Phil -

From Nancy H.

To Douskind for Reply?

✓ Yes ___ No

Chron

FedEx USA Airbill 7792797935

FedEx Retrieval Copy

01491430-2 5320S

From

9-19-96 Sender's FedEx Account Number 1945-9369-4

Sender's Name KERRY KIRSCHNER Phone 941 365-4886

Company ARGUS FOUNDATION

Address 1800 SECOND ST STE 808-21

SARASOTA State FL ZIP 34236

To

Recipient's Name Heinrich / Clinton Phone 202 456-6610

Company The White House Dept/Floor Suite/Room West WING

Address 1600 Pennsylvania Ave

City Washington State DC ZIP 20500-2000

For "HOLD" Service check here

Weekday Saturday

For Saturday Delivery check here

Service X

Packaging X

Special Handling

Payment Bill to: X Sender

Total Packages Total Weight Total Charges

Credit Card Auth.

Release Signature

7 7 9 2 7 9 7 9 3 5

232

WCSL 0995

Rev. Date 7/95 • PART #147381

THE ARGUS FOUNDATION

96 SEP 20 P4:28

September 19, 1996

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

Dear Bill:

As we get closer to the election, and I dwell on issues that impact on the voters I know best, Floridians, one idea was sparked based upon your interview with Money magazine. When asked about a capital gains cut, you responded, "I think there ought to be a reasonable holding period so that you know it really is an incentive to increase investment and savings." I couldn't agree with you more. So what if we were to target a capital gains cut in the following fashion?

Having encouraged savings with retirement plans, i.e., IRAs, 401Ks, stock purchase, etc. when our population reaches retirement age and they begin to draw down on their investments, many are faced with large capital gains consequences. Currently, the only capital gains exclusion for retirees is in selling the family homestead. What if that exclusion were extended to those retirees 65 and older with earned income under $50,000, and they were given a capital gains exclusion on any appreciated asset up to a specific dollar amount on an annual basis? There are so many elderly who are unable to liquidate their appreciated assets without severe tax liabilities. In many cases, the ability to just switch investments from growth securities to higher yielding investments to supply better retirement income is psychologically thwarted by the severe reduction in principal. In turn, this causes many of our elderly not to enjoy their retirement years to their fullest in fear they they won't have adequate capital to sustain them through their entire life. Additionally, for those of our generation and younger, it sends a message that it is becoming harder for government to entitle everyone to retirement benefits that live up to their expectations. In saving for retirement, holding assets for the long term, individuals will be amply rewarded by being able to access those funds in retirement on a tax-free basis.

Bill, if this is feasible and you would be able to announce this proposal prior to November, you would win in Florida by a landslide!

Look forward to seeing you soon.

Best Regards,

Kerry Kirschner

2033 Main Street, Suite 304 • P.O. Box 49361, Sarasota, Florida 34230-6361
Telephone: (941) 365-4886 • (800) 396-4886 • Fax: (941) 955-2015

THE ARGUS FOUNDATION

September 19, 1996

Nancy Heinrich
Deputy Assistant to the President
The White House
Washington, D.C. 20500

Dear Nancy:

I would appreciate it very much if you could make sure that the President sees this.

Thank you.

Sincerely,

Kerry Kirschner

P.O. Box 49361, Sarasota, Florida 34230-6361
Telephone: (813) 365-4886 • (800) 396-4886 • Fax: (813) 955-2015

THE WHITE HOUSE
WASHINGTON

September 24, 1996

MR. PRESIDENT:

A letter forwarded by Linda Lader. We will have a reply prepared.

Todd Stern

09-24-1996 02:27PM FROM ... TO ... 4566703 P.02

96 SEP 24 P 5:00

NATIONAL ASSOCIATION of EVANGELICALS

Office for Governmental Affairs

Dr. Robert P. Dugan, Jr.
Vice President
Office for Governmental Affairs
1023 15th Street NW, Suite 5
Washington, DC 20005
Phone: 202-789-1011
Fax: 202-842-0392
E-mail: OGA@nae.net

National Office
450 Gundersen Drive
Carol Stream, IL 60188
Phone: 630-665-0500
Fax: 630-665-8575
E-mail: NAE@nae.net
Web Site: www.nae.net

Don Argue, Ed.D.
President

September 24, 1996

The President
The White House
Washington, DC 20500

Dear Mr. President:

Richard Cohen writes in his *Washington Post* column this morning that he was led to believe that "these late-term abortions were extremely rare and performed only when the life of the mother was in danger or the fetus irreparably deformed."

Cohen has since learned that the data contradict what he was told. While remaining a defender of a woman's "right to choose," he now pointedly observes: "But society has certain rights, too, and one of them is to insist that late term abortions — what seems pretty close to infanticide — are severely restricted . . . we are talking about the killing of the fetus — and, too often, not for any urgent medical reason."

If, as Mr. Cohen suggests, you were also misinformed about late-term partial birth abortions, we urge you to reconsider. A word from you could have a profound effect on the upcoming vote in the Senate.

On behalf of millions of pro-life evangelicals across this land we urge you to do the right thing.

Faithfully yours,

Bob Dugan

Robert P. Dugan, Jr.
Vice President for Governmental Affairs

RPDJr:jdk

09-24-1996 02:27PM FROM PPL/EEOM PL/LL TO 4566703 P.01 P.01

LINDA LESOURD LADER
1026 16TH STREET, NW, #201
WASHINGTON, DC 20036

TELEPHONE (202) 638-1929
FAX (202) 638-4141

FACSIMILE TRANSMISSION SHEET

TOTAL NUMBER OF PAGES (Including Cover Sheet): 2

(If you do not receive all the pages, if your transmission is not legible, or if this has been received by any party other than the name below, please phone (202) 638-1929 immediately.)

TO: Nancy Hernreich DATE: September 24, 1996

FROM: Jennifer Wolff

FAX NO.: 456-6703

RE: NAE Letter Concerning the Partial Birth Abortion Bill

JIM DORSKIND:

Please coordinate the reply.

MESSAGE:

The National Association of Evangelicals hand delivererd this letter and asked that we pass this on to the President today. In light of the President's conversation with NAE President Don Argue last May, in which the President told Don that he wanted to work with them in fashioning a compromise which would enable him to support restriction on this procedure, Linda asked me to fax this to you. All the best.

96 SEP 24 P5:01

THE WHITE HOUSE
WASHINGTON

09/24/96

KEN APFEL:

I will call you to discuss this.

Phil Caplan

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT HAS SEEN
9/23/96

September 19, 1996

MR. PRESIDENT:

Carolyn Staley sent the attached two faxes to you and Nancy thought you might like to see them today. Carolyn has raised several points about education and literacy funding in the appropriations negotiations. OMB (Ken Apfel) has provided the following good news :

(1) **National Institute for Literacy.** The Administration is fighting for $5 million -- the full request in your budget -- in our appropriation negotiations with Congress. This is more funding than contained in the House ($4 million) or Senate ($4.8 million) proposals.

(2) **Adult Education Act.** The Administration is also fighting for $372 million for Adult Education in the negotiations. This is a $72 million increase over your initial FY 1997 budget request, $110 million above the Senate proposal, and $118 million above the House.

Phil Caplan

Phil

(3) What about
item on 2d fax in
Look at proposal - can we
we go for it? — Need to
let her know on that
Let her know on all 3
Thanks
BC

2

FAX

Date 09/19/96

Number of pages including cover sheet 1

96 SEP 19

TO: The President

Phone

Fax Phone

FROM: Carolyn Staley
Nat. Institute for Literacy

Phone (202) 632-1526

Fax Phone (202) 632-1512

CC:

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please Comment

Dear Mr. President:

Your Grand Canyon signing was BEAUTIFUL. Missed you last night at a great party for Pryor given by Bumpers and the AR State Society. Most Dem. Senators attended plus many Arkansans. Very touching tributes. Reminded me of the good old days of Statesmanship and Public Service which we grew up thinking this was all about.

→ I have one critical business item, please-- an update on the fax message I sent yesterday about the proposed $2.3 billion increase for education programs in the '97 appropriations bill---- a request which could also help you ameliorate the welfare bill debate:

* I hope you will signal your support for the $110 million targeted for adult and family literacy programs in the Lott proposal. It is critically important that this new funding for literacy programs remain in the final bill. Harkin's competing proposal is for $78 million for Voc Ed. The Lott proposal puts the money into literacy. Action in Congress is likely within the next 48 hours.

America has an adult literacy problem that impacts on the ability of businesses to be competitive, parents to be involved on the education of their children, and citizens to participate fully in their communities. The new welfare reform law has raised the stakes for the nearly two million adults on welfare who do not have a high school diploma. That law allows very few welfare dollars to support educational services while at the same time increasing the need for critical welfare-to-work literacy skills. The proposed funding increase in the Lott proposal will not only help fill this gap, but also allow thousands of parents to attend family literacy programs and thousands of dislocated workers to improve their literacy skills so they can move back into the workforce.

