$1.046 from selling the Naval Petroleum Reserve (shared with Nat'l Sec Comm); and \$737 million from Energy asset sales.

Econ & Educational Opp--Instructions require savings of \$21.976 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$10.077 billion from student loans; and \$11.899 billion from reform of child nutrition programs.

Govt Reform--Instructions require savings of \$10.624 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$1.155 b from High-5; \$4.9 b from fixed dollar FEHB contributions from retirees; \$2.662 b from increased agency pension contributions; \$780 m from charging federal employees for parking; and \$1.127 billion from increasing employee pension contributions.

Internat'l Rel--Instructions require savings of \$48 million in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$26 million from direct spending savings in foreign service retirement; and \$22 million from employee contributions (?) to foreign service retirement.

Judiciary--Instructions require savings of \$476 million in direct spending over 7 years. Budget committee assumed this would be achieved from patent and trademark offices fees.

Nat'l Sec--Approved Reconciliation package Aug. 1, producing a net spending increase of \$2.2 billion over 7 years (achieving its Recon. instructions). The package, approved 31-21, includes: (1) sale of 6 naval petroleum reserves (which produces a \$1.6 billion in savings in FY96 from the sale, but results in lost receipts each year thereafter) for a net loss of \$1 billion (shared w/ Commerce Comm); (2) a requirement to calculate military retirement pay on a "high-12-month" basis, which saves \$649 million over 7 years; and (3) a shift in military COLA dates to April from October which is a \$1.8 billion coster.

Resources--Instructions require savings of \$2.3 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows -- \$1.3 billion from leasing portions of ANWR for oil/gas exploration; \$225 m from park entrance and concession fees; \$50 m from privatizing helium reserves; \$737 m from energy asset sales; and new spending of \$42 million for territorial assistance.

Transportation--Instructions require savings of \$715 million in direct spending over 7 years. Budget committee assumed this would be achieved from the following fees -- \$357 m (rail safety); \$196 m (vessel tonnage); \$84 m (FEMA radiation); \$78 m (corp of engineer permit fees).

Veterans--Instructions require savings of \$6.392 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following -- \$2.602 b from extending current law provisions; \$2.283 from veterans comp; \$1.067 from prescription drug copayments; and \$440 million from half COLA for GI bill.

Ways & Means--No mark-ups held yet. The schedule for September is still not definitive, contrary to press reports. The Reconciliation trade provisions may be marked up early in the month. Mark-up of human resources provisions and Medicare provisions around mid-month.

Instructions require savings of \$341.564 billion in direct spending over 7 years. Budget committee assumed this would be achieved as follows - \$270 b from Medicare (shared with Commerce Comm); \$58 b from welfare reform; \$6.6 billion from AFDC JOBS; \$3 billion from foster care; \$525 million from drug treatment; \$1.9 billion from TAA; \$1.6 billion from requiring a state match for Title XX social services block grants; \$657 million from unemployment insurance; and \$88 million from veterans medical care.

Committee is also instructed to make changes in tax laws which reflect tax cuts of no more than \$46 b in FY 2000 and \$245 b in 2002 (the FY 2000 reference was a mistake in the resolution; should have been \$50 b in 2002.) Committee is unlikely to open up the House-passed tax bill

(which cost \$354 billion). Rules committee may incorporate it, with some provisions to shave it down, in the Reconciliation Bill.

Committee is also instructed to report provisions to increase the debt ceiling to \$5.5 trillion.

Senate: (Sept. 22 reporting deadline for spending cuts, but 5 days following CBO certification for tax cuts). Note--the Reconciliation instructions for Senate committees require specified cuts for each of three budget periods: FY96, FY96-2000, and FY 96-2002. However, for brevity, the following summaries reflect only the 7-year totals.

Agriculture--Committee is likely to meet late in September; the Rep./Dem. split is 10-8, so Lugar cannot afford to lose any Republican votes; minority believes Lugar will have a tough time getting all the Repubs to agree on a package; if Lugar fails, Dole and Domenici would have to attempt to put together 51 Republican votes to add an Ag. title on the Floor. Dem. contacts: Pat Westhoff, 224-8240; Jim Cubie, 224-6901.

Instructions require savings of \$48.402 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following -- \$35 b from welfare reform (food stamps) and \$13 b from agriculture commodity programs.

Armed Services--Mark-up not expected until later in the month, just prior to the reporting deadline. Instructions require savings of \$2.199 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following -- \$1.55 b from sale of the Naval Petroleum Reserve; and \$649 million from military retirement reform (high-12 months). There is some concern on the comm. about NPR being a "give-away" and the staff will present the committee with other savings options besides high-1. Min. contact: Mike McCord - 224-9353.

Banking--Instructions require savings of \$2.391 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following--\$2.181 b from flood insurance premiums and \$210 million from FHA multifamily property disposition.

In addition, Chairman D'Amato has signaled the possibility of including legislation to recapitalize the Savings Association Insurance Fund (SAIF) in reconciliation. OMB has estimated an outlay savings of \$5 billion in 1996, \$4.3 billion for 1996-2000, and \$3.5 billion for 1996-2002 for the SAIF proposal (assuming that no RTC money is used and that excess reserves are not rebated when BIF and SAIF merge). CBO's estimate of the savings is lower, due to differences in technical assumptions. CBO is currently estimating a savings of \$5 billion in the first year, \$2.6 billion in the first five years, and \$1.3 billion over the first seven years.

Commerce--Instructions require savings of \$15.036 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following--\$14 b from FCC spectrum auction; \$357 m from extending rail safety fees; \$196 million from extending vessel tonnage fees; and 483 million from FCC fees.

Energy--Instructions require savings of \$4.001 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following--\$1.3 billion from leasing portions of ANWR for oil/gas exploration; \$1.659 b from selling US Enrichment Corp; \$60 m from reforming concession fees; \$50 m from privatizing helium reserves; \$195 m from national park service fees; and \$737 m from energy asset sales.

Environment & PW--Mark-up delayed until after recess. Instructions require savings of \$2.250 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following--\$1.308 b from extending NRC fees; \$780 m by charging Fed. employees for parking; \$78 m from Corps of Engineers permit fees; and \$84 m from extending FEMA radiological fee. Contact: Tom Sliter

Finance--Finance has the heaviest load in the Congress, with all of Medicare, Medicaid, most of welfare, and all the tax cuts to report. Instructions require savings of \$530 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following--\$270 b from Medicare; \$181 b from Medicaid; \$65 b from welfare reform; \$6.6 b from AFDC JOBS; \$3 b from foster care and adoption assistance; \$1.6 b from social services block grants; \$1.3 b from TAA cash benefits; \$655 m from TAA NAFTA & training; and \$657 m from unemployment insurance.

If CBO certifies that budgetary balance has been achieved in 2002, then Finance Committee is to report tax cuts of up to \$245 billion over 7 years.

Finance is also to report an increase in the debt ceiling to \$5.5 trillion.

With an 11-9 split, the Republicans need every vote to report out a Reconciliation package; however, the Republicans may have trouble holding Chafee's vote.

Govt Affairs--Mark-up the week of Sept. 11. Instructions require savings of \$9.844 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following--\$4.9 b from fixed dollar FEHB contributions from retirees; \$2.663 b from increased agency pension contributions; \$1.145 b from civilian retirement reform; \$1.127 b from increased employee contributions; and \$9 m from congressional retirement reform.

Judiciary--Instructions require savings of \$476 million in direct spending over 7 years. Budget committee assumed this would be achieved from patent and trademark offices fees.

Labor--Instructions require savings of \$10.779 billion in direct spending over 7 years. Budget committee assumed this would be achieved from--\$10.077 b from student loans and \$702 million from FDA user fees.

Veterans--Instructions require savings of \$6.392 billion in direct spending over 7 years. Budget committee assumed this would be achieved from the following -- \$2.601 b from extending current law provisions;

\$2.284 from veterans comp; \$1.067 from prescription drug copayments; and \$440 million from half COLA for GI bill.

HIGHLIGHTS OF ACTION ON APPROPRIATIONS BILLS

Week of July 31st

Status as of 5:30 p.m., August 4th

Defense/National Security

- o The House began consideration of the bill on July 31st but did not complete action. Senate Floor debate is expected the week of August 7th.
- o Both the House and Senate versions of the bill provide funding in excess of the request -- \$7.8 billion and \$6.5 billion, respectively.
- o The House Committee bill includes \$0.5 billion in unrequested funding for production of the B-2 bomber. The Senate Committee bill does not include funds for B-2 bomber production.
- o The Technology Reinvestment Project is not funded in the House version of the bill. The Senate version of the bill provides \$238 million for the program, \$262 million below the request but \$30 million over FY 1995.
- o The House Committee bill would almost cut in half funding for the Nunn-Lugar program. The Senate Committee bill would fund the program at \$325 million, \$46 million below the request but \$125 million above the level in the House bill.
- o The House Committee bill includes language that would restrict the President's ability to conduct and finance contingency operations. (The objectionable language in the Subcommittee bill that would have permitted ballistic missile testing without regard to the ABM Treaty was deleted in House Committee action.) The Senate Committee bill does not include restrictive language relating to contingency operations in Bosnia.
- o The House Committee bill does not provide any of the requested funds (\$1.5 billion) for the third Seawolf attack submarine, although \$1.0 billion is provided for development and construction of a future attack submarine. The Senate Committee bill provides incremental funding of \$0.7 billion for the Seawolf submarine.

- o The Senate version of the bill provides \$300 million for "defense-related" activities of the Coast Guard. The House version of the bill provides \$44 million for "national security" activities of the Coast Guard.
- o Neither version of the bill provides funds for contributions for international peacekeeping.
- o Both the House and Senate versions of the bill assume a 2.4 percent pay raise for military personnel.

Energy/Water Development

- o The Senate passed the bill on August 1st by a voice vote.
- o A Dirgan amendment was adopted (83 to 14) that expressed the sense of the Senate that the Speaker of the House should move to appoint conferees on the line-item veto legislation immediately.
- o A Bumpers amendment was adopted (62 to 38) that deleted funds in the Senate bill for the study of the Gas-Turbine Modular Helium Reactor. The House version of the bill includes no FY 1996 funding for the reactor.
- o A Johnston (for Lautenberg/Bradley) amendment that allows the Department to allocate up to \$56 million for the Tokamak Fusion Test Reactor was adopted. (This amendment did not, however, increase the total appropriation for the fusion program above the \$225 million level in the bill.)
- o A Grams amendment was tabled that would have reduced Appalachian Regional Commission funding by \$40 million, or to the same level as in the House-passed bill.
- o Both the Senate- and House-passed versions of the bill would reject the reinvention of the Corps of Engineers' mission. Both versions would prohibit the Corps from closing or changing the function of district offices.
- o Funding in the Senate-passed bill for environmental cleanup programs is \$0.7 billion over the level in the House-passed bill and almost equal to the request.
- o The Senate bill provides \$5 million for treatment of North Korean spent fuel. The House-passed bill does not provide any funding for this key nonproliferation objective.

- o The Senate bill includes \$15 million that is not in the House bill for two key measures that would avoid biological jeopardy to the Columbia/Snake River threatened and endangered salmon runs.

Interior

- o The Senate Floor SAP (8/4) contains a Secretary of the Interior/OMB Director **VETO** threat.
- o The Senate is expected to consider the bill on Friday, August 4th or Saturday, August 5th.
- o The Senate Committee bill provides \$146 million for the National Biological Service, \$27 million below the request but \$33 million above the level in the House-passed bill.
- o The House-passed version of the bill would extend the current moratorium on patenting mining claims on Federal lands. The Senate Committee version of the bill does not include an extension of the moratorium.
- o Both versions of the bill would continue the existing moratoria on oil and gas leasing and drilling off most of the Outer Continental Shelf.
- o The Senate version of the bill includes a provision that would prohibit updating the Forest Management Plan for the Tongass National Forest and instead, would require the use of an outdated 1991 plan.
- o The Senate Committee bill would fund Native American programs within the Department of the Interior at a level that is 23 percent below the request. The House-passed bill would fund these programs at a level that is 12 percent below the request. The Senate version of the bill would transfer responsibility for all Indian trust programs from the Bureau of Indian Affairs to the Office of the Secretary.
- o The National Endowment for the Arts (NEA) is funded at \$99 million in both the House and Senate versions of the bill. This level is \$73 million below the request and 40 percent below FY 1995.
- o The National Endowment for the Humanities is funded at \$114 million in the Senate Committee bill, \$68 million below the request but \$15 million over the level in the House-passed bill.
- o The Senate version of the bill does not contain the provision in the House version of the bill that would restrict the Department of Energy from issuing appliance efficiency regulations.

