96 APR 11 P1:33

CITY OF SAN ANTONIO
WILLIAM E. THORNTON
MAYOR

orig to Dorsk

April 10, 1996

The Honorable Bill Clinton
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20005

Dear Mr. President:

I was deeply sadden to learn of the death of Commerce Secretary Ron Brown.

The City Council, the City of San Antonio and I share with our country the loss of a committed public official. We extend our condolences to the family of Secretary Brown and the families of those persons who had accompanied the Secretary on the mission to Bosnia.

I had the honor of meeting Secretary Brown in July of 1993. At the time he was the head of the U.S. delegation to the U.S. Mexico Border Infrastructure Financing Conference held in San Antonio. His work on behalf of NAFTA and his continued commitment to that effort will remain to enrich the relationship between our country and our neighbor Mexico.

Sincerely,

WILLIAM E. THORNTON
Mayor

WET:nw

CITY OF SAN ANTONIO
WILLIAM E. THORNTON
MAYOR

Staff Sec

FAX COVER SHEET

DATE:	April 10, 1996	TIME:	1:46 PM
TO:	Hon. William J. Clinton President of the U.S.	PHONE: FAX:	202-456-7060 202-456-6220
FROM:	William E. Thornton Mayor of San Antonio, TX	PHONE: FAX:	210-207-7107 210-207-4077
RE:	Condolences to Family of Ron Brown, Secretary of Commerce		

Number of pages including cover sheet: [2]

Message

Following is a letter extending condolences to families of Secretary Brown and others who accompanied the Secretary on the mission to Bosnia.

P.O. BOX 839966 • SAN ANTONIO TX 78283-3966 • (210) 207-7060 • FAX (210) 207-4077

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 4-11

TO: Martha

FROM: Staff Secretary

Is this OK?

Todd

160987

Estimate No. ____________
104th Congress, 2nd Session

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

The President

The White House

Submitted for your consideration is a request to make available emergency appropriations for the Department of Health and Human Services. Your approval of this request would make available previously appropriated funds to the Low Income Home Energy Assistance Program (LIHEAP) to address the needs of the States arising from the cold weather of this past winter.

Public Law 103-333, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995, as amended by Public Law 104-19, the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy That Occurred at Oklahoma City, and Rescissions Act, 1995, provided $300 million for LIHEAP, contingent upon the President submitting a budget request to the Congress and designating the entire amount requested as an emergency requirement. To date, none of the $300 million has been designated as an emergency requirement and made available. This request would make available $180 million, now necessary to address needs arising from the recent cold winter weather.

I recommend that you designate this request as an emergency funding requirement in accordance with section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. No further congressional action will be required.

I have carefully reviewed this proposal and am satisfied that it is necessary at this time. Therefore, I join the Secretary of Health and Human Services in recommending that you make the requested funds available by signing the enclosed letter to the Speaker of the House of Representatives.

Sincerely,

Alice M. Rivlin

Alice M. Rivlin
Director

Enclosure

THE WHITE HOUSE

WASHINGTON

The Speaker of the

House of Representatives

Sir:

In accordance with provisions of P.L. 103-333, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995, as amended by P.L. 104-19, the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy That Occurred at Oklahoma City, and Rescissions Act, 1995, I hereby make available to the Department of Health and Human Services appropriations of $180,000,000 in budget authority for the Low Income Home Energy Assistance Program. These funds will enable the Department to support needs arising from the cold weather experienced during this past winter.

I designate the amount made available as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of this action are set forth in the enclosed letter from the Director of the Office of Management and Budget. I concur with her comments and observations.

Sincerely,

Enclosure

EMERGENCY APPROPRIATIONS: AMOUNTS PREVIOUSLY APPROPRIATED MADE AVAILABLE BY THE PRESIDENT

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES:

Low income home energy assistance........	$180,000,000

Public Law 103-333, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995, as amended by Public Law 104-19, the Emergency Supplemental Appropriations for Additional Disaster Assistance, for Anti-terrorism Initiatives, for Assistance in the Recovery from the Tragedy That Occurred at Oklahoma City, and Rescissions Act, 1995, provided $300 million in contingent emergency funding for the Low Income Home Energy Assistance Program (LIHEAP). The availability of these funds was made contingent upon the President submitting a budget request to the Congress and designating the entire amount requested as an emergency requirement. None of the $300 million has yet been designated as an emergency requirement and made available.

At this time, $180 million is required to support needs arising from the past winter's cold weather.

Warner & Hultin, **Attorneys at Law**

Pres has not seen
4/9/96

MEMO

To: Nancy Hernreich, Deputy Assistant to the President, The White House

From: Jerry Hultin

Date: April 5, 1996

Subject: Notes on enclosed Miamisburg, Ohio materials.