While there are many important, competing educational programs that could benefit from an increase in funding, we are convinced that this relatively small amount of funds– 4% of the $2.3 billion– will make a tremendous difference in the lives of adults and children all across this nation. Funds spent on adult literacy are double duty dollars; they help at least two generations of Americans contribute more fully to our society.

I hope you will support the maintenance of this new funding in the final bill.

I hope, too, that you have a wonderful continuation of your western states visit. I saw on the weather this morning that it's supposed to be beautiful out there today and tomorrow.

God Bless You and Keep you Safe and Healthy and Strong in this season.

Carolyn

Carolyn

FAX

Date 09/18/96

96 SEP 19 P12:2

Number of pages including cover sheet 2

TO: The President

Phone

Fax Phone

FROM: Carolyn Staley

Nat. Institute for Literacy

Phone (202) 632-1526

Fax Phone (202) 632-1512

CC:

REMARKS: ☐ Urgent ☐ For your review ☐ Reply ASAP ☐ Please Comment

Dear Mr. President:

Things are looking excellent for you on all fronts. I am sure the decision to deploy troops to Kuwait was tough. I hope you are feeling positive about your life in general right now. Please let me know if I can be of help to you and your family in any way during these busy days.

Please permit me two brief notes-- one immediate funding issue, and one policy area in which I am very concerned that you are vulnerable.

I was excited to see that the House and Senate are talking with your staff about putting more resources into education as a result of your efforts to make it a national priority. Because adult literacy is a key component of your literacy policy initiative to have parents helping their children learn to read independently by grade 3, there are two areas where a small amount of additional funding could go a long way:

-The National Institute for Literacy was funded by the House at $4 million for FY97. This would be almost a 20% cut from our FY96 level. The Senate last week funded the NIFL at $4.8 million, which is about our current level of appropriations. We are hoping that any final agreement could be either at the level you requested for FY97, $5 million, or at least the Senate level, $4.8 million.

-The major federal literacy program, the Adult Education Act, is another area that could really use additional funds for FY97. You requested $290 million for this program that supplies critical funds to all 50 states for adult and family literacy services. The House gave the literacy state grants $250 million and the Senate $252 million. Funding this program at your request ($290 million) would return the federal literacy effort to the level it was at when President Bush left office.

I know there are many, many important education priorities that could use additional resources; however, I don't think there is another part of the educational field that tries to do more with less.

Very soon I would like the opportunity to discuss with appropriate members of your staff two key policy gaps that currently exist in your education message:

You have a plan for every child to read by grade 3, and you have announced the initiative for every American to have 2 years of education beyond high school. The gap exisits in the middle--those Americans 16 and older who can't benefit from either strategy. 90 million Americans--half of the American population--are in that gap. We conducted a year-long essay/ survey process in which these learners told us they need basic skills to be <u>equipped to be the parents, workers and citizens they want to be. You used these same phrases in your book.</u>

The bridge to the 21st century currently has broad gaps for adults with low literacy skills. My staff and I are eager to help you address them.

Happy Grand Canyon!
Will spent a week hiking there this summer & loved it.
And I got lost on a trail there at age 13 — left my family to get a better view & have my own "space" ☺
Always the independent one...
Yours, Carolyn

09/24/96

Todd,

This letter was sent to Re Elect to be penned.
The lawyers there sent it back here and
requested that you sign off on it.

IT WAS NEEDED YESTERDAY; SO THEY ARE REQUEST_
ING YOUR APPROVAL TODAY .

[redacted]

s [redacted]

OK Todd

September 16, 1996

96 SEP 24 P1:22

OK
DOS
9-24-96

Mr. Don Turner
President
Chicago Federation of Labor, AFL-CIO
130 East Randolph Street
Suite 2600
Chicago, Illinois 60601

Dear President Turner:

I wanted to take a moment and congratulate you, your executive board and all the workers who helped build and produce the 1996 Democratic Convention. The workforce in the City of Chicago is certainly one of which all Americans can be proud.

With the Project Labor Agreement as a framework, the City of Chicago, the Democratic National Convention and the Chicago Federation of Labor displayed very clearly that when we all work together we can accomplish anything. This great Convention was living proof, completed with all union labor ahead of schedule and under budget. The workforce in Chicago is to be commended for a job well done!

Thank you again for leadership and commitment in making the Convention a success.

Sincerely,

Cleared by:
Debra DeLee (DNC)
Brian Foucart (C/G)
~~Jennifer O'Connor~~
Bill Samuel (DOL)

9/24/96

Todd:
Per Stacia (66350) (interim for Jennifer O'Connor, Adam in Peter Knight's office has asked for your clearance ASAP on attached -

C. Cleveland

cc HR

Maureen
redo w/
2000 code
address

Pls send Dick's
address
is OK

9/24
Maureen Lewis
is handling
sending
address.
DB

09/23

C.

We have a n address for dick morris, but wanted to check to make sure it is current.

But is that for Nancy H. to do/ maureen lewis/ or us???

s

September 21, 1996

Sister Mary Amata McGee
C. McAuley Convent of Mercy
Post Office Box 23700
Barling, Arkansas 72923

Dear Sister Mary Amata:

I loved your letter of August 30 and want to say again how delighted I was to see you in New York. What a wonderful birthday surprise!

Thank you for your kind words about my speech in Chicago and about our efforts here. Your message has once again inspired me, and I agree -- faith is the answer.

Next time you write, please use "20500-2000" as the zip code. That way I'll be sure to get your correspondence without delay.

Meanwhile, I'm grateful for your prayers. I need them and always gain much strength from them.

Sincerely,

Bill Clinton

I love the Scripture
you sent and will
keep it with me

M. Lewis

8/30/96

Dear Mr. President, First Lady and Chelsea,

On Friday, August 16, Sister Mary Jonella and I drove to Hot Springs with two Sisters who were to meet the Sisters there who had been attending a hospital meeting. They were receiving a ride home to St. Louis with them in our Community plane.

We had dinner with all of the Board Members. We were not there five minutes when it was announced that Sister Mary Jonella and I would be leaving the next day to attend your Surprise Birthday Party on Sunday. And I was to be the surprise! Well, that added a great deal of excitement and joy to the gathering and we were asked to bring you a big HUG from each one and for me to be sure to have a picture taken with you. I let them know I wasn't going to return until I had a picture taken with the First Family. Now they will eventually know that I meant what I said. I received the surprise of surprises this morning. Aren't we a fantastic looking foursome? Everyone here thought so. I can't thank you and God enough. I'm overwhelmed.

I'm so happy you were touched by my appearance. As the curtain was being raised and Whoopi Goldberg (whom I think is an absolute knockout) was announcing my appearance, I could only keep repeating "I know Holy Spirit that You are with me." Because of this assurance I felt perfectly relaxed. I wanted to say what I said, because that is what was in my heart.

Last night your acceptance speech was a gift to all who had ears to hear. One of the readings that it recalled to my mind was Ephesians 4:29-32.

The days ahead are going to be challenging for you and our beloved Vice-President, (I loved his acceptance speech) but you received a wonderful send off from your enthusiastic supporters, particularly Jesse Jackson, whom I admire. No doubt, FAITH IS THE ANSWER. Not to advance is to go backward. Your better halves are women of great courage. I love both of them.

Tipper, Congratulations! Thank you for lifting up and standing so firmly by our beloved First Lady. An excellent example of "We are a Village."

First Lady, you are an example to me and to the whole world. Your speech let us know it. Thank you all for calling Mr. Morris. He needs you now more than ever before. There are some who are only too ready to use his fall to weaken your campaign, but Mr. Morris knows he has a compassionate God who is waiting with open arms to receive him and to give him the courage to be another COME-BACK-KID. I want so much to write to him. I need his home address. I'll be waiting to receive it.

Be assured of my prayers as you go forward.

PEACE AND LOVE!

Sister M. Amata McG.

THE PRESIDENT HAS SEEN
9-23-96

September 19, 1996

TO: President Clinton

FROM: Nancy Hernreich
Arielle Krebs

RE: LA Times Article

Art Torres forwarded an article you had discussed with him. It is entitled "The Curtain Pulled Back, for a Moment" by Peter King and appeared in the LA Times.

The following is a summary:

Sixty or so California business executives, mostly Republican, received an invitation to participate in a "confidential" teleconference with Pete Wilson and Newt Gingrich. The topic was Proposition 209, the ballot initiative that would eliminate public-sector affirmative action programs. Somehow an invitation fell into the hands of LA Daily News writer Rick Orlov who called at the appointed hour and listened in.

"It has become a partisan issue," Wilson said of Proposition 209, "that works strongly to our advantage." Wilson reminded the CEO's of Proposition 187, the immigration initiative he rode so well to reelection. Proposition 209, he said, "has every bit the potential to make a critical difference in the race for Dole and House members."

California business leaders, Republican and Democratic alike, have been reluctant to contribute to the Proposition 209 campaign. Wilson's point was that Proposition 209 should be regarded as a GOP tool to drag down Bill Clinton, indirectly throw money Bob Dole's way, and help Republicans up and down the ticket.

