THE PRESIDENT HAS SEEN
4-10-97

WELFARE CABINENT MEETING

DISSUSSION MATERIALS

April 10,1997

Clinton

WELFARE TO WORK: FEDERAL GOVERNMENT COMMITMENTS BY AGENCY
April 10, 1997

THE PRESIDENT HAS SEEN
4-10-97

Agency	Total Number of Federal Hires (FY97-00)	Total Federal Civilian Employment	Federal Hires as Percent of Total Federal Employees
USDA	450	96,741	0.47%
Commerce	4,180	34,228	12.21%
Defense	1,605	769,784	0.21%
Education	21	4,496	0.47%
Energy	55	17,494	0.31%
EOP	6	1,513	0.40%
EPA	120	17,157	0.70%
FEMA	125	5,044	2.48%
GSA	121	14,435	0.84%
HHS	300	58,427	0.51%
HUD	200	11,242	1.78%
Interior	325	64,840	0.50%
Justice	450	111,535	0.40%
Labor	120	15,116	0.79%
NASA	40	20,440	0.20%
OPM	25	3,344	0.75%
SBA	120	4,513	2.66%
SSA	600	66,177	0.91%
State	220	23,982	0.92%
Transportation	206	62,642	0.33%
Treasury	405	151,176	0.27%
VA	800	244,857	0.33%
TOTAL	**10,494**	**1,799,183**	**0.58%**

INITIAL FEDERAL COMMITMENTS BY FISCAL YEAR

FY97	FY98	FY99	FY00
1,962	6,274	1,301	810

Boland

4/10/97
C

April 9, 1997

NOTE TO: **TODD STERN**

FROM: **KITTY HIGGINS** KH

For appropriate action.

should go to VP for handling T.

Cleves 4-9-97
Should this come to you first?
Yes. KH. Carol B.

4-9-97

Staff Secretary -

Recommend you staff this package to the NSC as they prepare the Cover memo for the President

Clerk's Office

ID # 142402

WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

☐ O - OUTGOING
☐ H - INTERNAL
☑ I - INCOMING
Date Correspondence Received (YY/MM/DD) 97/04/09

Name of Correspondent: The Honorable William M. Daley

☐ **MI Mail Report** **User Codes:** (A) _____ (B) _____ (C) _____

Subject: Submits a 6-month periodic report on the National Emergency with respect to the Lapse of the Export Administration Act of 1979, as amended.

ROUTE TO: Office/Agency (Staff Name)	ACTION Action Code	Tracking Date YY/MM/DD	DISPOSITION Type of Response	Code	Completion Date YY/MM/DD
Kitty Higgins	ORIGINATOR	97/04/09		C	97/04/09
Referral Note:					
Todd Stern	A	97/04/09		C	97/04/09
Referral Note:					
Tim Saunders	A	97/04/09		C	97/04/09
Referral Note:					
Todd Stern	A	97/04/09			/ /
Referral Note:					
		/ /			/ /
Referral Note:					

ACTION CODES:
A - Appropriate Action
C - Comment/Recommendation
D - Draft Response
F - Furnish Fact Sheet to be used as Enclosure
I - Info Copy Only/No Action Necessary
R - Direct Reply w/Copy
S - For Signature
X - Interim Reply

DISPOSITION CODES:
A - Answered
B - Non-Special Referral
C - Completed
S - Suspended

FOR OUTGOING CORRESPONDENCE:
Type of Response = Initials of Signer
Code = "A"
Completion Date = Date of Outgoing

Comments: For the President's Final to the Congress.

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

5/81

UNITED STATES DEPARTMENT OF COMMERCE
Office of the Secretary
Washington, D.C. 20230

APR 7 1997

Faxed for copies to Kitty K.

MEMORANDUM FOR KITTY HIGGINS
Secretary to the Cabinet

FROM: Paul Donovan PAUL
Chief of Staff

SUBJECT: Semiannual Activities/Expenditures Report under the International Emergency Economic Powers Act (IEEPA)

Attached is a letter to the President from the Secretary of Commerce transmitting the semiannual report of activities performed and expenditures incurred pursuant to the national emergency which the President declared pursuant to the International Emergency Economic Powers Act (IEEPA) because of the lapse of the Export Administration Act.

Attachment

THE SECRETARY OF COMMERCE
Washington, D.C. 20230

APR 7 1997

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

Dear Mr. President:

On August 19, 1994, in Executive Order No. 12924, you declared a national emergency under the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.) to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (EAA) (50 U.S.C. app. 2401 et seq.). You issued notices continuing the emergency declared in Executive Order 12924 on August 15, 1995 and August 14, 1996, as required by the National Emergencies Act (NEA) (50 U.S.C. 1601 et seq.).

Under IEEPA, the President is required to submit a report to the Congress every six months with respect to any actions or developments concerning this emergency. Additionally, pursuant to the NEA, the President is required to report to the Congress on the total expenditures directly attributable to the declaration of emergency. This report is to be submitted within ninety days after the end of each six-month period. You last transmitted a consolidated report (for the period February 19, 1996 to August 19, 1996) on December 2, 1996.

Enclosed is a consolidated report of activities and expenditures for the period August 19, 1996 to February 19, 1997. I recommend that you sign and transmit the enclosed report.

Sincerely,

William M. Daley

Enclosure

TO THE CONGRESS OF THE UNITED STATES:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month periodic report on the national emergency declared by Executive Order 12924 of August 19, 1994, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979.

THE WHITE HOUSE,

TO THE CONGRESS OF THE UNITED STATES:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month periodic report on the national emergency declared by Executive Order 12924 of August 19, 1994, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979.