Nancy,

That was a fortuitous meeting at the celebration party for John and Martha at the Pincus' home last Saturday. It was a pleasure to finally meet you in person.

The week certainly has not ended as well with the death of Ron Brown and so many CEOs and staff members. The Secretary and I worked together closely on a major United Nation's world summit in Ohio in 1994 and we had become good acquaintances. We all will miss him dearly.

This enclosed letter to the President about Mayor Church and Miamisburg presents an important regional issue in Ohio. Mayor Church has met recently with Kevin O'Keefe in the White House Intergovernmental Affairs office, so Kevin will know the background on all of this. While the attached materials may be more than you want to pass to the President personally, my cover letter provides a synopsis of his major points.

Thanks for all your help.

4/9/96

Todd:

Back from Oval office.

TO DORSKIND FOR REPLY?

✓ YES ______ NO

Columbus, Ohio office
Telephone: 614/464-1234

155 East Broad Street, 16th Floor, Columbus, Ohio 43215-3617
Fax: 614/464-2555

Washington, D.C. office
Telephone: 202/588-2266

1341 G Street, NW, 7th Floor, Washington, D.C. 20005
Fax: 202/393-7708

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 4-11

TO: Melanne
Evelyn

FROM: **Staff Secretary**

This has to go
today. Any comment?

Todd

NATIONAL PAY INEQUITY AWARENESS DAY, 1996

\- - - - - - - -

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

More than three decades after the passage of the Equal Pay Act and Title VII of the Civil Rights Act, women and people of color continue to suffer the consequences of unfair pay differentials. In comparing median weekly earnings, last year American women earned only 75 cents for every dollar a man brought home, with African American women and Hispanic women collecting just 66 cents and 57 cents, respectively. Significant wage gaps exist for African American and Hispanic men, Asians, Pacific Islanders, and Native Americans as well.

April 11 is the day on which American women's wages for 1996, when added to their entire 1995 earnings, finally equal what men earned in 1995 alone. Unfair pay practices exist at all education levels and in every occupation. Last year, women physicians and lawyers earned substantially less than their male counterparts. The problem is particularly acute in female-dominated professions and in jobs where minority groups are disproportionately represented. Though changing technologies and a growing demand for services have made their positions increasingly vital, America's child care providers, secretaries, textile workers, telephone operators, social workers, and maintenance people are among those who bear the greatest wage discrepancies.

Ensuring fair pay is an essential part of helping women and their families become and remain self-sufficient. According to 1993 data, the vast majority of households depend on the wages of a working mother, and 12 percent of all families are supported by a woman working as the single head of household. Studies show that salary inequities often force women to turn to public assistance to keep a roof over their children's heads and food on the table.

Fair pay equity policies can be implemented simply and without incurring undue costs. Twenty States have already established programs aimed at increasing the wages of employees in female-dominated jobs, and many private sector businesses have implemented voluntary policies. These employers understand that fair pay is an invaluable human resource management tool that helps attract and retain the best workers.

At the Fourth World Conference on Women held in Beijing, China, the United States joined more than 180 other countries to address problems facing women and to promote workers' basic rights. This was an important step, and we must build on it to further the dialogue about fair pay and treatment in this country. Women and minority workers have long fueled our Nation's progress, and we must do all we can to recognize their achievements and to leave a legacy of equality and justice for their children to cherish.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim April 11, 1996, as National Pay Inequity Awareness Day. I call upon Government officials, law enforcement agencies, business and industry leaders, educators, and all the people of the United States to recognize the full value of women's skills and contributions to the labor force. I urge all employers to review their wage-setting practices and to see that their employees, particularly women and people of color, are paid fairly for their work.

IN WITNESS WHEREOF, I have hereunto set my hand this day of , in the year of our Lord nineteen hundred and ninety-six, and of the Independence of the United States of America the two hundred and twentieth.

96 APR 11 P5:48

April 11, 1996

NOTE TO: TODD STERN

FROM: KITTY HIGGINS K.H.

I know this is short notice, but please forward the attached letter to the President for him to sign tomorrow. Thank you.

4-11-96

Todd
send to Jim for Pres
Msg to do?
✓ yes — no
pls fix message
S

Original Back to
Todd

April 11, 1996

NOTE TO: TODD STERN

FROM: KITTY HIGGINS K.H.

I know this is short notice, but please forward the attached letter to the President for him to sign tomorrow. Thank you.

THE WHITE HOUSE

WASHINGTON

April 11, 1996

Right Honorable John Compton
Prime Minister
Office of the Prime Minister
Government Building
Waterfront Development
Castries
St. Lucia

Dear Mr. Compton:

On behalf of the Peace Corps, I would like to extend congratulations and best wishes to you on the occasion of the 35th Anniversary of the Peace Corps in St. Lucia.