"From my vantage point," Gingrich said, "the California Civil Rights Initiative is vital because we have to be competitive in California to keep control of the House. If Proposition 209 is still ahead by a dramatic margin late in the campaign, Clinton has to take his time and money out of the Midwest to put in California. He can't win the presidency without winning California. I think this is as important as any single resource in the campaign."

cc: GS
HI

Ariel
[illegible]

CALIFORNIA DEMOCRATIC PARTY
SENATOR ART TORRES (RET.), Chairman

Dear Mr. President,
This is the column I mentioned to you in Rancho Cucamonga. You were terrific in California. You will win!
Your California amigo,
Art

PETER H. KING

The Curtain Pulled Back, for a Moment

Every so often the wizards of politics will slip. They will get clumsy or cocky or just plain unlucky and let the curtain flap open just long enough for the audience to see their magic for the sham that it is. One such moment occurred last Friday.

Sixty or so California business executives, most of them Republican stalwarts, received an invitation to participate in a "confidential" teleconference with Gov. Pete Wilson and House Speaker Newt Gingrich. The topic was Proposition 209, the ballot initiative that would eliminate public-sector affirmative action programs.

Somehow, an invitation fell into the hands of an editor at the Los Angeles Daily News. It was passed along to reporter Rick Orlov. At the appointed hour, Orlov simply dialed the 800 number, identified himself and then waited for Wilson, Gingrich and the CEOs to come on line.

What followed was a pitch by Wilson and Gingrich that sounded nothing like the rhetoric typically unfurled by proponents of Proposition 209. There was no selective quoting of Martin Luther King Jr., no fancy talk of a bipartisan campaign to create "a colorblind society" and cure racism "on the natural." They did not lecture on the downsides of developing a diverse work force. No, they had come to ask for money and so—if only out of respect for the buying power of the audience—they cut right to the nitty gritty about Proposition 209.

□

In the 20-minute, one-way teleconference—as reported by Orlov, a version, it should be noted, that has not been contested by the Wilson camp—the governor and Gingrich provided a short course on the charms of wedge politics. "It's become a partisan issue," Wilson said of Proposition 209, ". . . that works strongly to our advantage."

Wilson reminded the CEOs—and one reporter—of Proposition 187, the immigration initiative he rode so well to reelection. Proposition 209, he said, "has every bit the potential to make a critical difference in the race for [Dole] and House members. There is a real analogy between

17 Charges Voided in Election Fraud Case

■ **Courts:** Judge rejects counts against Scott Baugh, saying prosecutors withheld key evidence. Five counts remain.

By PETER M. WARREN
TIMES POLITICAL WRITER

SANTA ANA—Saying that prosecutors withheld crucial evidence about a key witness from the Orange County Grand Jury, a Superior Court judge Tuesday threw out 17 of 22 campaign fraud charges against Assemblyman Scott Baugh (R-Huntington Beach).

Baugh still faces trial on one felony count and four misdemeanor counts for allegedly lying on state-required economic interest statements.

In his ruling, Judge James L. Smith declined to dismiss charges against two GOP aides who were indicted with Baugh in March.

The indictments were part of a six-month investigation of last year's recall election of renegade Republican Assemblywoman Doris Allen of Cypress, who had infuriated the GOP by cutting a deal with the Assembly's Democrats to be elected speaker.

The election was critical to Republicans statewide. When Baugh replaced Allen, it tilted the balance in the Assembly, which led to the selection of Republican Curt Pringle of Garden Grove as speaker.

Baugh cheered the dismissal of the charges and interpreted it as a complete vindication. He blasted Orange County Dist. Atty. Mike Capizzi, also a Republican, for what he said was a "blatant" attempt to reap political gain from the case. His attorney said he will ask the district attorney's office to drop the remaining charges.

Prosecutors said it will take them several days to decide their next step.

"We are surprised and respectfully disagree with Judge Smith," said Assistant Dist. Atty. John Conley.

"He ruled on procedures in front of [the] grand jury. This is not a determination of innocence or guilty."

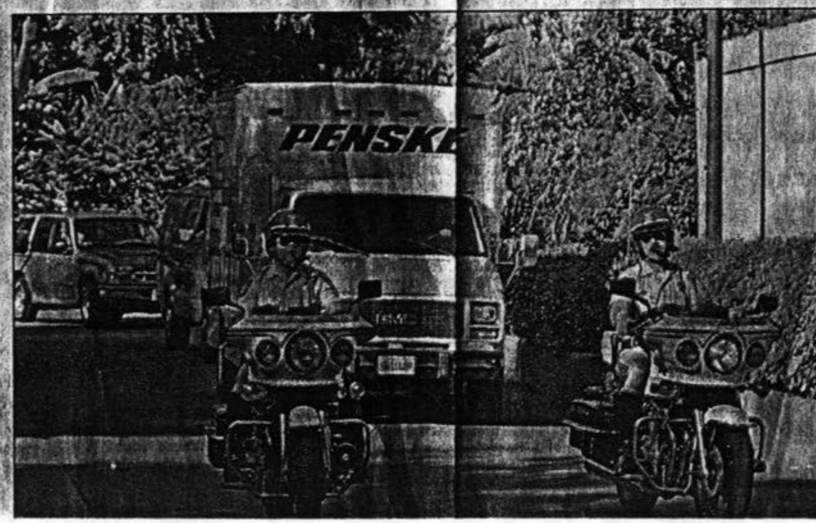
The prosecutors' options include trying Baugh on the remaining counts, appealing Smith's ruling, filing the charges as a complaint and proceeding to trial through a preliminary hearing, or returning to the grand jury to win a new indictment.

Baugh said Capizzi's ultimate aim in prosecuting him was to distract attention from his failure to prevent the county's recent bankruptcy, and to help propel him to statewide office.

Several Orange County defense at-

Please see BAUGH, A15

GERALDINE WILKINS-KASINGA / Los Angeles Times
Scott Baugh reacts to the ruling.



Garbage Firm Looks Warily at Moore Trial

■ **Courts:** The case against former Compton councilwoman includes allegations of payoffs made by Western Waste Industries. Bad publicity could hurt the company's chances of winning approval to expand landfill.

By DAVID ROSENZWEIG
TIMES STAFF WRITER

The extortion trial of former Compton Councilwoman Patricia Moore is getting lots of scrutiny these days at the corporate law firm of Sheppard, Mullin, Richter & Hampton.

A paralegal from the firm has been assigned to monitor the proceedings for any mention of a very important client—Western Waste Industries, the largest garbage hauler in Southern California.

At stake for the company are millions of dollars in revenues, as well as its continued dominance in the region.

Although not charged in the case, Western Waste has been stung by pretrial disclosures that Moore confessed to receiving payoffs from a company vice president when she served on the Compton City Council.

Further tainting the company's image was a guilty plea entered earlier this year by another Western Waste vice president in a Louisiana political corruption case.

And in California, the FBI has revived an earlier probe of Western Waste, it has been learned.

Agents have subpoenaed records in Riverside County, where the Board of Supervisors is considering a big Western Waste landfill project. They have also sought to interview former employees close to company founder Kosti Shirvanian.

All of this is making some elected officials nervous about their dealings with the Torrance-based company, which has thrived on lucrative long-term contracts with California municipalities.

Nowhere is Western Waste's integrity more of an issue than in Riverside County, where the company is seeking and Democrats alike, have been reluctant to contribute to the Proposition 209 campaign. Wilson's implicit point was that they were looking at it all wrong. It was not necessary for them to ponder the merits of affirmative action. Rather, they should regard the initiative simply as a GOP tool to drag down Bill Clinton, indirectly throw money Bob Dole's way, and help elect Republicans up and down the ticket.

"From my vantage point," Gingrich said, "the California Civil Rights Initiative is vital because we have to be competitive in California to keep control of the House. We could have a swing from plus-three to minus-four, just in California. If [Proposition 209] is still ahead by a dramatic margin [late in the campaign], Clinton has to take his time and money out of the Midwest to put in California. He can't win the presidency without winning California. I think this is as important as any single resource in the campaign."

□

Now the only thing shocking about all this is its utter nakedness, the absence of any semantical coyness. In truth, California's proposition process lost its virtue a long time ago. Both parties now routinely plant initiatives on the ballot—to drive wedges through the populace, coax blocs of friendly voters to the polls, tie up special interest money that might otherwise be spent on opponents' campaigns, force adversaries to take unpopular public positions, and so on.

Wilson did not invent the con, but he's the current master. And when—through a crony, Ward Connerly—he pretty much took over the initiative late last December, it was widely assumed that the governor saw affirmative action as a new horse that would carry him to the White House. Son of Immigration, if you will. How cynical, Wilson would sniff when asked about this.

Why no, he would go on, remarkably straight-faced, he had not abruptly abandoned his longtime support of affirmative action to gain political advantage. It was, harumph and glory be, truly a matter of conscience and ideals, a play to "fairness."

In this Wilson merely echoed others who have stood behind the curtain and made the case that their wedge propositions truly were about "toxic waste" or "the right to work" or "fair housing." At least that is how they told it to us Schmoes, a.k.a. the general public. The reality—that these propositions often are simply devices meant to elect politicians—the wizards reserve only for the inside people, the ones with ready checkbooks. Those who would point this out they call cynics.