- o Both versions of the bill would prohibit the use of funds provided in the Act for AmeriCorps national service projects.

Labor/HHS/Education

- o The House Floor SAP (8/2) stated that the President would **VETO** the bill if it were presented to him in its current form.
- o The House passed the bill during the legislative session of August 3rd by a vote of 219 to 208.
- o A Greenwood amendment was adopted (224 to 204) that restored \$193 million to the Title X family planning program. The Committee bill would have terminated this program.
- o A Kolbe amendment that would have deleted the Istook language that would allow States the option to restrict Medicaid funds for abortions in the case of rape or incest was defeated (206 to 215)
- o The bill would deny funds in the Act to any State or any program if such program or State has conformed with the new rules of the Accreditation Committee for Graduate Medical Education (ACGME). The ACGME recently revised its rules to require ob-gyn training programs to provide training -- or refer students for training -- in abortion procedures. A Ganske/Johnson amendment that would have deleted this provision was defeated (189 to 235).
- o A Skaggs amendment was defeated (187 to 232) that would have deleted the language in the bill that would prohibit Federal Government grantees from using any funds in the Act for political advocacy.
- o A Hoekstra amendment that would have eliminated the FY 1998 advance appropriation of \$240 million for the Corporation for Public Broadcasting was defeated (136 to 286).
- o Funding provided for the President's investment programs is significantly below the request and in many cases below the FY 1995 levels. Several investment programs would be terminated.
- o The House-passed bill would prohibit Federal funds from being used for embryo research outside the womb.

- o The Department of Education would be prohibited from implementing Title IX (discrimination on the basis of sex in intercollegiate sports) unless the Department revises its criteria for measuring compliance.
- o The House-passed bill would terminate the Low Income Home Energy Assistance Program. A Blute amendment that would have provided \$1.2 billion for the program, to be offset by a two percent across-the-board reduction in discretionary programs, was defeated (53 to 367).
- o A Lazio amendment was adopted by voice vote that increased the funding in the bill for the domestic volunteer component of the National Service initiative by \$13.8 million. Funding for National Service in the House-passed bill is \$0.2 billion, 30 percent below the request and 15 percent below FY 1995.
- o Head Start is funded at \$3.4 billion, \$0.5 below the request and \$0.1 billion below FY 1995.
- o Funding provided for NIH is \$0.2 billion over the request and \$0.6 billion, or five percent, over FY 1995.
- o The bill provides \$0.6 billion for Ryan White Act programs, \$0.1 billion below the request but a slight increase above FY 1995.
- o The Goals 2000 investment program would be terminated.
- o The School-to-Work initiatives in the Department of Education and Labor are funded at a total of \$0.2 billion, \$0.2 billion below the request and \$0.1 billion below FY 1995.
- o The bill contains numerous legislative limitations, including: (1) a provision that would prohibit the implementation of the President's Executive Order on striker replacement; (2) a provision that would prohibit funds in the bill from being used to support the Office of the Surgeon General; and (3) provisions that would restrict OSHA and NLRB activities. An Obey amendment that would have deleted 17 separate legislative riders in the bill was defeated by a vote of 270 to 155.

Transportation

- o The Senate Committee reported the bill on August 4th, following Subcommittee mark-up on August 2nd.
- o The Senate version of the bill contains language that would create State Infrastructure Banks, a part of the Administration's proposed Unified Infrastructure Investment Program.
- o Language is included in the Senate bill that would allow States to voluntarily "trade in" previously authorized but unused FHWA contract authority for new contract authority. (This is a partial fix to the ISTEA section 1003 problem.)
- o The language in the Senate Subcommittee bill that would have allowed the FAA to raise passenger facility charges to offset reductions in airport improvement grants was deleted during Committee action. The issue will be dealt with by the appropriate authorization committees.
- o Both the Senate Committee and House-passed versions of the bill fund transit operating subsidies at \$400 million, \$100 million below the request and \$310 million below FY 1995.
- o The Senate version of the bill provides \$39 million to complete ongoing appropriated highway demonstration projects. The House-passed bill does not include funding for new highway demonstration projects. Neither version of the bill would limit authorized/ISTEA demonstration projects, as requested by the Administration.
- o Both versions of the bill fund Amtrak, including the Northeast Corridor Improvement Program, at a level that is more than \$250 million below the request. In the Senate bill, the Pennsylvania Station redevelopment project is funded at \$25 million, 50 percent below the request. The House-passed bill includes no funds for the project.
- o The Senate Committee bill assumes that \$300 million will be provided to the Coast Guard in the Defense/National Security appropriations bill.
- o The Senate bill does not include the provision in the House bill that would prohibit any funds from being used for CAFE (Corporate Average Fuel Economy) rule-making.
- o Neither version of the bill provides any funding for the purchase of a DOT headquarters building.

Treasury/Postal Service

- o The Senate Floor SAP (8/4) contains a Presidential **VETO** threat over the elimination of ONDCP. In addition, the Secretary of Treasury has indicated that he would recommend that the President **VETO** the bill.
- o The Senate is expected to consider the bill on Friday, August 4th or Saturday, August 5th.
- o The Senate Committee bill does not contain the provision in the House-passed bill that would prohibit health plans that participate in the Federal Employees' Health Benefits Program from providing coverage for abortions except when the life of the mother is in danger.
- o The Office of National Drug Control Policy (ONDCP) would be terminated in the Senate Committee bill. Several of its programs, including the Counter-Drug Technology Center and the High Intensity Drug Trafficking Areas program, would be funded at or near the requested levels under the control of the Treasury Under Secretary for Enforcement.
- o In the Senate bill, both the Council of Economic Advisers and the Information Security Oversight Office are funded at the requested levels of \$3.4 million and \$1.5 million, respectively. The House-passed bill would terminate these entities.
- o Both the Senate Committee and the House-passed versions of the bill would terminate the Advisory Council on Intergovernmental Relations and the Administrative Conference of the United States.
- o EXOP entities are funded at the following levels in the Senate bill: (1) the White House Office -- \$38.1 million, \$2.1 below the request and \$1.3 million below the House level; (2) the Office of Administration -- \$25.6 million, \$0.5 million below the request and \$0.2 below the House level; (3) NSC -- \$6.6 million, the requested level and \$0.2 million above the House; (4) Executive Residence -- \$7.8 million, the requested level and \$0.3 million above the House; and (5) OMB -- \$55.9 million, \$0.4 million below the request but \$0.5 million above the House. The language in the House-passed bill that would divide the OMB budget into nine separate appropriations is not included in the Senate Committee bill.
- o The funding level for the tax systems modernization project is \$255 million below the request of \$933 million in the Senate Committee bill and \$211 million below the request in the House-passed bill.

- o The Senate Committee bill does not contain the objectionable language in the House-passed bill that would prohibit the use of FY 1996 salaries and expenses funds for making additional loans to Mexico from the Exchange Stabilization Fund.
- o The Senate version of the bill includes the FTS 2000 mandatory use language, which has been in the Act for several years. The House version of the bill does not contain this language.

VA/HUD/Independent Agencies

- o The House Floor SAP (7/26) stated that the President would **VETO** the bill if it were presented to him in its current form.
- o The House passed the bill on July 31st by a vote of 228 to 193.
- o On July 31st, the House reconsidered the Stokes/Boehlert amendment (originally adopted on July 28th by vote of 212 to 206) that would delete 16 separate legislative riders in the bill that would prevent EPA from conducting certain enforcement and regulation activities. The amendment was defeated in the second vote (210 to 210).
- o A Dingell amendment that would have restored \$440 million to the Superfund, offset with reductions to FEMA, was defeated (155 to 261).
- o An Ensign amendment was defeated (121 to 296) that would have increased funding for VA Medical Care to the requested level and decreased funding for NSF and NASA.
- o Funding for the President's investment proposals is virtually eliminated in the House-passed bill. In particular, the National Service and Community Development Financial Institutions programs would be terminated.
- o EPA is funded at \$4.9 billion in the House-passed bill, \$2.5 billion below the request and \$1.1 billion, or 18 percent, below FY 1995. The bill reduces EPA's operating programs (research, regulatory development, enforcement, and State grants) by 24 percent and reduces EPA's enforcement activities by nearly 50 percent.

- o The House-passed bill provides no funds for Drinking Water State Revolving Funds in FY 1996 and would eliminate all previous funding. This is contrary to the agreement reflected in P.L. 104-19.
- o The House bill does not include any funding for HUD's new "performance funds" accounts that are crucial to the Administration's reinvention proposal.
- o The bill would eliminate HUD's operating subsidies program and replace it with 76,294 Section 8 vouchers. No funds are included for special purpose grants.
- o Homeless assistance programs in HUD are funded at a level that is \$0.4 billion below FY 1995.
- o Space Station Alpha is funded at the requested level; however, \$0.4 billion of the funds provided would not be available until August 1, 1996. During Floor debate, several amendments that would have eliminated funding for the Space Station were defeated. The Mission to Planet Earth (Earth Observing System) initiative is funded \$0.3 billion below the requested level of \$1.3 billion.
- o VA Medical Care is funded at \$16.7 billion in the House-passed bill, \$0.2 billion below the request but \$0.5 billion above FY 1995. Language is included that would direct the use of \$0.2 billion in mandatory program savings from veterans' benefits to fund increases in discretionary programs.
- o The Council on Environmental Quality would be terminated. This would hamper the President's ability to coordinate environmental policy throughout the Executive Branch.

OBJECTIONABLE LEGISLATIVE RIDERS IN APPROPRIATIONS BILLS

Week of July 31st

Agriculture/Rural Development (House Floor)

- o The food stamp standard deduction would be frozen at the FY 1995 level.
- o The accelerated privatization of the Rural Telephone Bank proposed in the budget would not be permitted.
- o Section 722 would prohibit increases in FTEs for the Food and Drug Administration.
- o Section 721 would prohibit the use of funds for programs, projects, or activities that are not in compliance with Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

Commerce/Justice/State (House Floor)

- o The Legal Services Corporation would be prohibited from representing illegal aliens and from handling eviction litigation for suspected drug dealers or those formally charged with a drug offense.
- o Section 609 would limit the use of funds for diplomatic facilities in Vietnam.
- o The House bill would prohibit all funds from being used for new Advanced Technology Program (ATP) awards.

Defense (House Committee/Senate Committee)

- o Section 8102 of the House Committee bill would require congressional consultation before funds can be used for international peacekeeping or peace-enforcing operations, any deployment of U.S. ground forces to Yugoslavia, or humanitarian assistance operations costing \$50 million or more. Emergency supplemental appropriations are to be requested within 90 days of deployment.
- o Section 8103 of the House Committee bill would require congressional notification 15 days in advance of the transfer of defense articles or services (except intelligence) to any other nation or international organization.
- o Section 8104 of the House Committee bill would require congressional authorization before the President could deploy U.S. troops to implement a negotiated peace settlement in Bosnia-Herzegovina.
- o Section 8074 of the Senate Committee bill would require approval of the Comptroller General, an agent of the Legislative Branch, before any reorganization of ROTC could be implemented. Provision raises constitutional separation of powers concerns
- o Section 8083 of the Senate Committee bill would require the Department of Defense to pay invoices in 24 days when all other Government agencies are required to pay invoices in 30 days under the Prompt Payment Act. This provision would increase Defense outlays by \$750 million in FY 1996.

Energy/Water Development (House Floor/Senate Floor)

- o The Army Corps of Engineers in both House and Senate versions of the bill would be prohibited from closing or changing the function of district offices.
- o Section 504 of the House-passed bill would prohibit the use of funds for programs, projects, or activities that are not in compliance with Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates. The Senate Committee bill does not contain this provision.