I join you in commemorating Peace Corps' partnership with the Government and people of St. Lucia that has allowed us to work together on projects which help foster greater understanding and friendship between the people of two different nations.

I hope that you have a very enjoyable 35th Anniversary Celebration. I wish you all the best and congratulate you on behalf of world peace and understanding.

Sincerely,

FAX TRANSMISSION

UNITED STATES EMBASSY
VALLETTA, MALTA
TEL: (356) 235-960/5
FAX: (356) 223-322

96 APR 11 P12:18

To: ADAM

Fax Number: 202 + 456-1121 **Date:** APRIL 11, 1996

From: AMBASSADOR PAOLINO **No. of Pages:** C + 6

Subject:

PER OUR CONVERSATION, I WOULD APPRECIATE YOUR ASSISTANCE IN SEEING THAT THIS INFORMATION REACHES ITS DESTINATION AS SOON AS POSSIBLE.

MANY THANKS FOR YOUR ASSISTANCE.

4/11
Todd,
- came from Panetta's ofc.
- To ~~NSC~~ DARBSKIND for Reply?

✓ yes ___ no

S

Embassy of the United States of America

Valletta, Malta

April 11, 1996

The Honorable William J. Clinton
President of the United States of America
The White House
Washington, DC 20500

Dear Mr. President:

It was a pleasure seeing you at the festivities last week for the Italian President, and as an Italian-American, I can tell you that you did an incredible job in your recognition of our heritage.

We briefly discussed some legislation that I thought you might be interested in and, as promised, I am enclosing a copy (Attachment B) along with some ideas for how it could be expanded upon at the federal level (Attachment A). The legislation was prompted back in 1992 when, as the Director of the Rhode Island Department of Economic Development, I faced a problem whereby a company headquartered in RI was actively seeking to expand and create jobs in the State of Florida due to their dissatisfaction with our tax laws.

The company, American Power Conversion, started small and mushroomed. Stock incentives were key to their hiring practices with the result that many of the employees, from the corporate executives to the people who worked in the factory, had accumulated stock whose value had increased dramatically. Those employees wishing to sell stock faced enormous capital gains taxes under RI law. The company's zeal to become resident in Florida was mainly driven by the desire to eliminate the tax liability and the employees solidly supported the move since they would benefit personally.

Keeping this in mind and working with their corporate executives, it became apparent that many corporate decisions are not necessarily made for the benefit of the company only, but are made by and for the corporate executives who have the most to gain. I felt if we could abolish the capital gains tax for the employees of this company, the corporate decision would be to remain in RI.

The legislation passed in RI raised the stakes for the corporate executives wherein the decisions they made impacted on their own income. The law set goals and targeted new jobs that needed to be created within a certain time frame. If those goals were not met, not only were they ineligible for the capital gains relief, but they would pay ordinary income tax on their gains.

We have recently seen corporations such as AT&T, Scott Towels, etc. announce major layoffs. The question that comes to mind is would those same people be laid off if the corporate executives knew their capital gains tax would be eliminated if the jobs were retained--or, even better, if there was job growth? How can we empower the stock holders and corporate leaders to acquire a social conscience, avoid massive layoffs, and in fact, grow jobs?

Perhaps the theory behind the Rhode Island legislation, which addressed a specific situation, could be modified and expanded upon to effectively create an incentive at the federal level (Attachment A). I believe we would see massive pressure applied to corporate executives by stock holders who knew they could reap the benefits of the elimination of the capital gains tax. The economy would benefit as well if the governing legislation factored in the following stipulations:

1. No job layoffs
2. A specific percentage of growth within a designated time.
3. A high standard for pension and health care benefits for employees
4. All manufacturing jobs must be based in the U.S.

This proposal could become a win/win for Corporate America and for the worker whose job is at stake. Again, let me state that when corporate executives decide to lay off, they usually increase profits for the company and the executives' salaries increase tremendously. I believe that if we can attain job retention and growth, we can afford to eliminate the capital gains tax.

I would be happy to talk to you or any of your people concerning this information.

On a personal note, CNN International carried a portion of Ron Brown's service live and your eulogy was very moving. Ron's loss will be felt greatly by all of us who knew him personally and by our country.

Wishing you well and with best regards, I am

Sincerely,

Joseph R. Paolino, Jr.
Ambassador

ATTACHMENT A: PROPOSED MODEL FOR FEDERAL INCENTIVE

BUSINESS INCENTIVES

I. PUBLIC CORPORATIONS

Capital Gains Tax

Class of taxpayers affected: All Shareholders

Corporations would obtain a certificate from the governing authority indicating the type of tax exemption granted.