Highway Patrol officers escort a van carrying giant pandas Shi Shi and Bai Yun to the San Diego Zoo.

Panda Express Hits San Diego at Last

■ **Zoos:** Animals arrive under police escort as part of 12-year research and breeding program.

By TONY PERRY, TIMES STAFF WRITER

SAN DIEGO—Like international royalty, the giant pandas Shi Shi and Bai Yun arrived Tuesday at the San Diego Zoo in a high-security motorcade escorted by the California Highway Patrol and trailed by news crews.

The phenomenon known locally as "pandamonium" was in full evidence as the charismatic but endangered mammals arrived for a 12-year visit for research, breeding and display purposes.

"This truly is the beginning of the North American rescue plan for giant pandas," zoo President Bill Fox said.

San Diego television stations provided live coverage of the pandas' arrival. Residents lined the streets leading to the zoo, hoping for a glimpse of the fuzzy black-and-white animals from China, which were kept hidden in crates inside a covered van.

Please see PANDAS, A14

Bai Yun, a 5-year-old female, on loan from China.

Welfare Reform Bolsters Prop. 187, Governor Says

By FAYE FIORE
TIMES STAFF WRITER

WASHINGTON—Using new welfare legislation as fresh ammunition, Gov. Pete Wilson said Tuesday that he will ask a federal judge to reconsider previous rulings and approve major portions of California's Proposition 187 nearly two years after it was passed by voters.

In Washington to lobby Congress on immigration relief for California, Wilson argued that the welfare bill signed last month by President Clinton requires states to report illegal immigrants to the Immigration and Naturalization Service and deny them benefits—the same objectives set forth in the 1994 California ballot initiative now stalled in court.

"For nearly two years now, California's Proposition 187 has languished in the federal courts because its provisions were claimed to clash with or be preempted by existing federal laws," Wilson said in a news conference at the Capitol. "Now it's time for the courts to respect the people's decision . . . to deny benefits to those who have unlawfully broken into our country."

Please see WILSON, A17

Storm Rises Over Ex-Klansman in Debate

■ **Politics:** Prop. 209 backers attack Cal State Northridge invitation to David Duke as a dirty trick. Students say they just wanted to get big names.

By SHARON BERNSTEIN
TIMES STAFF WRITER

What student leaders say was a simple attempt to bring big names to a campus debate at Cal State Northridge has ballooned into a national controversy over affirmative action, Proposition 209 on the California ballot and the Ku Klux Klan.

It has provided a coast-to-coast forum for the views of ex-Klan leader David Duke, who was invited by the students to speak against affirmative action at a debate Sept. 25. And it has got supporters of Proposition 209, the anti-affirmative action measure, boiling mad as they accuse the measure's opponents of what they call a dirty trick—trying to link the proposition in voters' minds with Duke and Klan-style racism.

Tuesday, Duke appeared on four California-based radio talk shows, and has been on several other shows—two of them syndicated nationally—over the past two weeks, said Glenn Montecino,

Associated Press

David Duke

Duke's spokesman. On Monday, Duke was featured in a CNN piece, and several national and regional newspapers have weighed in.

Duke has expressed strong support for Proposition 209 in his appearances, even saying that the measure, which would ban affirmative action by state and local government agencies in California, doesn't go far enough.

On programs in Sacramento and Los Angeles today, he decried affirmative action and the increases in minority populations in major U.S. cities. He accused minority men of raping white women "by the thousands" and said black New Orleans police officers had raped and killed local citizens.

All of Duke's California media appearances, Montecino said, have been prompted by the controversy at Cal State Northridge. The attention is welcomed by Duke, Montecino said, who enjoys sparring with talk show hosts and is running for the U.S. Senate in Louisiana.

"He's not running in California . . . but it does help," Montecino said.

The student leaders who voted 12 to 11 to bring Duke to their debate say they don't understand what the fuss is about.

Student Senate President Vladimir Cerna said the student government simply wanted to bring well-known figures to the campus to debate affirmative action. They invited many, including Colin Powell and San Francisco Mayor Willie Brown; but only Duke accepted, he said.

But Ward Connerly, a University of California regent and chairman of the

Please see DEBATE, A14

Kaczynski's Kin Argue Against Death Penalty

By MARK GLADSTONE
TIMES STAFF WRITER

SACRAMENTO—The family of Unabomber suspect Theodore J. Kaczynski is stepping up its public campaign to keep the Harvard-educated mathematician from facing the death penalty, maintaining that he is mentally disturbed.

While federal prosecutors are weighing whether to seek the death penalty on murder-by-bombing charges, his family members offer their view as part of a segment scheduled Sunday on the CBS newsmagazine "60 Minutes."

The segment focuses, in part, on the emotions experienced by the family in the past year since Kaczynski's brother, David, and his wife went to authorities

Please see KACZYNSKI, A15

THE WHITE HOUSE

Kathleen McGinty

96 SEP 23 P1:10

9/23

To: POTUS

FYI

H2

CC: Panetta
(fyi) Hilley
Foley
Raines
T.J. Glauthier
George

American Oceans Campaign • Center for Marine Conservation • Defenders of Wildlife • Environmental Defense Fund • Environmental Information Center • Izaak Walton League • League of Conservation Voters • National Audubon Society • National Parks and Conservation Association • Native American Rights Fund • Natural Resources Defense Council • Physicians for Social Responsibility • Population Action International • Sierra Club Legal Defense Fund • Trust for Public Land • United States Public Interest Research Group • The Wilderness Society •

September 19, 1996

President William J. Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Clinton,

Thank you again for your leadership on the environment and for elevating environmental protection to one of your central issues. We are especially grateful for your bold action yesterday in setting aside nearly two million acres of Utah's magnificent redrock wilderness for the enjoyment of all Americans for generations to come.

We write today to convey our serious concerns with the barrage of anti-environmental attacks that Congress has mounted during these last two weeks of Congress. As we know you are aware, despite consistent public opposition to attacks on America's natural heritage, this Congress is still insisting on attaching environmentally damaging provisions to any available legislative vehicle, including in particular the Omnibus Parks Bill, and the various fiscal 1997 funding bills. (A list of the most serious pending environmental threats is attached.)

We urge you to reject these assaults by announcing that you will veto any bill that includes a provision undermining our environmental laws or assailing our public lands. We also urge you to continue to press vigorously for repeal of the "Clearcut Rider," which is wreaking havoc on national forests from coast to coast; and repeal of the rider concerning Mount Graham in Arizona.

With the November elections fast approaching, and Members of Congress eager to hit the campaign trail, we firmly believe that the anti-environmental crusade will quietly wither in response to your determined opposition, as it did in response to your steadfast opposition in the fiscal 1996 budget process.

We urge you to repeat your very successful "no anti-environmental riders" position of last winter and spring.

Sincerely,

John Adams
Executive Director
Natural Resources Defense Council

Paul Hansen
Executive Director
Izaak Walton League

Deb Callahan
President
League of Conservation Voters

Hugo Hoogenboom
President
Population Action International

Phil Clapp
Executive Director
Environmental Information Center

Gene Karpinski
Executive Director
U.S. Public Interest
Research Group

John Echohawk
Executive Director
Native American Rights Fund

Fred D. Krupp
Executive Director
Environmental Defense Fund

Christopher J. Elliman
Chair
The Wilderness Society

Roger E. McManus
President
Center for Marine Conservation

John Flicker
President
National Audubon Society

Robert K. Musil
Executive Director
Physicians for Social Responsibility

Paul Pritchard
President
National Parks &
Conservation Association

Martin J. Rosen
President
The Trust for Public Land

Rodger Schlickeisen
President
Defenders of Wildlife

Victor Sher
President
Sierra Club Legal
Defense Fund

Robert Sulnick
President
American Oceans Campaign

Remaining Threats to Public Lands from the 104th Congress

National Park Commercialization Act (S. 1703/ H.R. 3819)

Modeled after the corporate sponsorship program for the Olympics, this bill would allow corporations to purchase the right to use the National Parks in advertising and authorize "in-park" recognition of corporate sponsors. The bill creates unacceptable conflicts of interest, asking the Interior Secretary to solicit and rely on corporate funding, while at the same time expecting the Secretary to objectively oversee logging, mining and drilling on public lands by these same corporations. In short, the bill would introduce into America's unique National Parks System just the sort of commercialism that Americans come to the parks to escape.

Destructive Grazing Legislation (S. 1459)

The so-called compromise negotiated with grazing advocates by Congressman Boehlert (R-NY) remains a fiscally irresponsible and environmentally destructive bill. Specifically, the compromise still exempts key grazing decisions from environmental review under NEPA, overrides the Interior Department's new grazing rules, fails to meaningfully increase today's outrageously low fees grazing fees, dramatically reduces opportunities for public participation in grazing decisions, establishes no national environmental standards to cover grazing decisions, and fails to establish any process for evaluating the suitability of public lands for grazing.