Foreign Operations (House Floor)

- o The bill contains a provision that would prohibit U.S. funding for any private, non-government, or multilateral organization that directly or indirectly performs abortions -- or promotes changes in abortion laws -- in any foreign country except in cases of rape, incest, or when the life of the mother is in danger.
- o Language is included in the bill that would bar aid to the government of Haiti after March 1, 1996, if the President determines that the government held power through means other than democratic elections.
- o The bill includes language that would limit the amount that the U.S. can contribute to the Korean Peninsula Energy Development Organization to \$13 million (\$3 million for administration and \$10 million for fuel purchases) vs. the request of \$22 million.

Interior (House Floor/Senate Committee)

- o The Senate Committee bill would lift the moratorium on patenting mining claims on Federal lands, which continues a ban against low-priced Government sales of mining claims. The House-passed bill continues the moratorium. The Administration has argued to retain the moratorium.
- o The Senate Committee bill would require the use of an outdated 1991 forest plan for management of the Tongass National Forest. This would prohibit use of updated scientific information and recent public input regarding multiple use management of the Forest.
- o The House bill would limit the use of volunteers by the National Biological Service if it is determined that the volunteers are not properly trained and supervised.
- o The House-passed bill would prohibit the Department of Energy from planning, proposing, or issuing new or amended energy efficiency standards through its Codes and Standards Program. The Senate bill does not contain this restriction although it would still prohibit the Department from issuing standards for high-efficiency ballasts for florescent lights.

- o Both the House-passed and Senate Committee versions of the bill would prohibit the use of funds appropriated under the Act for AmeriCorps national service projects.
- o The Senate Committee bill would prevent any reorganization or "reinvention" of the Forest Service unless approved in advance by four House and Senate committees.
- o Section 317 would prohibit the use of funds for programs, projects, or activities that are not in compliance with Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

Labor/HHS/Education (House Floor)

- o The bill would prohibit implementation of the President's Executive Order on striker replacement.
- o The bill would prohibit funds from being spent on the position of Surgeon General.
- o The bill would prohibit the use of funds in the Act by any recipient of grants (including private organizations) for political advocacy. The provision would also bars grants to organizations that have expended a significant amount of their own funds (from any source) for political advocacy in the past five years. All grantees would be subject to a GAO audit to confirm compliance and must file annual reports on political advocacy
- o The Education Department would be prohibited from implementing Title IX (discrimination on the basis of sex in intercollegiate sports) unless the Department revises its criteria for measuring compliance
- o States would be allowed the option to deny abortion funding for poor women who are victims of rape or incest.
- o Funds in the Act would be denied to any State or program if such a program or State has conformed with the new rules of the Accreditation Committee for Graduate Medical Education (ACGME). The ACGME recently revised its rules to require ob-gyn training programs to provide or refer students for training in abortion procedures.

- o Federal funds would be prohibited from being used for embryo research outside the womb.
- o The bill would restrict the National Labor Relations Board's ability to issue 10(j) injunctive relief.
- o The bill would prohibit OSHA from developing, promulgating or issuing any standards or guidelines regarding ergonomic protection or recordkeeping.
- o The bill would prohibit the Department of Labor from enforcing a Hazardous Occupation order with respect to incidental and occasional driving by minors under age 18, unless the Secretary finds that motor vehicle operations is the primary duty of the minor's employment.

Legislative (Conference)

- o This conference bill would transfer certain GAO review functions to OMB.

Military Construction (House Floor/Senate Floor)

- o Both the House- and Senate-passed versions of the bill contain limitations on the amount of base closure funds that can be used for environmental restoration.

Transportation (House Floor/Senate Committee)

- o The Senate bill does not include the language in the House bill that would set standards governing the arbitration of labor disputes involving the Washington Metropolitan Area Transit Authority (WMATA)
- o The House bill contains a provision that would prohibit any funds from being used for CAFE rule-making. The Senate bill does not contain this provision.
- o Both versions of the bill contain a provision that would discontinue Worker's Compensation benefits to all Department of Transportation employees (excluding the Maritime Administration) who are eligible to retire.

Treasury/Postal Service (House Floor/Senate Committee)

- o The House-passed bill includes a provision that would prohibit health plans that participate in the Federal Employees' Health Benefits Program from providing coverage for abortions except when the life of the mother is in danger. The Senate Committee bill does not include this provision.
- o The House-passed bill includes a provision that would prohibit OPM from using funds to implement a RIF in the Investigations program before June 30, 1996. This would delay REGO II privatization. The Senate Committee bill does not include this provision.
- o Section 528 of the House-passed bill would restrict the use of funds for Federal employee training.
- o The Senate Committee bill would exempt the U.S. Mint from all provisions of law governing procurement or public contracts.
- o Both House and Senate versions of the bill would direct the Comptroller General to apply a statute of limitations for overtime pay for Federal criminal investigators that is three time longer than that applicable to claims filed by all other private and public sector employees.

VA/HUD/Independent Agencies (House Floor)

- o No funds could be expended from the Superfund pending authorization.
- o No funds could be expended from the Water Infrastructure Fund pending authorization of the Clean Water Act.
- o Section 518 would prohibit the use of funds for programs, projects, or activities that are not in compliance with Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

- o The House bill would place a cap of \$19.9 billion on outlays associated with Annual Contributions for Assisted Housing.
- o Section 202 raises the monthly rental contribution of individuals receiving rental assistance from 30 percent of adjusted income to 32 percent.
- o Section 209 prohibits the Office of Federal Housing Oversight from promulgating, implementing, or enforcing any regulations associated with mortgage insurance.
- o Section 209 (e) prohibits HUD from taking any action against a State or local agency that has "English only" provisions.
- o The House bill prohibits EPA from using any funds to promulgate or enforce regulations associated with several environmental laws.
- o The House bill directs the NASA Administrator to conduct a study on closing/restructuring space flight and research centers, and to submit recommendations and a detailed schedule of how this would be accomplished, to the Congress by March 31, 1996.

STATUS REPORT: FY 1996 APPROPRIATIONS BILLS

Appropriations Bills	House Action			Senate Action			Conference Report			Signed P.L. #
	Subcom.	Committee	Floor	Subcom.	Committee	Floor	Conf.	House	Senate	
Agriculture/Rural Development..... (H.R. 1976)	6/14	6/27	7/19-21							
Commerce/Justice/State..... (H.R. 2076)	6/28	7/19	7/25-26							
Defense..... (H.R. 2126)	7/11-13*	7/25	7/31	7/26	7/28	(week of 8/7)				
District of Columbia..... (H.R.)										
Energy/Water Development..... (H.R. 1905)	6/13*	6/20	7/11-12	7/25	7/27	7/31-8/1				
Foreign Operations..... (H.R. 1868)	6/8	6/15	6/22, 6/27-28, 7/11							
Interior..... (H.R. 1977)	6/20	6/22, 27	7/13, 7/17-18	7/26	7/28	(8/4 or 5)				
Labor/HHS/Education..... (H.R. 2127)	7/11-12 a.m.	7/20-21, 24	8/2-3							
Legislative..... (H.R. 1854)	6/8	6/15	6/21-22	--	7/18	7/20	7/27			
Military Construction..... (H.R. 1817)	6/7	6/13	6/16, 6/20-21	--	7/19	7/21				
Transportation..... (H.R. 2002)	6/21	6/30	7/21, 7/24-25	8/2	8/4					
Treasury/Postal..... (H.R. 2020)	6/28	7/11-12	7/18-19	7/25	7/27	(8/4 or 5)				
VA/HUD/Ind. Agencies..... (H.R. 2099)	7/10	7/18	7/27-28, 31							
1995 DOD Supplementals and Rescissions: (H.R. 845).....	---	2/10	Merged into H.R. 889							
(H.R. 889).....	---	2/10	2/22	---	3/2	3/7-10, 3/13-16	3/29, 4/4-5	4/6	4/6	4/10/95 104-6
1995 Emergency Supplementals/Rescission (H.R. 1159).....	2/22-24	3/2	Merged into H.R. 1158							
(H.R. 1158).....	2/22-24	3/2	3/15-16	week of 3/20	3/24	3/29-31, 4/3-6	5/3, 5/10-12 5/15-16	5/18	5/25	6/7/95 Vetoed
(H.R. 1944).....	---	---	6/29	---	---	6/30, 7/20-21	---	---	---	7/27/95 104-19

* Denotes closed mark-up. () Dates shown represent expected or ongoing action.

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August 7, 1995

APPROPRIATIONS -- SUPPORT/OPPOSITION

Agriculture (HR 1976)

- House subcommittee reported--OMB letter 6/21: serious objections.
- House committee reported--Floor SAP 7/18: Agriculture/OMB veto recommendation.

C/J/S (HR 2076)

- House subcommittee reported--OMB letter 7/18: Attorney General/ Commerce/OMB veto recommendation.
- House committee reported--Rules SAP 7/20: Attorney General/ Commerce/OMB veto recommendation.
- House committee reported--Floor SAP 7/24: Attorney General/ Commerce/OMB veto recommendation.
- House committee reported--POTUS letter 7/25: "I would veto it because it would eliminate the Community Oriented Policing Services (COPS) program."

Defense

- House subcommittee reported--OMB letter 7/20: Administration does not support.
- House committee reported--Rules SAP 7/27: serious concerns and "the President will not support the bill unless those concerns are addressed."
- House committee reported--Floor SAP 7/31: serious concerns and "the President will not support the bill unless those concerns are addressed."

DC

Energy/Water (HR 1905)

- House subcommittee reported--OMB letter 6/20: strongly opposed.
- House passed--OMB letter 7/20: strongly opposed.
- Senate committee reported--Senate SAP 7/31: strongly opposed.

Foreign Ops (HR 1868)

- House committee reported--Floor SAP 6/22: difficulty supporting if improvements are not made.

Interior (HR 1977)

- House subcommittee reported--OMB letter 6/21: serious objections.
- House committee reported--Floor SAP 7/12: OMB/Interior veto recommendation.
- House passed--OMB letter 7/25: OMB/Interior veto recommendation.
- House passed--Senate Floor SAP 8/4: OMB/Interior veto recommendation.

Labor/HHS/Ed

- Panetta, 7/11: if subcomm. chairman's mark reaches the President's desk in its current form, "he will veto."
- House subcommittee reported--OMB letter 7/19: President would veto.
- House committee reported--Rules SAP 7/27: President would veto.
- House committee reported--Floor SAP 8/2: President would veto.

Leg Branch (HR 1854)

- Conference report--POTUS said on 8/1: "If the congressional leadership follows through on its plan to send me its own funding bill before it finishes work on the rest of the budget, I will be compelled to veto it."

Mil Con (HR 1817)

- House subcommittee reported--OMB letter 6/13: would support if modified.
- House committee reported--Rules SAP 6/15: would support if modified.
- House-passed--OMB letter 7/18: strongly objects to certain provisions.
- Senate committee reported--Floor SAP 7/20: strongly objects to certain provisions.

Transportation (HR 2002)

- House committee reported--Rules SAP 7/19: serious objections.
- House committee reported--Floor SAP 7/21: serious objections.
- House passed--OMB letter 8/1: serious objections.

Treasury/Postal (HR 2020)

- House subcommittee reported--OMB letter 7/10: serious objections.
- House committee reported--Floor SAP 7/17: OMB/Sr.WH officials/OPM veto recommendation.
- House-passed--OMB letter 7/24: OMB/Sr.WH officials/Treasury/OPM veto recommendation.
- Senate subcommittee reported--POTUS STATEMENT on ONDCP 7/26: As this bill is now constructed, I will not sign it.
- Senate subcommittee reported--OMB letter 7/27: Treasury veto recommendation.
- Senate committee reported--Floor SAP 8/3: President has stated he would not sign due to elimination of ONDCP; Treasury veto recommendation due to other concerns.

VA/HUD/Independent Agencies

- House subcommittee reported--Panetta statement 7/11: President will veto.
- House subcommittee reported--OMB letter 7/17: senior advisors veto recommendation.
- House committee reported--Rules SAP 7/24: President would veto bill.
- House committee reported--Floor SAP 7/26: President would veto bill.
- House-passed--POTUS said on 8/1: "The minute this polluter's protection act hits my desk, I will veto it."