1. **A 25% exemption when employment targets are achieved. (See attached document entitled "Exclusions for Qualified Securities".)**

2. **25% exemption when 75% of the U.S. made product/raw materials/components are used to produce goods (in the event no goods are produced, i.e., service corporations, a 50% exemption would apply to Number 1 above).**

3. **25% exemption when employee benefits package includes employer funded health care for a family afforded to the employees of the corporation.**

4. **25% exemption when an employee retirement program is provided by the employer.**

** **Where retirement provided for by employer a sliding offset scale for employee Social Security retirement.**

*** **Where health care provided by employer offset scale for medicare benefit.**

II. PRIVATE CORPORATIONS

Same thresholds as Number 1 above, either at corporate or individual tax level.

1. **25% exemption for increased employment**
2. **25% for using U.S. products as components**
3. **25% exemption for health care**
4. **25% for pension**

44-43-8. <u>EXCLUSION FOR QUALIFYING SECURITIES.</u>

(a) For purposes of determining the federal income tax liability of a qualifying taxpayer subject to Rhode Island income tax, the Rhode Island income of the taxpayer under §§44-30-12 and 44-30-16 shall be determined by excluding any income, gain or preference items resulting68Xfrothe transfer of employer securities from a qualified retirement plan, the sale, transfer or exercise of stock, warrants, options, bonds, notes or other interests of any corporation is a qualifying corporation with respect to such taxpayer.

(b) A qualifying taxpayer is a current or former employee of a qualifying corporation employed for three (3) consecutive months as a full-time employee in accordance with corporate policy and the estate, heirs and successors of any such individual.

(c) A qualifying corporation is any corporation which (i) any of the securities issued by the corporation are traded publicly on a recognized exchange, (ii) its headquarters or principal office in North America is located in the state of Rhode Island, (iii) it has at least one hundred (100) full-time employees in the state of Rhode Island or, if greater, at least fifty percent (50%) of its full-time employees in North America are based in Rhode Island, at the time it elects (in such manner as may be determined by the tax administrator) to be a529Xqualifyingporation, (iv) either (A) the average annual rate of growth in the number of full-time employees of the corporation in Rhode Island over the five (5) fiscal years preceding the year of the election by the corporation or has been at least ten percent (10%) per annum if the period is shorter, the period of time prior to the election by the corporation that its headquarters or principal office has been located in Rhode Island, has been at least ten percent (10%) per annum or (B) the amount of the capital stock of the corporation covered by qualified and non-qualified stock options issued by the corporation and the amount of capital stock of the corporation owned by any qualified retirement plan organized for the employees of the corporation equals in the aggregate at least five percent (5%) of the authorized capital stock of the corporation and at least fifty-percent (50%) of the non-executive employees of the corporation are the holders of such options or are eligible to participate in any such plan, (v) prior to the end of the fiscal year in which it elects to be a qualifying corporation it shall own any facility it is occupying in the state, (vi) it shall state at the time it files its election to be a qualifying corporation that it intends to maintain such headquarters or principal office in the state of Rhode Island and that at least fifty percent (50%) of its full-time employees in North America will be based in the state of Rhode Island for at least ten (10) years and (vii) during the year in which the corporation files its election to be treated as a qualifying corporation and in the four (4) fiscal years following that year the number of Rhode Island based full-time employees of the corporation has either increased on the average by at least fifteen percent (15%) per annum over or in the aggregate has increased by at least seventy-five percent (75%) the level of Rhode Island based full-time employees on the first day of the fiscal year in which such election is filed. the election by a corporation to be treated as a qualifying corporation shall become effective for purposes of this section as of the first day of the fiscal year during which the election is filed; provided that in no event shall an election be effective prior to January 1, 1993. For purposes of this section, if a corporation is a member of an "affiliated group" of corporations (as defined in 26 U.S.C. section 1504(a)) it shall be considered to be the employer of the employees of the other members of that group. In the event a corporation fails to maintain the required average annual rate of growth in Rhode Island based full-time employees during the year in which it files its election or in any of its four (4) succeeding fiscal years or if it fails to thereafter retain th highest level of Rhode Island based full-time employees required under this section or otherwise fails to satisfy the requirements of this section, the corporations shall cease being a Qualifying Corporation and no exclusion hereunder shall thereafter apply. As a condition to the acceptance of its election to be treated as a Qualifying Corporation the corporation must agree that if it should fail to meet the requirements in this section in the future that it will recapture and include in its Rhode Island tax liability an amount equal to one hundred percent (100%) of the investment tax credits it claimed against its Rhode Island business corporation tax liability during the prior ten (10) year period.

The director of the department of economic development is hereby authorized to promulgate regulations establishing standards for employee recruitment and job training.