Omnibus Parks Bill (H.R. 1296)

H.R. 1296, as originally approved by the Senate, offered the opportunity for enactment of the most wide-ranging set of national park protections and enhancements since 1978. The legislation contains numerous provisions that would benefit the national parks, including the provisions for establishment of the Presidio Trust, the protection of the Sterling Forest, the creation of the Tallgrass Prairie National Preserve, the establishment of the Selma to Montgomery National Historic Trail, and numerous worthwhile boundary adjustments, park expansions and land exchanges. Unfortunately, this bill has become a magnet for a long list of unacceptable anti-environmental provisions, which are listed below. We urge your strong opposition to these provisions, and your support for a "clean" Omnibus Parks Bill, free of all the provisions listed below.

I. Attacks on Specific National Parks

- **Siting a Hydroelectric Power Plant in Glacier Bay National Park**

- **Shrink-Wrapping Shenandoah National Park**

- **Expanded access for Motorboats and Snowmobiles in Minnesota's Boundary Waters**

- **Authorizing Mining by the Military at the Desert and Cabeza Prieta National Wildlife Refuges**

- **Visitor Services/ Entrance Fees (raises entrance and user fees once again while continuing outdated subsidies to park concessionaires)**

II. Attacks on Alaska's Tongass National Forest

- **Ketchikan Pulp Co. Contract Extension -- Special Logging Privileges for a Longtime Polluter**

- **So-Called "Landless Natives," More Tongass Clearcutting**

III. Giving Up Our Public Lands

- **Oil Development in the Arctic (gives the Arctic Slope Regional Corporation access to new areas, including the Arctic National Wildlife Refuge, for oil drilling)**

- **Tishomingo National Wildlife Refuge (transfers management authority to the State of Oklahoma, reinstating "traditional and historic" activities that have been restricted to prevent harassment and killing of migratory birds)**

- **Giving Away Critical Colorado Water Rights and Reservoirs (transfers reservoirs and federal water rights to the Town of Greeley, CO)**

- **"Trails to Roads" (requires Congressional approval of any Interior Department regulations involving R.S. 2477 rights of way)**

- **Waiver of Environmental Review for a Water Project Bordering Zion National Park (Sand Hollow Exchange)**

- **Owner Consent Privileges in Natural Heritage Areas**

IV. Deals for Developers

- **Undermining Protection of Coastal Barrier Resources**

- **Snowbasin Land Exchange**

- Opening Up Alaska's Fortymile River to Mining
- Reno-Tulare Conveyance
- Preserving a Hand-out to Ski Resorts On Public Lands
- Private Taking of Public Land in the Sequoia National Park (makes permanent temporary leases for cabins within Mineral King area of the park)

Interior Appropriations (H.R. 3662)

- Provisions that would delay the implementation of the Tongass Land Management Plan
- A provision to extend the Ketchikan Pulp Co. timber contract within the Tongass National Forest
- Provisions that would undermine the departmental review of BLM lands in Utah for suitability for wilderness designation
- A provision blocking the implementation of R.S. 2477 rights of way regulations
- Provisions to expedite construction of a low-level radioactive waste disposal site in Ward Valley, CA
- Language that would place a moratorium on federal regulations of subsistence hunting and fishing in Alaska
- A provision reiterating the Mt. Graham rider
- Language that would undermine the 1992 Elwha River Ecosystem and Fisheries Restoration Act, an important environmental settlement to restore salmon in Washington's Elwha River

Immigration Reform Bill (H.R. 2202)

- Exemption of certain border-enforcement measures from compliance with the Endangered Species Act and National Environmental Policy Act

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 9-24

TO: Katie McGinty

FROM: Staff Secretary

Do you have any view on this? Basically, he wants 4-22 Directive that concerned overflights of National Parks ~~[illegible]~~ to be extended to cover National Forests.

cc: Ron Klain

#185471

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

96 SEP 13 P6:37

AUG 23 1996

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

This is in response to your April 22, 1996, memorandum, "Additional Transportation Planning to Address Impacts of Transportation on National Parks."

I believe these policy questions should be broadened to include sensitive airspace over other public lands, such as the national forests. The USDA Forest Service (FS) administers over 191 million acres of public lands in the National Forest System. Included are approximately 35 million acres of congressionally designated wilderness areas, which provide among other public benefits the "opportunity for solitude." Since tourism flights are an identified issue among several FS units, I believe a mechanism is needed whereby such flights can be better coordinated and managed to reduce the risk to FS air operations and conflicts with visitor enjoyment, both on the ground and in the air. I would welcome the opportunity for the Department of Agriculture to participate in a process to develop such a mechanism.

Since aviation is inherent in all resource management activities, safe airspace is vital to the success of these programs. The risk of a mid-air collision has propelled airspace coordination to the forefront of the FS aviation safety program.

In addition to being an active aviation user, the FS provides a wide range of outdoor opportunities to serve the needs of national forest visitors, many of whom seek in wilderness and other national forest environments a sense of solitude and respite from the sites, sounds, and stress of daily life.

I am familiar with and supportive of the National Airspace Act of 1958, referencing "Freedom of Transit" for the American public. As managers of the national forests, FS staffs strive to meet the needs of the public to whom these forests belong and provide a safe working environment for our aviation personnel. And, like the National Park Service, I have concerns about the environmental effects of tourism flights over national forest settings, aviation operations and safety, and our vitally important relationships with the many visitors that enjoy their national forests each day.

The Department of the Interior, the USDA Forest Service, and the Department of Defense (including each of the Armed Service Branches) have formed the Interagency Airspace/Natural Resource Management Coordination Group to facilitate resolution of issues related to military overflights. Unfortunately, this relationship does not provide a forum for conflict resolution with the Federal Aviation Administration that includes non-military overflights.

The following general comments are provided regarding rulemaking related to tourism flights over national parks.

Rulemaking related to overflights of national parks have implications for FS flight operations and environmental impacts.

National forests and national parks are juxtaposed to one another throughout many parts of the country and the two managing agencies engage in cooperative flight operations in several of these areas, e.g., fire reconnaissance and fire fighting.

Reports to National Forest System field units from visitors indicate an increase in incidents of intrusion from tourism flights on the solitude and quality of visits to wilderness and other scenic and recreation areas.

Tourism flights in airspace above National Forest System lands, if not coordinated, can have a direct effect on and pose a hazard to our air operations, especially activity related to forest fire responses.

For the above reasons, I request that your memorandum of direction be broadened to include resolution of National Forest System lands overflight issues that are interrelated with those of the National Park Service.

Thank you for the opportunity to respond. I look forward to participating in future solutions.

Respectfully,

Dan Glickman

DAN GLICKMAN
Secretary

DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20250

JUL 10 1996

Honorable Federico Pena
Secretary
U.S. Department of Transportation
400 7th Street, S.W.
Washington, D.C. 20590

Dear Federico:

As you are aware, the National Park Service has requested that commercial helicopter flights be prohibited in airspace over Rocky Mountain National Park (RMNP). The Forest Service (FS) manages four wildernesses that border RMNP on three of its four sides; we too are concerned about commercial sightseeing helicopter flights. The FS would like to be included in any deliberations regarding this issue. We would support immediate action to control or prohibit commercial helicopter flights over RMNP and adjacent national forest wildernesses.

The four congressionally designated wildernesses that directly border backcountry areas of RMNP are Comanche Peak Wilderness, Indian Peaks Wilderness, Neota Wilderness, and Neversummer Wilderness. All are managed under the provisions of the Wilderness Act of 1964. Section 2(c) of the Wilderness Act (PL 88-577) defines Wilderness as:

> "an area of undeveloped Federal land retaining its primeval character and influence, without permanent improvements or habitation, and which (1) generally appears to have been affected primarily by the forces of nature, with man's imprint substantially unnoticable; (2) has outstanding opportunities for solitude or a primitive and unconfined type of recreation. . . ."

We believe that commercial helicopter flights over wildernesses are inconsistent with the values for which these areas were established by Congress.

A substantial portion of RMNP (92 percent) is managed as wilderness, and it is likely that such areas will be formally added to the Wilderness Preservation System by an act of Congress. Neither the FS nor the Park Service is anxious to see the overflight situation get out of control as it has in the Grand Canyon and adjacent national forest wildernesses.

An initiative to control or ban overflights has the support of the Larimer County Commissioners, members of the Colorado Congressional Delegation, the Governor's office and the citizens of Estes Park. Affected business communities fear a loss of revenue and a drop in tourism if overflights begin. Effective management of this situation has the support of both environmental and developmental interests.

Recent Federal Aviation Administration actions to control noise over areas adjacent to Denver International Airport have been well received in Colorado. We ask that you give the same consideration to the pristine environment of Rocky Mountain National Park and its adjacent national forest wildernesses.

If you have any questions regarding this matter, please do not hesitate to contact Forest Service Chief Jack Ward Thomas at (202) 205-1661.