Budget Working Group Library

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8/4/95

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Clinton Considers Landmark Federal Regulation of Tobacco, LAT
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Energy Department layoffs called likely, 25% staff cut if 5 yr. goal, WT
Ballistic-missile defense system survives attack by Democrats, WT
Gephardt rips GOP anew on Medicare, says plan aids those "who have made it", WT

"Cooking Books" remark heats up budget debate, WT
 Clinton's Wishful Medicare thinking, WT
 Reforming EPA.. protecting the Earth, Sen. Christopher Bond, WT
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 Lawmakers Clash over bill that would slash programs, Newsday
 Witnesses: Hillary had documents moved after Foster death, Newsday

8/3/95

Daily Budget Notes: President says Education key to Future, will stop efforts to gut Ed. Investments

Working Group: Mtg. 16-a Agenda

Schedules: Budget Working_Group Planning Calendar for 8/3/95 - 8/13/95
 Cabinet Amplification and Planning (8/3/95)

Education/Training: President's Remarks on Labor/HHS/Education

Appropriations: President's Remarks on Labor/HHS/Education

Communications: President's Remarks on Labor/HHS/Education

Clips:

- *Vying for Friendlier Skies, Al Gore* CHITRIB (8/2/95)
- Family Planning Funds Restored WP 8/3/95
- Hearings open on Social Security Changes WP 8/3/95
- Disabled people see Budget-Cutting Fervor as Threat 8/3/95
- GAO layoff rules mulled WP 8/3/95
- Right act, wrong villains (Editorial, Budget politics) WP 8/3/95
- A toughening on Bosnia? WP 8/3/95
- House debates bill wiping out President's prized initiatives WSJ 8/3/95
- House likely to miss September Deadline for Deficit package WSJ 8/3/95
- California legislature clears \$55 billion budget WSJ 8/3/95
- Senate refuses to force Packwood Public Hearings WSJ 8/3/95
- DuPont Co. to stop Cyanazine production after EPA pressure WSJ 8/3/95
- Showtime for Republicans (Editorial, Budget Politics) WSJ 8/3/95
- A Waste of Food Stamps (Op-Ed, vitamin subsidies) WSJ 8/3/95
- Give the poor a choice (Op-ed, vitamin subsidies) WSJ 8/3/95
- Spending has GOP's hackles up: House may kill deep-cuts bill WT 8/3/95
- Senate keeps hearings on Packwood closed WT 8/3/95
- Revolution, evolution or dissolution? (public belief of politicians) WT 8/3/95
- An appropriate revolution WT 8/3/95
- Who needs Social Security? WT 8/3/95
- A critical appropriations bill WT 8/3/95
- *Local Press Clips (Vermont)* (8/3/95)
- *Clinton Captivates Vermonters/Gov.s divided* BURL. FREE PRESS 8/1/95
- Turkey, pie-- and the meal of a lifetime BURL.FREE PRESS 8/1/95
- Dole, Clinton heighten welfare battle BURL.FR.PRESS 8/1/95
- Clinton thrills Burlington with morning stroll BURL.FR.PRESS 8/1/95

- Clinton, Dole offer '96 political preview BURL.FR.PRESS 8/1/95
- Clinton's shrewd move BURL.FR.PRESS 8/1/95
- Clinton Shakes up Burlington BARRE TIMES ARGUS 8/1/95
- Mixed reaction for Clinton Welfare Plan B. TIMES ARGUS 8/1/95
- Hot Dogs, Protesters: Just the way in Vermont B.TIMES ARGUS 8/1/95
- Clinton comes to Vermont
- Clinton, Dole debate welfare BENNINGTON BANNER 8/1/95
- Governors rethinking funding BENNINGTON BANNER 7/31/95
- Clinton, Dole on welfare at governors' BATTLEBO.REFORMER 8/1/95
- Pres. visit leaves VT'ers smiling BATTLEBORO REFORMER 8/1/95
- Governors grapple over Medicare BATTLEBORO REFORMER 8/1/95
- President to receive history lesson as gift B.REFORMER 8/1/95
- Visit leaves memories CALEDONIAN RECORD 8/1/95
- Clinton, Dole duel on welfare reform CALEDONIAN RECORD 8/1/95
- President and Senator in Burlington CALEDONIAN RECORD 8/1/95
- Clinton offers faster Welfare NEW DAILY EXPRESS 8/1/95
- Mixed reaction to Clinton Plan RUTLAND HERALD 8/1/95
- President offers plan for welfare RUTLAND HERALD 8/1/95
- Thousands turn out to greet president ST.ALBANS MESSENGER 8/1/95
- The Welfare Duel ST. ALBANS MESSENGER 8/1/95
- Weld blasts prez on welfare reform BOSTON HERALD 8/1/95

8/2/95

Daily Budget Notes: President Clinton Vows to Fight Special Interests, Defend Environment And Public Health

Working Group: Mtg. 15-a Agenda

Schedules: Budget Working Group Planning Calendar for 8/2/95 - 8/6/95
Cabinet Amplification and Planning for 8/1/95 - 8/5/95

Communications: US Budget: Rivlin says new forecasts make balance goal (Goldberg)

Clips: GOP Medicare Effort Avoids Deadly Detail, NYT
Clinton Lashes Out At Congress, Citing Pollution and Guns, NYT
Governors Seek Formula for Medicaid, NYT
Philip Morris Denies Charge By Lawmaker, NYT
The Billion-Dollar Lemon (B-2 bomber), NYT
Misguided Attack on Family Planning, NYT
Clinton Says Congress on "Wrong Track", WP
Clinton May Jump Into Tax Reform Fray, WP
Senate Democrats Stymie Helm's Bid To Kill 3 Foreign Policy Agencies, WP
Science Centers Scramble for Funds, WP
Rep. Livingston Shows Caution in Cutting Back A Home-State Agency, WP
Executives Seek Common Ground On Serving Needy (National Governors' Association), WP
Boxer Heads for Showdown on Public Packwood Hearings, WP
Formula-Saving Options (Budget), WP

Stamp Out Diseases, Not Programs, WP
 Baby Boomers and the Savings 'Crisis', WP
 Dilemmacrats (Democrats suffering from identity crisis), WP
 Clinton Threatens More Vetoes, Saying GOP Congress Is 'on the Wrong
 Track', WSJ
 Manufacturing Bounced Back in July After Two Declines, Survey Indicates,
WSJ
 No New Laws Curbing Guns, Gingrich Lwttter To NRA Promises, WSJ
 Blue Cross Association Plans HMO Network with Medicare Link, WSJ
 Will the Flat Tax KO Housing?, WSJ
 GOP bills run into veto threat, USA Today
 Clinton Vows Vetoes on Environmental, Communications Bill, LAT
 Reno Defends Decision to Use Tear Gas at Waco, LAT
 First Lady's Role in Handling Foster's Suicide Disputed, LAT
 Clinton fumes over GOP Hill actions, WT
 Helms set to halt all action by panel, WT
 Senators try to save reform of rules, WT
 Spector vows war on pro-life riders, WT
 Drilling in wildlife refuge imminent, WT
 US cuts put pinch on global loans, WT
 Answers scarce on Medicare's future, WT
 Family planning and the title X debacle, WT
 What markets are good for, WT
 Clinton Berates Congress for passing 'Polluters Protection Act', Chicago
Tribune
 GOP action slows NAFTA expansion; fast track vote delayed, Journal of
Commerce
 Helms gets taste of his own medicine: Democrats reject foreign policy bill,
Knight-Ridder Newspapers
 Clinton Blasts GOP-Led Congress, Threatens Vetoes, Newsday
 Reno Defends Her Decision to Raid Waco Compound, Newsday

8/1/95

Daily Budget Notes: 1995 Deficit Forecast Down by over \$30 Billion
Working Group: Mtg. 14-a Agenda
Schedules: Budget Working Group Planning Calendar for 8/2/95 - 8/13/95
Cabinet Amplification and Planning for 7/31/95 - 8/4/95 (8/1/95)
Health Care: GOP Medicare Recess Packet
Medicare Presentation Suggested Talking Points
Opposition Message: GOP Medicare Recess Packet

7/31/95

Daily Budget Notes: Republican Cuts Push 500,000 Medicare Beneficiaries into Poverty
Working Group: Follow-up from 9:00am Meeting, 7/31/95
Mtg. 13-a Agenda
Schedules: Budget Working Group Planning Calendar for 7/31/95 - 8/13/95
Cabinet Amplification and Planning
Cabinet/Sub-Cabinet Events (Cabinet Affairs)
"Week Three" Schedule (7/31/95)

- 7/28 American Federation of Teachers Speech
- 7/29 Medicare 30th Anniversary Radio Address
- 8/1 POTUS Response on Labor/HHS Vote
- 8/3 (?) Satellite to Fraternal Order of Police
- 8/4 (?) Family and Medical Leave Radio Address

Clips:

- Watch out with that budget Ax. My district NEEDS that dam NYT (7/30/95)

7/28/95

Daily Budget Notes: House is Expected to take up the FY96 VA/HUD Approps. Bill
Education/Training: *Education State-by-State Press Releases*

- Representative Bob McGinnis Supports Clinton's Education Budget (Leg. Research)
- From Senator Shirley Gold (775 9612)
- Maine loses \$157 million under GOP budget plan BDN (7/26/95)
- News Release from Assemblywoman Dede Alpert, House action slashes Education funding for California (7/27/95)
- Cuts hit Del. Education, training NEWS JOURNAL (7/26/95)
- Lt. Gov. Bob Weygand: Criticizes proposed Cuts in Education
- Assemblyman Steven Sanders (NY): Backs Clinton in Opposing Education Cuts
- Ohio House: Dem. State Lawmakers Blast Congress Budget Cuts
- Gov. Carnahan (MO) Re: Congress Cuts in Education/Job Training
- Gov. of MD: Education Cuts Expected to hurt MD's Ed. Programs
- Sen. David Magnani (Mass.): Op-Ed piece for Boston Globe

Health Care: Too Young to Die: Medicare 1965-2002 (Republican Ad, USAT. 7/28/95)

Balanced Budget: *President's Balanced Budget Speaker's Packet*

- *OMB Analysis of VA-HUD Approps (7/19/95)*
- *OMB Analysis of Labor-HHS Approps (7/19/95)*
- *President's speech to Boy's Nation/Common Ground on Budget (7/24/95)*
- *President's speech on 30th Anniversary of Medicare (7/25/95)*
- *Balanced Budget Built on Shared Values*
- *Balanced Budget for Working Families*
- *Budget Notes, 7/24/95 - 7/28/95*

Opposition Message: Too Young to Die: Medicare 1965-2002 (Republican Ad, USAT. 7/28/95)

State-by-State: *Education State-by-State Press Releases*

- Representative Bob McGinnis Supports Clinton's Education Budget (Leg. Research)
- From Senator Shirley Gold (775 9612)
- Maine loses \$157 million under GOP budget plan BDN (7/26/95)
- News Release from Assemblywoman Dede Alpert, House action slashes Education funding for California (7/27/95)
- Cuts hit Del. Education, training NEWS JOURNAL (7/26/95)
- Lt. Gov. Bob Weygand: Criticizes proposed Cuts in Education
- Assemblyman Steven Sanders (NY): Backs Clinton in Opposing Education Cuts
- Ohio House: Dem. State Lawmakers Blast Congress Budget Cuts
- Gov. Carnahan (MO) Re: Congress Cuts in Education/Job Training
- Gov. of MD: Education Cuts Expected to hurt MD's Ed. Programs
- Sen. David Magnani (Mass.): Op-Ed piece for Boston Globe

Working Group: Mtg. 12-a Agenda

Communications: GOP, White House trade charges on Medicare (Goldberg)
White House sees US Economy Growing Steadily (Goldberg)

Schedules: Budget Working Group Planning Calendar (7/29 - 8/13)
Cabinet Amplification and Planning

PRESS:

- House Rebuffs Many Budget Amendments NYT
- Faded Memory of Korea War is Celebrated NYT
- GOP Urges Big Spending to cure Capital's problems NYT
- Ethics Panel in House hears from Gingrich NYT
- President Approves GOP spending cuts WP
- Dole aims at Affirmative Action WP
- Senate Committee Votes to abolish Drug Office WP
- Senate votes to continue AIDS program WP
- Senate Thwarts Helms's Efforts to trim AIDS program WP
- CIA steps up "scrub down" of agents WP
- Spending Vote threatens GOP unity WP
- Securities Laws overhaul offered WP
- HMOs to get big Medicare rate increase WSJ
- Kodak seeks US help to crack Japan market WSJ
- White House sees Deficit for year at \$160 Billion WSJ
- Workers weekly wages rose to \$475 in quarter WSJ

- GOP's Block-grant plan for food stamps fades WSJ
- House GOP wins bid to put waivers in EPA Bill WSJ
- Medicare battle widens USATODAY
- Dole joins Affirmative Action fray USATODAY
- Foster death not immediately ruled suicide USAT
- Waco tear-gas assault only option, Reno says USATODAY
- Congress' cuts bleeding cities, advocates say USATODAY
- Korea's warriors forgotten no more USATODAY
- Saving Medicare means more managed care USATODAY
- No HMO for me, please USATODAY
- Clinton says Air Strikes are "Last Chance" for Peacekeepers LAT
- Croatian residents brace for renewed shelling LAT
- Clinton signs Budget-Cut measure, releasing quake aid LAT
- Despite Helms' objections, Senate OKs New Funds for AIDS care LAT
- Three-way union merger has roots in USAir labor battle LAT
- House takes up first major bill targeting social spending LAT
- AIDS law renewal passes with ban on forced training WT
- Dole, Canady seek "equal opportunity" in US govt. WT
- College Republicans learn to play politics WT
- House Democrats fail in effort to kill space construction WT
- Op-Ed Page, WT :
 - He who controls the language controls the culture
 - This would show that Clinton really believes in affirmative action
 - From the very first sentence, news article showed your bias on

rights

- Miscalculating what AmeriCorps really costs in dollars and cents
- Fudging the Medicare facts WT
- Whitewater Investigators dig on in vain NEWSDAY
- Feds testify tear gas at Waco was not lethal NEWSDAY
- Ethics Panel urged to broaden Gringrich investigation NEWSDAY
- Senate votes to reauthorize Ryan White Act (AIDS assistance for states)

ND

- Three Labor giants agree to merge NEWSDAY
- Reno at large: Check fine print on GOP's plans for Medicare NEWSDAY

7/27/95

Daily Budget Notes:	Republicans Feeling Heat Over Appropriations Bills -- Tough Votes Ahead
Working Group:	Mtg. 11-a Agenda
Schedules:	Budget Working Group Planning Calendar (7/27 - 8/13) Budget Working Group Planning Calendar (7/23 - 9/16) (Rec.'ed 7/27/95) Cabinet/Sub-Cabinet Events (Cabinet Affairs)
Education/Training:	Statement by Undersecretary of Education Marshall Smith Re: Student Loans Statement of Alice Rivlin: on House Republicans and College Student Loans
Environment/Safety:	ABC Interview: Impact GOP Budget cuts, Environment (Sperling, Waldman)

Environment/Safety: · Businesses find allies in GOP to launch Attacks on Federal job-safety and Labor regulations WSJ (6/20/95)
· Wood Products Company helps write a law to derail EPA inquiry NYT (7/26/95)

Health Care: ABC Interview: Impact GOP Budget cuts, Public Health (Sperling, Waldman)

Lobbying: GOP Defends Squeezing Medicare; Democrats want Details (Goldberg)
GOP Members use Lobbyists to write Bills
· Politics and People: Special Interests are Feasting... WSJ (7/27/95)
· Businesses find allies in GOP to launch Attacks on Federal job-safety and Labor regulations WSJ (6/20/95)
· Locals' Access (Editorial) WSJ (6/8/95)
· Wood Products Company helps write a law to derail EPA inquiry NYT (7/26/95)
· In GOP Congress, Lobbyists Remain as powerful as ever... WSJ (4/20/95)
· Republicans rule Lobbyists world with strong arm NYT (3/20/95)

Appropriations: Memo on Appropriations (Sperling, Goldberg)(dated 7/25/95)
Statement of Admin. Policy, HR2099 VA/HUD Appropriations Bill, FY96

Opposition Message: GOP Ad Says Clinton Ignoring Medicare Financial Crisis (AP)
GOP Members use Lobbyists to write Bills
· Politics and People: Special Interests are Feasting... WSJ (7/27/95)
· Businesses find allies in GOP to launch Attacks on Federal job-safety and Labor regulations WSJ (6/20/95)
· Locals' Access (Editorial) WSJ (6/8/95)
· Wood Products Company helps write a law to derail EPA inquiry NYT (7/26/95)
· In GOP Congress, Lobbyists Remain as powerful as ever... WSJ (4/20/95)
· Republicans rule Lobbyists world with strong arm NYT (3/20/95)

Communications: GOP Defends Squeezing Medicare; Democrats want Details (Goldberg)
PRESS: · GOP Women tell leaders to soft-pedal abortion The Hill 7/26 (Rec.'ed 7/27)

· Gingrich Plays the Dealmaker on Budget Bills NYT
· Senate Panel votes to topple restrictions on logging in Alaska WP
· Senate Ethics vice chairman urges meeting on Packwood WP
· Kasich: Speed Medicare Reform... WP
· ...And elimination of Commerce WP
· More protection due for addresses on the internet WP
· Senate panel sides with House NEA cuts WP
· Shrinking Pay Raises (federal employment) WP
· GOP Leaders Forestall Debate on Commerce WP
· New-look urban policy expounded USATODAY
· GOP rules ride spending bills (policy through Approp.s) USAT
· Guard tells Senate Whitewater Panel he saw files taken... WSJ
· First lady's aide denies moving files USATODAY
· House Panel funding vote gives Public Broadcasting new hope LAT

- PBS Chief Optimistic as Congress debates Funding LAT
- Jesse Jackson vows recall campaign against Gov. Wilson LAT
- Top 3 US industrial Unions expected to seek merger LAT
- "Quicker and Sicker" Rebellion (hospital care) LAT
- Perspective on S.Korea: Put toasts to Democracy on Hold LAT
- Medicare Debate: Circus, Circus LAT
- Clinton hits bill killing agencies WT
- Congress may take budget reins of DC police... WT

7/26/95

Daily Budget Notes: Common Ground For America's Communities (Jason Goldberg)

Schedules: Budget Working Group Planning Calendar (7/25 - 7/30)

Appropriations: FY 1996 Commerce, Justice, and State, the Judiciary and Related Agencies, 7/25

Health Care: Memo to POTUS Re: 30th anniversary of Medicare (Gingrich and Dole), 7/25/95

Opposition Message: HHS Fact Sheet (HCFA Press Off.)(Recieved 7/25/95)

Communications: Newt Clips from Iowa (Goldberg) (Received 7/25/95)

PRESS: The Seniors Coalition (DNC Research) (Recieved 7/25/95)

United Seniors Association (DNC Research)(Recieved 7/25/95)

Reminder on Reports due for POTUS at 5pm (Jason Goldberg)(Rec.'ed 7/25)

- Senior Schism (GOP targeting alternatives to AARP) (Recieved 7/25/95)
- Clinton Joins Rally on Medicare's Birthday, NYT
- Parties Swap Fire in Fight On Medicare, WP
- Clinton denounces GOP on Medicare, USA Today
- S.F. threatens to sue over Calif. regents' vote, USA Today
- Clinton at Medicare Rally, Calls GOP Plan 'Bad Deal', LA Times
- Republicans Quietly Plot Drive to Revamp Medicare, La Times
- Clinton hist GOP reform of Medicare, Warns of higher premiums, WT
- GOP Puts the Heat on the Commerce Dept., NYT
- Commerce secretary defends department, WT
- Wireless firms hit interference at FCC, WT
- Defense, Energy Projects Fare Well in Hill Panels, WP
- Panel Approves Funding of CEA, WP
- Senator Propose Single Culture Agency, Senators would gain control under NEA, NEH merger, WP
- Alaska, BP America to Gain If Oil Export Ban is Ended, WP
- Hill Panel Votes to Halt Chip Research Funding, WP
- House GOP Is Dealt Blow as Bill to End Transit Workers' Protection is Rejected, WSJ
- U.S. Is Probing If ADM, Rivals Set Sales Goals, WSJ
- GOP proposal defeated in House, WT
- Federal job training may turn to a no-frills, on-the-job focus, WT
- Jon C. Hinson, a Republican congressman from Mississippi Dies at 53,

WP

through

- GAO's Special Buyouts (offering workers buyouts of up to \$25,000 Sept. 30) WP
- Whitewater panel won't call for testimony from first lady, USA Today
- Senate OKs first step toward lobby reform, USA Today
- Two GOP senators try to save arts funds, USA Today
- Messing With Medicare, (Budget Cuts) WP
- Freebies Vote, (regulation of lobbyist), WP
- Mr. Cortines Acts Boldly, (suspended a local school board), NYT
- For a Better Line-Item Veto, (Congressional Repub. lost enthusiams for Line-Item Veto) NYT
- Washington as Usual, (7/25/95) NYT
- The End of Something, (U.S. consulate in Bordeaux, France was shut last week) NYT
- Scare Politics of Medicare, WP

7/25/95

Daily Budget Notes: Common Ground: Protecting Health Care for Seniors (Jason Goldberg)
Working Group: Follow-up from Daily 7/25 9:00am Meeting (Erskine Bowles)
Mtg. 8-a Agenda
Schedules: Budget Working Group Planning Calendar (7/25 - 8/13)
Education: *Packet*, State-by-State #'s (Ben-Ami)

- Est. State-by-State Repub. Reduct. from FY95 Funding Levels
- House Republicans cut \$36 Billion in Education and Training
- State-by-State Republican Cuts in Education/Training (incl. DC)
- President Clinton's Commitment to Education and Training

Health Care: Luntz Research Memo on GOP Medicare, 7/8/95 (Hancox)
Urban: White House Community Empowerment Conference, July 25 and 26, 1995
Rural: White House Community Empowerment Conference, July 25 and 26, 1995
Appropriations: FY96 Dept. of Transportation/Related Agencies Approps. Bill, 7/24/95
(Haas)
HR2099 (VA/HUD Appropriations) / HR 2076 (CJS Approps) (Goldberg)
Pol. (Background): Delaney Clause (Jim O'Hara)
Pol. (State-by-State): *Packet*, State-by-State #'s (Ben-Ami)
PRESS:

- Clinton Attacks the GOP on Priorities in Budget Plan NYT
- New SEC Rules to Require Funds to disclose Trading Costs NYT
- Payouts down in tax credit program for the poor NYT
- Two Meanings of Shelter:Shift Housing Tax Break hurts working poor

NYT

- A Bright side to Moving out (Housing, non-/working poor) NYT
- Talking Peace in Ireland (Editorial, IRA) NYT
- A Bold, Imperfect Medicare Plan (Editorial) NYT
- Clinton asks GOP to protect funds for "Our Common Ground" WP
- Veto threatened on Commerce Measure (GOP vs. Commerce) WP
- Drug Policy Director Denounces Senate Plan (GOP vs. DPO) WP

- Study finds nest eggs vary greatly (disparity in senior wealth) WP
- Farm Bill Followers have hard, wide, row to hoe WP
- D.C. as a Tax Laboratory WP
- This is no way to reward work (Reich, Tyson) WP
- Housing Squeeze (editorial) WP
- Japanese Democracy's Discontents (editorial, Japan politics) WP
- Clinton, GOP brace for shutdown on Fed. spending, fear "Train Wreck"

WSJ

- Senate clears a compromise on lobby rules WSJ
- House Panel clears measure to curb lobbying by liberal grant recipients