Sincerely,

Dan

DAN GLICKMAN
Secretary

ID# 185471

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: SEPTEMBER 12, 1996

NAME OF CORRESPONDENT: THE HONORABLE DAN GLICKMAN

SUBJECT: WRITES REGARDING THE PRESIDENT'S MEMORANDUM, "ADDDITIONAL TRANSPORTATION PLANNING TO ADDRESS IMPACTS OF TRANSPORTATION ON NATIONAL PARKS"

ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACTION: ACT CODE	ACTION: DATE YY/MM/DD	DISPOSITION: TYPE RESP	C D	COMPLETED YY/MM/DD
KATHRYN "KITTY" HIGGINS	ORG	96/09/12			/ /
REFERRAL NOTE:					
Staff Secretary - Todd Stern	A	96/09/13			/ /
REFERRAL NOTE:					
		/ /			/ /
REFERRAL NOTE:					
		/ /			/ /
REFERRAL NOTE:					
		/ /			/ /
REFERRAL NOTE:					

COMMENTS:

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES:

MI MAIL USER CODES: (A)____ (B)____ (C)____

*ACTION CODES:	*DISPOSITION	*OUTGOING CORRESPONDENCE:
*A-APPROPRIATE ACTION	*A-ANSWERED	*TYPE RESP=INITIALS OF SIGNER
*C-COMMENT/RECOM	*B-NON-SPEC-REFERRAL	CODE = A
*D-DRAFT RESPONSE	*C-COMPLETED	*COMPLETED = DATE OF OUTGOING
*F-FURNISH FACT SHEET	*S-SUSPENDED	
*I-INFO COPY/NO ACT NEC		
*R-DIRECT REPLY W/COPY		
*S-FOR-SIGNATURE		
*X-INTERIM REPLY		

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE (ROOM 75,OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS MANAGEMENT.

SCANNED

96 SEP 23 P3:22

THE WHITE HOUSE

WASHINGTON

September 23, 1996

Hz -

cc: J. Klein

MEMORANDUM TO THE PRESIDENT

FROM: Carol Rasco and Chris Jennings

SUBJECT: Decline in the Medicaid Growth Rate and Baseline

Largely unnoticed, Medicaid baseline reductions have made a significant contribution to the decline in the Federal deficit. In fact, in their recently-released budget outlook report that reduced the 1996 Federal deficit to $116 billion, the Congressional Budget Office (CBO) stated that "the largest single re-estimate is a (1 year) $4 billion reduction in Medicaid outlays." The reduction in expenditures has produced an aggregate Medicaid growth rate of 3 percent between 1995 and 1996, the lowest growth rate in over 20 years. This translates into an astounding 1 to 2 percent per capita (or per person) increase in spending -- well below the 20-year average annual Medicaid per capita growth rate of 11 percent.

Since you unveiled your balanced budget last year, the CBO Medicaid baseline has declined by $52 billion. The comparable reduction in the Administration Medicaid baseline is about $20 billion; (it is less because OMB started with a lower spending base, has been assuming lower growth rates, and has integrated more accurate economic assumptions all along.) This trend will continue as we fully expect this winter's baseline adjustments (off both the CBO and OMB baselines) to produce tens of billions of dollars of additional savings. As a result, without enacting a single Medicaid cut, you will preside over a program whose CBO baseline (after this winter's adjustment) will have been reduced in the budget window by as much as (if not more than) $80 billion since 1995, and more than $50 billion off of the OMB baseline during that same period.

Many factors have contributed to the decline in the Medicaid baseline. They include: (1) increased utilization of managed care and other cost-cutting initiatives implemented by the states; (2) an improved economy with much lower inflation; and (3) reduced use of "creative" Disproportionate Share and provider donation financing mechanisms by states.

The fact that Medicaid's growth has slowed so rapidly is good news. It mirrors the positive news about health care inflation in the private sector you occasionally cite. However, we must be cautious about heralding it too much because it tends to undermine our criticism of the magnitude of the Republicans' Medicare cuts. For example, we appropriately criticized the Republicans' Medicare cuts, but their proposal (at the time of the veto) would have allowed for a 4.9 percent per person growth rate -- above what the 1995 to 1996 per capita Medicaid growth rate was by 2 to 3 percentage points. In short, when we highlight the success of the private and Medicaid sectors in constraining costs, we risk someone charging that we are being inconsistent in not suggesting that Medicare be held to the same standard.

Most health economists are dubious that last year's low growth rate can be extended for a prolonged period. They believe that much of the savings represent a one–time constriction of excess capacity and inefficiency in the health care system. Moreover, because of historically high health inflation (recall the 11 percent average per capita over the last 20 years), CBO and OMB estimators are extremely weary of lowering their projected Medicaid growth rates, particularly in the out–years. While they may lower their budget window per capita growth rates from 7 percent to 6 percent or at most 5 percent (which is probably the range that they will assume private sector growth rates will be), the estimators will not lower their projected growth rates to anywhere near last year's unofficial Medicaid per capita number of between 1 and 2 percent.

Regardless of the final projections, it is clear that our current Medicaid 5 percent per capita cap proposal will not score significant savings off the downsized CBO Medicaid 5 to 6 percent average per capita baseline. If we do need or want additional savings, we will need to tighten up the allowable average growth rates to probably no more than 4 percent over the budget window. The primary outstanding question is: Can this program sustain this level of constraint without undermining the care it provides to its population?

Clearly, medical and general health inflation have significantly moderated. Very few health care analysts would have projected two years ago that health inflation would be running as low as it is. If current trends are sustained, holding the Medicaid program to a 4 percent average per capita growth rate is conceivable.

Having said this, since Medicaid would have to grow 20–30 percent below what will likely be the revised CBO average private sector per capita rate (of 5–6 percent), we probably could not get many health care economists to validate such a low, sustained growth rate. This is particularly the case because of the increasing numbers of high–cost elderly and disabled populations served by Medicaid.

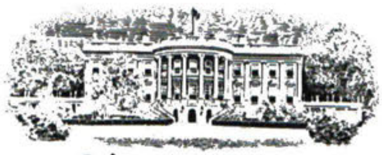
More importantly, we might re–open the door to another serious block grant debate, since states would be more likely than ever to reject such reductions in Federal support without the elimination of virtually all Federal strings. Coverage expansion through or with Medicaid would have to be put off for a while, since no or few states would have the appetite and the resources to take it on. And lastly, reducing Federal financing might place overwhelming pressures on the states to demand that their waivers (old or new) be exempted from changes in financing. If this occurred, we would have even a greater rush to grant and grandfather–in politically–charged state waiver applicants. If this happened, Medicaid savings would be much more difficult to achieve.

We still believe that the Medicaid flexibility reforms you have proposed can achieve savings for the states (and the Federal Government) and are good policy. Moreover, we probably could get some limited savings from a slightly tighter per capita cap, as well as some additional contributions from DSH. Having said this, as we continue to witness billions of dollars of additional Medicaid baseline reductions help lower the deficit, we may want to start lowering our expectations of how much savings we can or should include in our next budget proposal.

Bruce C. Mitchell
P. O. Box 99151
Seattle, Washington 98199

cc: Stacy Forster

He's a good supporter - wants to talk to Sen. Murray and Kitty Higgins to call, check it out



9/20/96

Dear Bruce -

I enjoyed our brief visit —
Thanks for your continued support
and again, for the great and high [illegible]
in '94 when things were tough.
On to November!

Sincerely
Bill Clinton

Bruce C. Mitchell
P.O. Box 99151
Seattle, Washington 98199
vox: 206 282 2686

9/16/97

FAX
To: Connie Sanders
From: Bruce C. Mitchell
Re: Requested Information for Sept. 18th
Brief Bio

Bruce C. Mitchell
Harvard University '67
President, Mitchell International Enterprises, 1976-present
President, Board of Trustees, The World Affairs Council of Seattle, 1985-1988
Chair of the Board. The Frontiers of Perception Institute, 1987 to present.

The Frontiers of Perception Institute offers an integrated conceptual and practical approach to the redefinition of learning and education for times of rapid and large scale change. The approach is culture, race and gender blind. It facilitates re-statement of the nature and virtue of democracy on local and global scales. It offers a human and global perspective that is not only consistent with, but depends for its vitality on, the continued development and differentiation of individuals and cultures. The basic premise is that learning occurs on the "frontiers of perception" of individuals and cultures. These "frontiers of perception" can be found wherever the known fades into the unknown in anyone's life. This is where all learning begins.

It is the task of the Frontiers of Perception Institute to make this region of mental space accessible and familiar to people, as a part of strategy for dealing with unpredicted, and perhaps unpredictable change, such as refrigerators generating high ozone holes that yield globally increasing skin cancer rates.

[illegible]

[illegible]

[illegible]

THE PRESIDENT HAS SEEN
9/23/96

[illegible]

New York

JIM DORSKIND:

Please coordinate
the reply.

Carnegie Corporation of New York
437 Madison Avenue, New York, N.Y. 10022

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20020

THE PRESIDENT HAS SEEN
9/23/96

Carnegie Corporation of New York

437 Madison Avenue, New York, N.Y. 10022 · (212) 371-3200 · Telex: 6506377182 · Fax: (212) 223-8831

David A. Hamburg, M.D.
President

September 18, 1996

96 SEP 23 A 9:52

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20020

Dear Mr. President:

As congratulations and well wishes have poured in on me since the magnificent ceremony at which you presented me with the Presidential Medal of Freedom, I realize how deeply moved I am by the significance of this award. As I told you when you hung it around my neck, I hope I will be worthy of it in the years ahead.

Although I can scarcely be counted as an objective observer, I thought the ceremony was beautifully conducted from every point of view. Your remarks, your gracious manner, your kindness and consideration were outstanding.

Betty and I were especially touched by your kindness to Eric and Peggy, our son and daughter. Peggy had the privilege of meeting with you before, but Eric had not. He was thrilled with your comments about the Nixon film and has since sent you a copy of the movie as well as the book he put out in connection with it.

I was awfully glad that we had a chance to talk about substantive matters, and I look forward with great pleasure to the opportunity of continuing that discussion in the years ahead.

Once again, my heart-felt gratitude and deep admiration for your extraordinary accomplishments.

With every good wish,

As always,

David

P.S. I enclose our new report *Years of Promise* that covers the age range 3 - 10. With this report, we complete the developmental strategy that has been one of the hallmarks of my term of office here. I have inscribed it for you in appreciation of the great efforts you have made on behalf of our children.

cc
Higgins

THE WHITE HOUSE

WASHINGTON

September 23, 1996

The Reverend and Mrs. Darrell W. Darling
314 West Cliff Drive
Santa Cruz, California 95060

Dear Karen and Darrell:

Thank you for your thoughtful letter on behalf of families who lost loved ones in Croatia. It is kind of you to act as their liaison, and I appreciate knowing the issues that concern you and them.

Please feel free to continue to use John Emerson ((202) 456-2896), as well as Kitty Higgins ((202) 456-7072), as your points of contact here in the White House. We want to address your concerns quickly and diligently, so you should keep them apprised of any questions or other matters that might arise. We are already looking into the specific issues you raised in your letter, and Administration representatives will be getting back to you shortly on those.

I am grateful for your constructive, positive approach toward problems that I know are very painful for you and the other families. Please know that all of you remain in our thoughts and prayers.

Sincerely,

DRAFT

96 SEP 20 P8:13

September 20, 1996

MEMORANDUM FOR THE PRESIDENT

THROUGH: JACK QUINN
COUNSEL TO THE PRESIDENT

FROM: KATHLEEN M.H. WALLMAN
DEPUTY COUNSEL TO THE PRESIDENT

JULIE SCHRAGER
SPECIAL ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT: ADMINISTRATION ASSISTANCE FOR FAMILIES OF BOSNIA CRASH VICTIMS

Since shortly after the crash of Secretary Brown's plane near Dubrovnik, our office, along with several others in the White House, including Evelyn Lieberman, Kitty Higgins and Alexis Herman, has been working with the Departments of Commerce, Defense, and Justice on compensation and other concerns raised by the families of those who died in the Bosnia crash.

This memorandum briefly describes the Administration's efforts to assist the families of the federal civilian employees who died in the April 1996 airplane crash over Dubrovnik. It is occasioned by an August 10, 1996 letter from Karen and Darrell Darling, the parents of a Department of Commerce employee, Adam Darling, who died in the crash. The letter, written by the Darlings for themselves and on behalf of other families, raises several concerns and makes a number of requests for additional steps that the federal government could take to assist and comfort the bereaved families.

More specifically, the Darling letter raised concerns regarding the Air Force's investigation of the crash, its meting out of punishment to those judged responsible, and its responsiveness to the families; asked for a high-level Administration contact for the victims' families; expressed interest in a public memorial in the United States; and urged additional financial and emotional support for the families.

While the concerned Cabinet departments already have done a number of things to address the issues identified by the Darlings, we are continuing to work with the departments to ensure that they have done the maximum possible to meet those concerns. A status report follows.

Information about the Air Force Crash Investigation

- Two days after the accident, the Air Force created an Aircraft Accident Investigation Board, which determined, in brief, that there were three causes of the crash: a failure of command, air crew error, and an improperly-designed instrument approach procedure at the Dubrovnik Airport. In June, the Board issued an extensive report and individually briefed each of the victims' families on the Board's findings. The Air Force further has followed up by providing written and oral responses to family members who have questions about the crash and the Air Force investigation.

- Seventeen Air Force personnel have been disciplined as a result of the Air Force investigation. Two former Commanders and the Vice Commander of the 86th Airlift Wing at Ramstein Air Base in Germany have been relieved of their command. Several others received written letters of reprimand. The Darling's letter indicates that the families were initially told that courts martial would be convened. We will inquire at the Department of Defense about the circumstances of that briefing and what exactly was said.

- In response to the families' interest in having a contact person outside the Air Force, we asked the Department of Defense to identify a senior contact person at the Office of the Secretary level. Accordingly, from now on, Ed Dorn, the Department of Defense's Undersecretary for Personnel, will act as the Administration contact for the military and civilian victims' families. We have drafted a letter for your signature to the Darlings that responds to them on this point and identifies Mr. Dorn as the new contact person.

- In addition, Kitty Higgins and John Emerson will remain the White House contacts with the Darlings.

Funeral Expenses, Death Benefits and Other Compensation

- The spouses and children of military and civilian victims will receive varying pensions and life insurance benefits, amounting to, in some cases, up to 75% of the victim's annual compensation.

- The Federal Employees' Compensation Act (discussed below) is the exclusive remedy for families of federal employees who die in job-related accidents such as this one. Thus, the families are barred from bringing suit against the government.

- The Department of Commerce has raised over $70,000 in charitable contributions from government employees and private parties to pay outstanding funeral or moving expenses for Commerce families. They have just begun to distribute funds. Any extra funds may be applied to pay the educational expenses of the children of Commerce crash victims.

- The Department of Commerce and the Air Force are negotiating with American Express to help families collect life insurance benefits on behalf of victims who paid for any portion of their trips with American Express cards. If successful, this negotiation could yield a benefit of $200,000 per family.

- Families of military victims received about $10,000 each as a "death gratuity" and toward funeral expenses.

- However, under the Federal Employees' Compensation Act (FECA), families of <u>civilian</u> victims were eligible to receive only $1,000 for funeral and related expenses, which is clearly an inadequate and outdated amount. In order to fix this, we have attached an amendment to the Treasury-Postal Appropriations bill that would authorize all federal departments and agencies to provide a $10,000 death benefit to civilian employees who die while performing government work. Such payments could be made with regard to any death that occurred since 1990, the date when the $10,000 benefit level was established for military personnel. Thus, families who lost members in this crash or in the Oklahoma City bombing, for example, would be eligible for such payments. This would place the families of civilian government employees in the same position as the families of military employees with respect to this category of benefits. This would help with some of the short-term needs of families who had moving expenses and the like.

- Families of both civilian and military victims were provided with transportation and lodging at Dover Air Force Base at the time that the victims' bodies were returned to the United States.

<u>Support of Families</u>

- Five Department of Commerce employees continue to serve as liaisons to the Commerce victims' families, coordinating with the Air Force, the State Department, and the White House to ensure that families have all relevant, available information about the crash and potential benefits.

- Undersecretary Dorn at the Department of Defense will supplement Commerce's efforts and coordinate with the Air Force. We have emphasized with the Department that Mr. Dorn's designation is intended to remedy the difficulties experienced by the Darlings and the other families in dealing with the Air Force by ensuring that their concerns receive prompt attention at a high level in the Department. We have emphasized the importance of making this new arrangement workable for the families.

Permanent Memorials

- The State Department dedicated a plaque in honor of all of the crash victims this summer. The plaque is not yet on display because the State Department is still looking for a permanent location. We will follow up with them to ensure that a decision is made reasonably and promptly so that the families may be informed.

- Commerce plans to create a memorial for all of the crash victims to be dedicated on or about April 3, 1997, depending upon the families' availability. We will check with the Commerce Department to ensure that the Department informs the families of its intention and includes them in the planning of the memorial. In addition, in late October, Secretary Kantor will dedicate a Commerce District Export Assistance Center in Monterey, California in memory of Secretary Brown and Adam Darling.

#187058

UNITED STATES DEPARTMENT OF EDUCATION

THE SECRETARY

Keppie
cc: Nash

September 17, 1996

The Honorable William J. Clinton
President of the United States
Washington, D. C. 20500

Re: Advisory Commission on Consumer Protection and Quality in the Health Care Industry

Dear Mr. President:

I would like to recommend to you the appointment of Sarah Shuptrine to the above advisory commission.

Sarah, as you will recall, was my top person on health and human services when I was Governor of South Carolina, and she has a national reputation for health matters as they pertain to consumers. She now is Executive Director of the Southern Institute on Children, which is a nonprofit organization with headquarters in Columbia, South Carolina.

Sarah is a very bright and caring person who believes that, with a serious effort, we can make welfare reform work in this country. I have enclosed a copy of her letter to you during the period when welfare reform was being discusssed.

Thank you for considering this recommendation.