WSJ

- Chinese-American Students sue to kill Affirmative-Action plan WSJ
- Boehlert Plan seeks Accord on Superfund waste-liability law WSJ
- Amendment to save SBA Advocacy Office expected in House WSJ
- Turn out the lights... (Op-Ed, Energy/deficit reduction) WSJ
- ...The Party's Over (Op-Ed, selling Tennessee Valley Authority) WSJ
- Power Play (Editorial, Rural Electrification) WSJ
- Loan program's savings disputed (Education) USA TODAY
- House "corrections" have bumpy debut (removing govt. regulations) USAT.
- Los Angeles Times first-edition page 1 layout LAT
- WH: UC system Won't Face Loss of Fed. funds (Affirmative Act.) LAT
- Clinton Hints at Veto unless GOP works with him on Budget LAT
- Appeals Court Upholds Motor Voter Law in California LAT
- On budget, Clinton tills common ground WT
- Panel told business executives want Commerce axed WT
- Resolving the Medicare crisis WT

7/24/95

Daily Budget Notes: A Balanced Budget Built on Shared Values (Jason Goldberg)
 Working Group: Update on Budget Working Group Activities (7/21/95) (Erskine Bowles)
 Follow-up From Daily 7/24/95 9:00am Meeting (Erskine Bowles)
 Mtg. 7-a Agenda.
 Schedules: Budget Working Group Planning Calendar.
 Update on Budget Working Group Activities (7/21/95) (Erskine Bowles)
 Possible Budget Events (7/23/95) (Goldberg, Gordon, Sperling)
 Health Care: Coalition to Save Medicare, Background Paper (Berman)
 Opposition Message: Republican Response to Medicare in 1965

7/23/95

PRESS:

- Added Options, or Coercion? (Medicare vouchers) NYT (7/23/95)
- Fight Echoes A Wider Struggle (Medicare vouchers) NYT (7/23/95)
- After Bad Week, GOP Look to Budget for Rebound NYT (7/23/95)
- Clinton Regains Voice with 3 Speeches NYT (7/23/95)

- Wording House GOP Medicare Memo Upsets Seniors WP (7/23/95)
- Pushing Workers to Plant Seeds of Secure Retire WP (7/23/95)
- Divided, We Stand a Chance (class warfare, politics) WP (7/23/95)
- Sick over Medicare WT (7/23/95)
- Rx: Income-based fees, premiums? WT (7/23/95)
- Radical treatment: Physicians protest (Medicare) WT (7/23/95)
- Brown Decries Impact of Hill on Vet. Benefits PRNwire (7/23/95)
- GOP Split...charge fee for Child Support Services AP (7/23/95)

7/21/95

- Daily Budget Notes: GOP Swipes at Education and Training, Line Item Veto, Approps. Update (Jason Goldberg)
- Schedules: Budget Working Group Planning Calendar
- Opposition Message:
 - Republican Voices for expanding Head Start, Immunization and Job Training, 7/20/95 (Robert Gordon)
 - Republican Voices for Head Start Expansion (Robert Gordon)
 - Republicans on Community Development Block Grants (Robert Gordon)
 - Bob Dole and Medicare
 - Republicans response to Medicare in 1965
 - Medicare
 - Pete Wilson and Medicare
 - Nightmare Scenario, GOP's Long Record Against Social Security and Medicare
- Health Care: Floor Debate on Medicare 1965 to 1986, Congressional Quarterly Almanac
- PRESS:
 - Family-Aid Plan Rejected in House NYT
 - Once-Notorious Haunt Still Stands (Op-Ed, Housing) NYT
 - New Yorkers Can Expect More Medical Errors (Op-Ed) NYT
 - Don't Kill the C.E.A. (Op-Ed) NYT
 - Campaign Finance Added to Agenda WP
 - Promised Votes End Stalemate on Spending Cuts, Disaster Aid WP
 - Democrats Charge Republicans with "Stealth" Plan for Medicare Vouchers
- WP
 - Balanced-Budget Batting Practice (Editorial) WP
 - Housecleaning (Editorial, lenient financial records of House of Rep.s) WP
 - Panel Acts to End Family-Planning Funds WSJ
 - Zig-Zig, Zag-Zag, Elect-Elect (On Clinton, P.Gigot) WSJ
 - Cut the Dead Wood (Streamlining Govt. Contracting) WSJ
 - Study Links Rise in Teen Smoking to Ad Spending WSJ
 - Sen. D'Amato to Ask Limits on US Fund for Mexico WSJ
 - Panel Approves Measure Changing Public Housing WSJ
 - Legal Services, the Agency that Wouldn't Die, looks like it May survive
- the Age of Gingrich WSJ
 - Political Activity costs housing group funding WT
 - Clinton raps GOP plan, clashes with Greenspan WT
 - The FDA isn't blowing smoke (Editorial) WT

- No time for "Big Choices" (Editorial, on Rivlin and Budget) WT
- Buying United Airlines saved and improved jobs (Op-Ed) USAToday
- Affirmative action isn't perfect, but it's the best tool we have (Op-Ed) USAToday
- Training already a partnership (Op-Ed, job training) USAToday
- Clinton asks state lawmakers to urge 10-year balanced-budget deadline instead of 7 years Chicago Tribune
- Compromise reached on proposed spending cuts Chicago Tribune
- House panel votes to transfer family planning funds to community health centers and a maternal and child health block grant Knight-Ridder
- House panel votes to abolish Federal Family Planning Program LAT
- Gramm-Led Conservatives seek deeper welfare cuts than Dole LAT
- AIDS Research Office Targeted for Cuts by GOP-led Congress Newsday

7/20/95

Budget Notes: Republican Medicare Choice, GOP Swipes at Education & Training, App. update (no contact).

Appropriations: FY 96 Interior and related agencies app. bill (Larry Haas).

Appropriations: House app. subcommittee on VA/HUD, comparison to POTUS's Budget Plan (Larry Haas).

Schedules: Proposal for CEO and Univ. Presidents events w/POTUS (Jason Goldberg).

Working Group: Planning Calendar for 7/20/95-7/23/95 (Jason Goldberg)

Working Group: Meeting 5-a (no contact).

Opposition Message: RNC Talking Points, "Democrats 'exploit' medicare" (Eric Berman).

Opposition Message: RNC Balance Sheet, Medicare-- "What Democrats won't tell you" (Eric Berman).

Opposition Message: RNC "POTUS's unwillingness to propose a balanced budget" (Eric Berman).

Quotes: Quotes from Republicans on Line-Item Veto (Paul Weinstein).

PRESS:

- Medicare moves: Shopping, bonuses USA Today
- Economic Scene, GOP walks a narrow line with farm subsidies NYT
- Parties Trade Barbs Over Medicare, AP
- Line-Item Veto, A Major GOP Priority, Stalls in Congress, AP
- After a Century, a Black Cadet is Vindicated, NYT
- Initial Goals of Balanced Budget Plan Matched, WP
- GOP Counters on Packwood Case, WP
- Pressure on National Labor Relations Board Turns Into a Doubled Budget Cut, WP
- Americorp: It's "Volunteer" Service, But What Does It Cost?, WP
- Bargaining Room for Cultural Agencies, WP
- Wilder to Get Clinton's Aid At Fund-Raiser, WP
- House Budget Trims Would Hit Md. Suburbs, WP
- Medicare as We Know It, WP
- A Warning on Casinos, WP

- Students May Pay Much More for Loans, WSJ
- Mismanager's Journal, WSJ
- Attn., Pagan Loft-Dwellers, parity on NEA after GOP budget cuts, WSJ
- GOP Lawmakers Favor Spending Limit for Each Medicare User, LAT
- Senate likely to cut arts as far as House for '96, WT
- Speaker OKs limiting grant-backed groups, WT
- Sharpening the ax for budgetary cuts, Specifics on Uncle Sugar, WT
- Sharpening the ax for budgetary cuts, ready for sacred cows, WT
- Other ways to fund the arts, WT

7/19/95

Working Group: Follow-up from 7/19/95 9:00am Mtg. (Erskine Bowles).
 Working Group: Mtg 4-a (no contact).
 Schedules: ADA Event Proposal (Herman, Rasco)
 PRESS: · Administration criticizes GOP's Medicare Voucher proposals AP

7/18/95

Budget Notes: "GOP Proposal Offers false choices..." (no contact).
 Bal.BudgetProp.: Rohatyn Supports Clinton Balanced Budget (Robert Gordon).
 Working Group: Follow-up from 7/18/95 9:00am Mtg. (Erskine Bowles).
 Working Group: Mtg 3-a (no contact).
 PRESS: · House GOP Medicare Plans would raise copayments, deductibles WP
 · Survey at Odds with Welfare Reform Plans Wash.Post.
 · A broader strategy on deficit Philadelphia Inq.

7/17/95

Bal.BudgetProp.: "A Balanced Budget for Working Families" (Sperling).
 Working Group: Mtg. 2-a (no contact).
 Working Group: Follow-up from 7/17/95 9:00am Mtg. (Erskine Bowles).
 Schedules: Planning Calendar for 7/17/95-8/13/95 (Jason Goldberg).
 PRESS: · Train Wreck a'Coming W.Post.
 · Cost Presidential Access too high (DNC on donations) Chicago Sun Times
 · US-Backed ads hog tax dollars (industry subsidies in ads) Chi Sun Times
 · Don't Ax the Economic Advisers (Editorial) Chi. Trib.

7/16/95

PRESS: · Goddard spared closure (Space Flight Center) Baltimore Sun

7/15/95

PRESS: · GOP Gun-shy about how to cut Medicare Balt. Sun (7/13?, 7/15? 1995)

7/14/95

Working Group: Mtg. 1-a (no contact).
Appropriations: House Appropriations Subcommittee (no contact).
Opposition Message: Republican Quotes on Medicare (Eric Berman).
PRESS: · GOP zaps federal support of arts NY Daily News

7/13/95

PRESS: · GOP Gun-shy about how to cut Medicare Balt. Sun (7/13?, 7/15? 1995)
· Poor plan (utility subsidies to the poor) Charleston Daily Mail
· Gephardt's fraudulent flat tax plan Detroit News
· House Democrats criticize "Stealth" cuts Milwaukee Journal

August 4, 1995

APPROPRIATIONS -- SUPPORT/OPPOSITION

Agriculture (HR 1976)

- House subcommittee reported--OMB letter 6/21: serious objections.
- House committee reported--Floor SAP 7/18: Agriculture/OMB veto recommendation.

C/J/S (HR 2076)

- House subcommittee reported--OMB letter 7/18: Attorney General/Commerce/OMB veto recommendation.
- House committee reported--Rules SAP 7/20: Attorney General/Commerce/OMB veto recommendation.
- House committee reported--Floor SAP 7/24: Attorney General/Commerce/OMB veto recommendation.

Defense

- House subcommittee reported--OMB letter 7/20: Administration does not support.
- House committee reported--Rules SAP 7/27: serious concerns and "the President will not support the bill unless those concerns are addressed."
- House committee reported--Floor SAP 7/31: serious concerns and "the President will not support the bill unless those concerns are addressed."

DC

Energy/Water (HR 1905)

- House subcommittee reported--OMB letter 6/20: strongly opposed.
- House passed--OMB letter 7/20: strongly opposed.
- Senate committee reported--Senate SAP 7/31: strongly opposed.

Foreign Ops (HR 1868)

- House committee reported--Floor SAP 6/22: difficulty supporting if improvements are not made.

Interior (HR 1977)

- House subcommittee reported--OMB letter 6/21: serious objections.
- House committee reported--Floor SAP 7/12: OMB/Interior veto recommendation.
- House passed--OMB letter 7/25: OMB/Interior veto recommendation.

Labor/HHS/Ed

- Panetta, 7/11: if subcomm. chairman's mark reaches the President's desk in its current form, "he will veto."
- House subcommittee reported--OMB letter 7/19: President would veto.
- House committee reported--Rules SAP 7/27: President would veto.
- House committee reported--Floor SAP 8/2: President would veto.

Leg Branch (HR 1854)

-Conference report--POTUS said on 8/1: "If the congressional leadership follows through on its plan to send me its own funding bill before it finishes work on the rest of the budget, I will be compelled to veto it."