Yours sincerely,

Dick

Richard W. Riley

RWR:sr

Forward
to B. Nash
cc: C. Jennings
J. Klein

600 INDEPENDENCE AVE., S.W. WASHINGTON, D.C. 20202-0100

SEP 19 1996

Sarah Shuptrine & Associates

August 1, 1996

The Honorable Bill Clinton
The White House
Washington, DC 20500

Dear President Clinton:

I wanted to write to let you know how very much I appreciate the leadership you demonstrated by announcing that you will sign the vastly improved latest version of the welfare legislation. Your action took a great deal of courage.

No one knows for sure what the impact will be on the children currently on welfare. There is no doubt in my mind, however, that the course you have held steady on has been the right one for the majority of children on welfare today. Your unyielding position on protection of Medicaid benefits, your strong support of child care subsidies, your commitment to the EITC, your push to get serious about collecting child support, your firm position on keeping Food Stamps from being converted to a block grant, and your willingness to step out front on the need to increase the minimum wage— all of these actions together will make the difference in whether families on welfare are able to meet basic needs while working in low wage jobs. The economic reality is that most will have to accept low paying jobs with no benefits initially and that's why these supports are essential.

I have spent a great deal of time with welfare recipients in personal interviews and focus groups over the past ten years and, as I related to my good friend Carol Rasco on many occasions, we have let them down by not supporting their efforts to work. Most want to get out of the welfare system and make a better life for their families. The key to helping them realize that goal is to stop knocking them down when they try to leave welfare (which is what has occurred through the outdated policies attached to the entitlement) and to provide help in more dignified ways such as those listed above.

You know better than anyone that policy goals can be lost in implementation. It will be critical that state actions are monitored to achieve accountability whether or not the federal government has the power to take any action to protect children. Keeping the spotlight on what actions states are taking will help those concerned with the well-being of children to be informed and to know when they need to be on top of negative developments. In this regard, I have an abiding belief that the best way to know what is happening is to talk with those we are supposed to be helping.

It is consolation to me to know that you are there at this critical time because you have always been able to look beyond the present and to interrelate issues that can't be considered in a vacuum. That is the type of leadership we must have in these times.

My warmest wishes to you and Hillary,

Sarah

Sarah C. Shuptrine

620 Sims Avenue • P.O. Box 5345 • Columbia, SC 29250 • (803) 779-2607

AMERICAN CYBERCAST

The Digital Entertainment Network

Nancy Hernreich
The White House
Washington D.C. 20500
FAX #: 202-456-6703

Dear Nancy,

My friend, Alexandra di Portanova, suggested I send you a copy of my letter to The President.

It is an appeal for him to make a ground-breaking appearance on the Internet similar to the way he broke new ground four years ago when he appeared on "The Arsenio Hall Show" (where I was then working as a segment producer and talent executive.)

Any help you could give in this matter would be greatly appreciated.

JIM DORSKIND:

Please coordinate the reply.

Respectfully,

William Royce
Executive In Charge of Talent

4640 Admiralty Way
Suite 900
Marina del Rey
CA 90292
phone/310.821.2110
fax/310.827.1168
e-mail/amcy@amcy.com

AMERICAN
CYBERCAST
The Digital Entertainment Network

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

September 18, 1996

Dear Mr. President,

I was fortunate enough to be a talent executive and segment producer with "The Arsenio Hall Show" when you made your historic appearance on that program.

I will never forget meeting you and the impact you had on our audience, both in the studio and at home watching. For a (then) candidate for the President of the United States to take the time to show up at a venue that appealed directly to the youth of America showed how important the thoughts and wishes of young people are to you.

Which brings me to the point of this letter. I am now the Executive In Charge of Talent for American Cybercast, a multi-media company which creates and distributes original programming for the Internet. I'm sure I don't have to tell you about the ever-growing influence of this domain or the young demographic to which it appeals.

I'm writing you now with an idea that I believe could have the same impact with the same audience your appearance on Arsenio created. American Cybercast has already broken new ground by bringing the first ever episodic drama, The Spot, to the Internet. This success story has spawned, at last count, 62 imitations on the net.

On October 14th, our company will launch its own homepage or homesite called "The Gateway." This will not only provide an easy pathway to internet users to The Spot and other programs American Cybercast has created, it will also provide a venue where newsmakers and personalities will have a chance to say whatever is on their mind.

The launch of "The Gateway" will be backed by a full multi-media campaign. The theme of our advertising: "This time the revolution will NOT be televised."

I would like to invite you to be the very first guest on "The Gateway." There is no doubt that the youth of America in 1996 are totally plugged into "the net." By appearing on "The Gateway" you could reach that audience in a dramatic way just as you so swiftly and so amazingly reached the youth of America on Arsenio four years ago.

4640 Admiralty Way
Suite 900
Marina del Rey
CA 90292
phone/310.821.2110
fax/310.827.1168
e-mail/amcy@amcy.com

AMERICAN
CYBERCAST
The Digital Entertainment Network

A recent Nielsen Media Research Survey revealed that almost a quarter of those 16 and older in the United States and Canada are plugged into the Internet at some point during each day. If anyone understands how important it is to reach that audience and to involve it in the political landscape, it is you, Mr. President.

If your schedule would not permit an appearance on October 14th, I'm sure our audience would welcome your daughter, Chelsea. I don't know if she has ever "surfed" the Internet but I'm sure we could make it an unforgettable experience for both her and our audience.

I know how valuable your time is so I will not take up any more of it. Like you, I have been very fortunate in the years following your appearance on Arsenio. After Arsenio left the air, I joined "The Tonight Show with Jay Leno" as Co-Producer and last year was lucky enough to win an Emmy for Best Variety or Music Program along with the other producers on Jay's team.

I have now taken the leap into cyberspace because I know this domain represents the future. I now invite you to join me in this exciting new world.

My friend, Alexandra di Portanova, strongly suggested I write you with this idea to break new ground with the youth of America. She said she had no doubt you and your staff will easily see the wisdom of it.

Four years ago, you reached out your hand to young people on Arsenio in a way that has never been forgotten. I would love to be a part of another historic appeal.

I thank you for taking the time to read this letter and consider my request.

Respectfully,

Bill

Bill Royce
Executive In Charge
of Talent

4640 Admiralty Way
Suite 900
Marina del Rey
CA 90292
phone/310.821.2110
fax/310.827.1168
e-mail/amcy@amcy.com

Delivered by

John Angell

Ro

Ch

Ch

w York 10048 212 783-6535

Ltr Staff Pres 58

September 20, 1996

JIM DORSKIND:

Please coordinate the reply.

VIP

Tl

The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

I am writing to express my gratitude to you and your Administration for the considerable efforts which have been made over the past four years in furtherance of U.S. investment interests in the Russian Federation. The strong, unequivocal and coordinated support provided by your Office, the Office of the Vice President and the Commission on Technological Cooperation in Energy and Space, the Office of the Ombudsman for Energy and Commercial Cooperation, the Departments of Treasury and Energy, OPIC and the U.S. Embassy in Moscow has enabled U.S. companies to maintain their investments despite overwhelming economic and political odds.

Salomon, like many other U.S. investors in Russia, has greatly benefited from this assistance. Since 1991, our subsidiary, Phibro Energy Production, Inc., has invested $120 million in connection with its 45% ownership interest in the White Nights Limited Liability Company, a 50/50 Russian/American venture involved in oil production and development in Western Siberia. White Nights employs 1,170 Russian workers and produces 14,000 barrels of oil per day. Over the past six years, Phibro has assisted White Nights to apply suitable Russian and western technical equipment and services to rehabilitate and upgrade wells, facilities and pipelines in a cost-effective manner and to implement new reservoir management and western drilling and completion techniques. Due to these efforts, White Nights has produced 41 million barrels of oil including 16.2 million barrels of incremental oil which would not have otherwise been produced. These activities have benefitted both the Russian economy and American business.

The past five years, however, have presented a very difficult operating environment for Phibro and similarly situated U.S. investors in Russia. Operating and capital costs have soared, customs, accounting and banking regulations have changed frequently, and inflation coupled with ruble devaluation have hurt project economics. However, the two largest impediments to investment in Russia's oil sector remain a fiscal regime based on taxation of gross revenue rather than profits and escalating pipeline transportation tariffs. Indeed, at present, taxes and tariffs absorb more than 50% of all revenue received by oil production ventures from the sale of oil, leaving insufficient revenue for payment of operating costs, capital costs or loan servicing.

Your Administration has worked tirelessly to ensure that these critical issues impeding foreign investment are recognized and addressed by the Russian government. Although progress has been slow and difficult, our experience in White Nights has shown that your Administration's efforts are both succeeding and bearing fruit. Increasingly, Russian government officials recognize the need to reduce tax levels in order to stimulate investment and economic growth.

Over the long run, a strengthened Russian economy, coupled with a more rational, profits-based fiscal system, will lead to additional benefits and opportunities for both Russian and American business and will help to achieve your Administration's goal of promoting Russia's transition to a market-based economy. Salomon looks forward to continuing its work with your Administration to help further increase business cooperation between the United States and Russia in the years ahead.

Sincerely,

Robert E Denham

RED:pb