Mil Con (HR 1817)

-House subcommittee reported--OMB letter 6/13: would support if modified.
 -House committee reported--Rules SAP 6/15: would support if modified.
 -House-passed--OMB letter 7/18: strongly objects to certain provisions.
 -Senate committee reported--Floor SAP 7/20: strongly objects to certain provisions.

Transportation (HR 2002)

-House committee reported--Rules SAP 7/19: serious objections.
 -House committee reported--Floor SAP 7/21: serious objections.
 -House passed--OMB letter 8/1: serious objections.

Treasury/Postal (HR 2020)

-House subcommittee reported--OMB letter 7/10: serious objections.
 -House committee reported--Floor SAP 7/17: OMB/Sr.WH officials/OPM veto recommendation.
 -House-passed--OMB letter 7/24: OMB/Sr.WH officials/Treasury/OPM veto recommendation.
 -Senate subcommittee reported--POTUS STATEMENT on ONDCP 7/26: As this bill is now constructed, I will not sign it.
 -Senate subcommittee reported--OMB letter 7/27: Treasury veto recommendation.
 -Senate committee reported--Floor SAP 8/3: President has stated he would not sign due to elimination of ONDCP; Treasury veto recommendation due to other concerns.

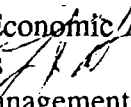
VA/HUD/Independent Agencies

-House subcommittee reported--Panetta statement 7/11: President will veto.
 -House subcommittee reported--OMB letter 7/17: senior advisors veto recommendation.
 -House committee reported--Rules SAP 7/24: President would veto bill.
 -House committee reported--Floor SAP 7/26: President would veto bill.
 -House-passed--POTUS said on 8/1: "The minute this polluter's protection act hits my desk, I will veto it."

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

August 3, 1995

TO: MEDIA

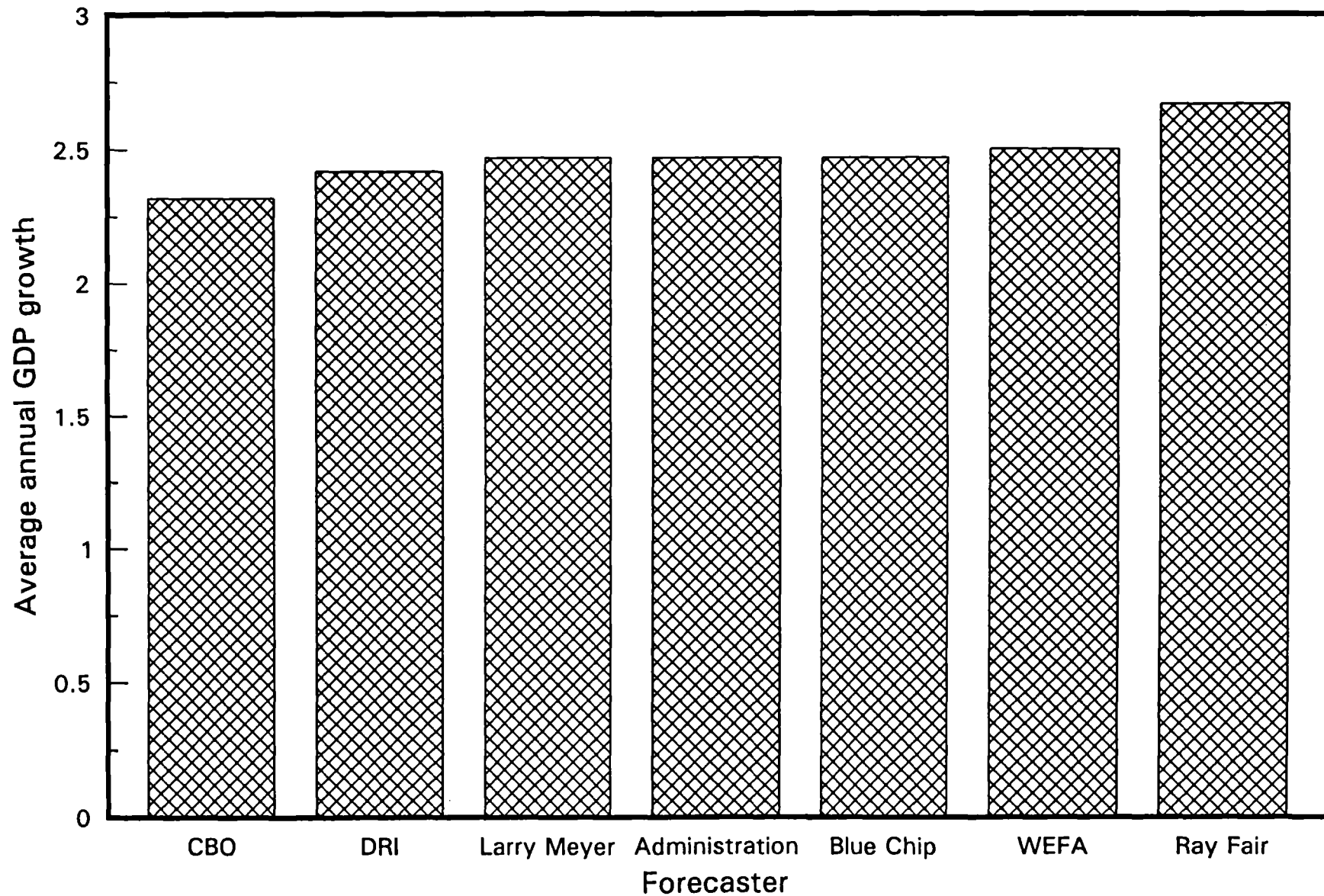
FROM: Michele Jolin 
Council of Economic Advisers
Lawrence Haas 
Office of Management and Budget

Attached are materials we hope will provide you with some perspective on the Clinton Administration's long-range growth estimates. As the chart demonstrates, the Administration's long-range forecast of annual growth is clearly consistent with the projections being made by the Blue Chip and other private forecasters.

If you have any questions, please contact Michele Jolin (395-5084) or Lawrence Haas (395-7254).

Attachments:

COMPARISON OF LONG-RANGE FORECASTS OF REAL GDP GROWTH (ANNUAL AVERAGE) - 1997-2002



Long-Range Forecasts for GDP growth, 1997 through 2002

Forecaster (date)	1997	1998	1999	2000	2001	2002
WEFA (July)	2.3	2.4	2.7	2.6	2.6	2.4
L. Meyer* (August)	2.1	2.0	2.7	3.0	2.7	2.4
Ray Fair (July)	2.5	2.6	2.9	2.8	2.6	2.7
DRI (July)	2.9	2.8	2.1	2.4	2.2	2.1
Blue Chip* (March)	2.0	2.3	2.9	2.8	2.4	2.4
CBO* (January)	2.4	2.3	2.3	2.3	2.3	2.3
Administration(July)	2.5	2.5	2.5	2.5	2.4	2.4

Q4/Q4 changes, except for those starred(*), which are Y/Y.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
Washington, D.C. 20503-0001

LRM NO: 2074

FILE NO: 1182

7/20/95

LEGISLATIVE REFERRAL MEMORANDUM

Total Page(s):

5

TO: Legislative Liaison Officer - See Distribution below:
FROM: James JUKES (for)
Assistant Director for Legislative Reference
OMB CONTACT: M. Jill GIBBONS 395-7593
Legislative Assistant's line (for simple responses): 395-3454

SUBJECT: HHS Proposed Draft Bill: To Designate the Federal Building located at 7500 Security Blvd.,
Baltimore, as the "Harry S. Truman Building"

DEADLINE: 12:00 Monday, July 24, 1995

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President.

Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS: HHS has requested expedited clearance so that this bill may be introduced in conjunction with the 30th anniversary of Medicare and Medicaid on July 30th.

DISTRIBUTION LIST:

AGENCIES:

237-General Services Administration - William R. Ratchford - (202) 501-0563
217-JUSTICE - Andrew Fols - (202) 514-2141

EOP:

Nancy-Ann Min
Barry Clendenin
Mark Miller
Barbara Retzlaff
Bob Damus
Jeff Connaughton
Jennifer Klein
Chris Jennings
Jim Murr

LRM NO: 2074
FILE NO: 1182

☐ Concur
☐ No Objection
☐ No Comment
☐ See proposed edits on pages _____
☐ Other: _____
☐ FAX RETURN of _____ pages, attached to this response sheet

DRAFT

The Honorable Newt Gingrich
Speaker of the House
of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed for the consideration of the Congress is a draft bill to designate the Federal building located at 7500 Security Boulevard, Baltimore, Maryland, as the "Harry S. Truman Building".

As the thirty-third President of the United States, Harry S. Truman is remembered as the ordinary man from Missouri who became a great President and a great statesman. It was fortunate indeed for this Nation, the world, and the future of democracy that this little-known former Congressman from Missouri proved to be a man of enormous courage, integrity, vision, and common sense. He saw us safely through the end of a world war, charted the Western democracies' course of resolute resistance to totalitarianism at the start of the Cold War, and established a solid foundation for world stability in undertakings including the United Nations and the Marshall Plan.

President Truman's domestic programs were also ambitious and visionary, and represented at once a commitment to improvement of the lives of every American and an investment in our future. As just one example, President Truman was a prime mover of the G.I. Bill, which enabled millions of returning servicemen and women to get an education and to own their own homes, created jobs for millions of other Americans, and ensured the country the highly skilled and educated workforce that has made possible the enormous economic and social development of the last half-century.

It was President Truman who first placed on the national agenda the idea of assuring health insurance coverage for all Americans. He proposed establishment of such a program in his State of the Union address on November 19, 1945, and returned to the theme repeatedly during his Presidency. During his second term, he appointed a National Commission on Health Needs of the Nation to study shortcomings in the nation's health care, and to consider "how to bring the cost of modern medical care within the reach of all people."

In addition to pressing Congress to improve the availability of health coverage, President Truman obtained enactment of legislation establishing a Federal Aid program, the Federal

Page 2 - The Honorable Newt Gingrich

Hospital Survey and Construction Act, for the construction of hospitals to be owned and operated by local communities. He pushed for expansion of medical schools, for scholarship aid for medical students, and for aid for construction of teaching hospitals.

In 1952, toward the end of Mr. Truman's presidency, the hospital insurance bill known today as Medicare was introduced in the Congress. Thirteen years later, on July 30, 1965, President Johnson signed into law the bill creating the Medicare and Medicaid programs, with former President Truman in attendance, in Truman's home town of Independence, Missouri. President Johnson said, "[I]t was really Harry Truman of Missouri who planted the seeds of compassion and duty which have today flowered into care for the sick, and serenity for the fearful." At the signing ceremony, Harry Truman and his wife, Bess, completed applications for enrollment in Medicare Part B, thus making them, respectively, the first and second Medicare beneficiaries.

In tribute to his leadership, compassion, and foresight, we recommend enactment of legislation naming the new headquarters building of the Health Care Financing Administration, which administers the Medicare program, in the honor and memory of the first Medicare beneficiary, President Harry S. Truman.

We urge the Congress to give the draft bill its prompt and favorable consideration.

The Office of Management and Budget has advised that there is no objection to the submission of this legislative proposal to the Congress.

Sincerely,

Donna E. Shalala

Enclosure

DRAFT 7/19/95

A B I L L

1
2 To designate the Federal building located at 7500 Security
3 Boulevard, Baltimore, Maryland, as the "Harry S. Truman
4 Building".

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

7 SECTION 1. DESIGNATION OF BUILDING.

8 The Federal Building located at 7500 Security Boulevard,
9 Baltimore, Maryland, shall be known and designated as the "Harry
10 S. Truman Building".

11 SEC. 2. LEGAL REFERENCES.

12 Any reference to such building in any law, map, regulation,
13 document, record, or other paper of the United States shall be
14 deemed to be a reference to the "Harry S. Truman Federal
15 Building".

**HOUSE APPROPRIATIONS SUBCOMMITTEE
ON VA, HUD AND INDEPENDENT AGENCIES**

Preliminary Analysis

and

Comparison to the President's Budget Plan

July 19, 1995

(Updated)

**VA, HUD, INDEPENDENT AGENCIES APPROPRIATIONS:
PRESIDENT'S FY 1996 REQUEST VS. REPUBLICAN FY 1996 EXPECTED ACTION**

Cuts programs under its jurisdiction by about \$10 billion below President's request for 1996 -- **31 percent** of the \$32 billion that Congress plans to cut in non-defense discretionary spending.

	PRESIDENT'S 10-YEAR BUDGET	REPUBLICAN CUTS
National Service	Provides \$819 million in 1996 for AmeriCorps, Learn and Serve and related national service.	Eliminates AmeriCorps, Learn and Serve, and related programs.
AmeriCorps	Increases to \$430 million in 1996, giving another 21,000 young Americans the opportunity to serve their communities and earn an education award.	Eliminates AmeriCorps. Nearly 50,000 young middle-income Americans will lose the opportunity to serve their communities.
Learn and Serve	Increases to \$60 million in FY 1996, creating 140,000 new opportunities for children, adolescents, and college students to help their communities while developing a service ethic.	Eliminates Learn and Serve. 580,000 children, adolescents, and college students will be unable to participate in Learn and Serve.
HUD Budget	Provides \$24.3 billion and restructures HUD to devolve responsibilities to States and localities within a framework of national goals.	Provides \$19.1 billion (\$5.2 billion below the President's request and \$6.4 billion below 1995).
HUD Homeless Assistance	Includes \$1.12 billion in 1996 for a new homeless assistance fund to help communities develop continuum-of-care systems to reduce homelessness.	Cuts 1996 HUD homeless funding almost in half, to \$576 million.
HUD Vouchers	Adds over 500,000 voucher subsidies over 7 years.	Provides <i>no</i> funding for incremental housing vouchers other than to renew outstanding ones, and 50,000 fewer vouchers than the President's request.
HUD Public Housing	Provides \$8.1 billion in 1996 for public housing capital and operating funds, enough to reduce a backlog of capital needs and tear down or reconfigure the worst projects.	Cuts 1996 funding by 37 percent, or \$3 billion, and repeals the requirement that rents be set at 30 percent of a household's income.
EPA Budget	Continues Administration's strong support for EPA by providing \$.1 billion over 1995.	Cuts EPA's budget by 33 percent below 1995, with a nearly 50 percent cut in enforcement.
Drinking Water State Revolving Fund	Provides \$500 million to help municipalities prevent drinking water problems.	Provides no funding in 1996 and eliminates \$225 million in prior-year funding.
NASA Budget	Restructures NASA using a balanced Space Station and science program that does not close any research centers.	Provides \$13.7 billion (\$0.6 billion below the President's request and \$0.8 billion below 1995).

OVERVIEW

The Subcommittee mark would cut programs under its jurisdiction by about \$10 billion below the President's request for 1996 -- 31 percent of the \$32 billion that Congress plans to cut in non-defense discretionary spending.

The Subcommittee mark attacks the President's priorities on several fronts:

- It virtually eliminates funding for the President's investment programs over which it has jurisdiction:
 - It eliminates national service programs.
 - It eliminates Community Development Financial Institutions.
 - It slashes the Environmental Protection Agency (EPA) by a third.
 - It cuts funding for HUD homeless programs in half.
- The Subcommittee includes legislative provisions that have not been debated through the necessary authorization and hearing process and have no place in appropriations bills:
 - It limits EPA's implementation of the Clean Air and Clean Water Acts.
 - It restructures NASA.
 - It imposes substantial rent increases on tenants in public and private HUD-assisted housing.
- The Subcommittee eliminates the Council on Environmental Quality in the Executive Office of the President -- representing inappropriate congressional interference in the Executive Branch.

NATIONAL SERVICE

Subcommittee:

- Eliminates AmeriCorps, Learn and Serve, and related programs.

-- [In a related matter, the Labor-HHS Subcommittee mark also cuts the other piece of national service: It cuts VISTA programs by almost 60 percent and the senior volunteer programs by about one-third].

- The VA/HUD cuts will mean:

-- Nearly 50,000 young, middle-income Americans will lose the chance to serve their communities through AmeriCorps in locally-identified areas of crucial need and earn an educational award to help pay for college or other training.

-- Another 580,000 children, adolescents, and college students will be unable to participate in Learn and Serve, helping communities solve problems while also developing the ethic of service.

President:

- Provides \$819 million in 1996 for AmeriCorps, Learn and Serve and related national service opportunities.

-- For AmeriCorps, 1996 funding would provide another 21,000 young Americans with the chance to help meet locally-determined needs and earn an educational award.

-- For Learn and Serve, 1996 funding would provide 140,000 additional service opportunities to help children, adolescents, and college students develop the service ethic while contributing to their communities.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:

The Subcommittee allocation for HUD is \$19.1 billion (\$5.2 billion below the President's request and \$6.4 billion below 1995).

Homeless Assistance.

Subcommittee:

- Cuts 1996 HUD homeless funding almost in half, to \$576 million, and
- Cuts FEMA Emergency Food and Shelter Assistance, which supports local homeless programs, by \$30 million, to \$100 million.

These cuts will:

- Combined with large cuts in low-income housing subsidies (below), will increase the numbers of homeless,
- Deny communities help needed to create transitional and longer-term housing options for the homeless, and
- Reduce emergency services.

President:

- Would provide \$1.12 billion in 1996 for a new, homeless assistance fund to help communities develop continuum-of-care systems to reduce homelessness.
- The President and HUD have made cutting the number of homeless, who number 600,000 on any given night, a major priority.

Vouchers.

Subcommittee:

- Provides no funding for incremental housing vouchers other than to renew outstanding ones, and
- Provides 50,000 fewer vouchers in 1996 than the President's request.

President:

- Adds over 500,000 voucher subsidies over 7 years.

Public housing.

Subcommittee:

- Would cut 1996 funding by 37 percent, or \$3 billion, to repair, rehabilitate, and modernize housing projects and provide annual subsidies to operate and maintain 1.4 million units for the low-income and elderly.

- These cuts will force Public Housing Authorities to under-maintain and abandon projects or cut security and services.

- Would repeal the requirement that rents be set at 30 percent of a household's income.

- Many PHAs would raise rents on poorest families, forcing some into homelessness and others to use most of their cash income for rent.

President:

- Would provide \$8.1 billion in 1996 public housing capital and operating funds, enough to:

- Reduce a backlog of capital needs,

- Tear down or reconfigure the worst projects, and

- Prepare for a proposed transition to portable assistance, giving choices to public housing residents.

Public and assisted housing tenants.

Subcommittee:

- Requires public housing and Section 8 residents to pay minimum rent of \$50 plus utilities.

- If enacted immediately, this would increase rents paid by 600,000 public housing and Section 8 families by average of over \$460 per year.

- Increases rents paid by residents who get Section 8 vouchers from 30 to 32 percent of adjusted income.

- This would take away \$140 per year from the average assisted family.

- Suspends caps on tenant rent in public housing.

President:

- Includes rent reforms to encourage public and assisted housing recipients to move towards self-sufficiency, but
- Would not arbitrarily impose higher rent burden on low-income tenants.

FHA multifamily mortgage insurance programs.

Subcommittee:

- Would eliminate all credit subsidies for multifamily mortgage insurance:
 - Denying support, each year, for over 56,000 low and moderate income rental units, and
 - Exacerbating shortage of affordable housing.
 - In New York State, insurance would not be available for 8,400 housing units.
 - In southern California, insurance would not be available for 4,100 housing units.

President:

- Provides \$188 million in credit subsidies in 1996 to help finance multifamily housing.

ENVIRONMENTAL PROTECTION AGENCY:

The Subcommittee allocation for EPA is \$4.9 billion (\$2.5 billion below the President's request and \$2.4 billion below 1995).

EPA budget.

Subcommittee:

- Cuts EPA's budget by 33 percent below 1995, jeopardizing public health by quashing enforcement of pollution control rules and blocking new protections.

President:

- Continues Administration's strong support for EPA by providing a net \$.1 billion increase over 1995.

Operating Program.

Subcommittee:

- Cuts EPA's pollution control and enforcement programs by \$430 million below 1995 and \$821 million below the President's request.

-- The nearly 50 percent cut in enforcement would decimate EPA's ability to enforce environmental laws.

-- The cuts could necessitate layoffs of several thousand workers.

President:

- Proposes 14 percent increase for EPA's operating programs, the backbone of the nation's efforts to protect the environment.

Drinking Water State Revolving Funds.

Subcommittee:

- Provides no funds in 1996 and eliminates \$225 million in prior-year funding not included in H.R. 1944's \$1.1 billion rescission:

-- This \$225 million was restored to H.R. 1944 in response to the President's veto.

President:

- Proposes \$500 million to establish new state revolving funds to help municipalities provide clean, safe drinking water.

-- That will help prevent problems such as the cryptosporidium outbreak in Milwaukee that killed 100 people and caused illness in another 400,000.

-- It will most affect the 30 million people served by a system that violated a drinking water standard in the past year.

Superfund Clean-ups of Toxic Wastes.

Subcommittee:

- Would cut spending by 30 percent below 1995 and 36 percent, or \$360 million, below the President's request.

-- This would eliminate planned funding for 120 long-term cleanup projects and 160 actions to address more immediate public health threats, subjecting hundreds of thousands of citizens to continued exposure to dangerous chemicals.

- Proposes that taxpayers pay for all cleanups, not polluters who created the dumps.

President:

- Proposes a \$130 million increase for Superfund cleanups of toxic waste dumps.

Overriding Environmental Laws.

Subcommittee:

- Includes legislative "riders" to overturn existing law without any hearings on their environmental impact.

-- They block or rescind numerous rules to protect public health, including those to ensure safe water, food, and air.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:

The Subcommittee allocation for NASA is \$13.7 billion (\$0.6 billion below the President's request and \$0.8 billion below 1995).

Science and Technology Programs.

Subcommittee:

- Significantly cuts NASA's S&T programs.
 - Cuts \$333 million from NASA's Mission to Planet Earth project, an Administration priority:
 - This project was designed to help better understand man's impact on Earth's environment.
 - The cut will have a major impact on the Goddard Space Flight Center in Maryland, by cutting more than 1,000 public and private jobs.
 - Significantly cuts NASA's contribution to several Administration technology initiatives, including High Performance Computing and Communications, Clean Car, and research improvements in air traffic control.

President:

- Provides \$14.3 billion in 1996 and restructures NASA using a balanced Space Station and science program that does not close any research centers.

Budget Working Group

Routing Slip

DATE: 7/20/95

SUBJECT: Quotes from Republicans on Line - Item Veto -- July 20, 1995

Contact: Paul Wunsten

<u>Name</u>	<u>Room</u>	<u>Name</u>	<u>Room</u>
John Angell	178	Joseph Minarik	244
Michael Barr	TREAS	Nancy-Ann Min	262
Jeremy Ben-Ami	218	Julia Moffett	169
Erskine Bowles	1/WW	Tom O'Donnell	2/WW
Emily Bromberg	106	Jack Quinn	272
Susan Brophy	2/WW	Bruce Reed	216
Don Baer	196	Alice Rivlin	252
Alan Cohen	TREAS	Jake Siewert	169
Barbara Chow	107/EW	Stephen Silverman	160
Bill Curry	469	Greg Simon	288
Paul Dimond	225	Doug Sosnik	G/WW
David Dreyer	TREAS	Gene Sperling	2/WW
Rahm Emanuel	1/WW	George Stephanopoulos	1/WW
Martha Foley	178	Todd Stern	G/WW
Jason Goldberg	160	Leslie Thornton	EDUC
Robert Gordon	223	Barry Toiv	178
Mary Ellen Glynn	G/WW	Laura Tyson	2/WW
Larry Haas	253	Loretta Ucelli	EPA
Karen Hancox	G/WW	Michael Waldman	214
Kitty Higgins	160	Anne Walley	184
Harold Ickes	1/WW	Marilyn Yager	116
Chris Jennings	212		
Jennifer Klein	2/WW		
David Lane	231		
Jack Lew	243		
Mark Mazur	318		
Gaynor McCown	217		
Lorrie McHugh	G/WW		

FAX to Treasury: 622-0073
FAX to Education: 401-2098
FAX to EPA: 260-0279