THE WHITE HOUSE,

President's Periodic Report on the National Emergency Caused by the Lapse of the Export Administration Act of 1979

1. On August 19, 1994, in Executive Order No. 12924, I declared a national emergency under the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.) to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401 et seq.) and the system of controls maintained under that Act. In that order, I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768 et seq.), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977 (as amended by Executive Order No. 12755 of March 12, 1991), Executive Order No. 12214 of May 2, 1980, Executive Order No. 12735 of November 16, 1990 (subsequently revoked by Executive Order No. 12938 of November 14, 1994), and Executive Order No. 12851 of June 11, 1993. As required by the National Emergencies Act (50 U.S.C. 1622(d)), I issued notices on August 15, 1995 and August 14, 1996 continuing the emergency declared in Executive Order 12924.

2. I issued Executive Order No. 12924 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including, but not limited to, IEEPA. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every six months. Additionally, section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)) requires that the President, within 90 days after the end of each six-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. To comply with these requirements, I have submitted combined activities and expenditures reports for the six-month periods from August 19, 1994 to February 19, 1995, from February 19, 1995 to August 19, 1995, from August 19, 1995 to February 19, 1996, and from February 19, 1996 to August 19, 1996. The following report covers the six-month period from August 19, 1996 to February 19, 1997.

3. Since the issuance of Executive Order No. 12924, the Department of Commerce has continued to administer and enforce the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations (EAR). In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12924 to those required under the Export Administration Act, insofar as appropriate.

4. Since my last report to the Congress, there have been several significant developments in the area of export controls:

A. Multilateral Developments

Wassenaar Arrangement. The Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies currently has thirty-three member countries. During a general working group meeting of the Wassenaar Arrangement in September 1996, some members voluntarily exchanged information on certain license approvals and denials. In this session, the members also agreed on procedures for "confidentiality of information." In the following month's working session, the members conducted the first formalized reporting on licensing information. In December 1996, members met for the second plenary session of the Wassenaar Arrangement and elaborated the 1997 work program. There will be working group sessions in February, April and May 1997 to complete the 1997 list review and to continue the information exchanges. A plenary session may be held in June 1997.

Australia Group. The Australia Group (AG) is an informal multilateral body formed in 1984 to address concerns about the proliferation of chemical and biological warfare (CBW) capabilities. This is accomplished through harmonization of export controls and the exchange of information on CBW-related activities of concern. Currently, 30 governments, representing supplier or producer countries, are members.

As of October 1996, the Republic of Korea (South Korea) became the thirtieth member of the Australia Group. South Korea is to be treated as an AG member under U.S. regulations. This includes exemption from certain license requirements under the Export Administration Regulations for items controlled for CBW proliferation reasons.

On February 12, 1997, BXA published a technical adjustment to the Commerce Control List to permit the export of solvents containing trace quantities of a controlled chemical precursor to most destinations without a license.

Nuclear Suppliers Group. The Nuclear Suppliers Group (NSG), currently composed of 34 member countries, maintains a control list of nuclear related dual-use items and guidelines for their control.

The Department of Commerce continues to issue license denials for NSG-controlled items as part of the "no-undercut" provision of the NSG. Under this provision, a denial notification received from an NSG member country precludes other member countries from approving similar transactions, thereby assuring that the earlier denial is

not "undercut". There are procedures for member countries to consult on specific denials if they wish to disagree with the original denial.

The Department of Commerce has also notified the NSG of denials for non-NSG controlled items that have been denied under the Enhanced Proliferation Control Initiative (EPCI) due to concerns about the end user. Other NSG members have also notified the NSG of denials under their "catch-all" controls for items that are not on the NSG Dual Use Control List.

The NSG is planning a "transparency" seminar in October 1997, in Vienna, Austria to discuss nuclear exports of the NSG member countries and their obligations under the Nuclear Non-Proliferation Treaty.

Missile Technology Control Regime (MTCR). The Missile Technology Control Regime (MTCR), founded in 1987 and currently comprising 28 member countries, is an informal group whose members coordinate their national export controls to help prevent missile proliferation. Each member country, under its own national laws, has agreed to abide by multilateral MTCR Guidelines for controlling the transfer of items that contribute to missile programs. These items are identified in an MTCR Equipment and Technology Annex to the Guidelines. The United States has continued to implement the MTCR controls during the reporting period.

B. Bilateral Cooperation/Technical Assistance.

As part of the Administration's continuing effort to encourage other countries to strengthen their export control systems, the Department of Commerce and other agencies conducted a wide range of discussions with government representatives of a number of foreign countries.

China. BXA officials met with Liu Hu, Director General of the Science and Technology Office in China's Ministry of Foreign Trade and Economic Cooperation, and members of his staff in September 1996 to discuss export controls. The meeting was productive, and we are seeking a follow-up meeting.

Hong Kong. In November 1996, a BXA official began work with Hong Kong's Trade Department for a six-month period, in response to a request from the Hong Kong Government for technical assistance with commodity classifications and other technical issues. The Hong Kong Trade Department has been dependent on the British for technical expertise. They are now developing the expertise of their own officials who will be operating independently when Hong Kong reverts to the People's Republic of China on July 1, 1997.

Export Enforcement Visit to Malta and Cyprus. In November 1996, the Special Agent-in-Charge of Export Enforcement's Boston Field Office and other U.S. officials met with Maltese and Cypriot customs officials to discuss efforts to prevent illegal shipments, inspect air and marine carriers for such goods, investigate dubious end-users, and use automation to reduce the technical burden on customs and police officials.

Nonproliferation and Export Control Cooperation. In early 1994, BXA established the Nonproliferation and Export Control Cooperation (NEC) team as an entity within the Office of the Under Secretary to coordinate BXA's resources and expertise in support of U.S. export control cooperation programs involving the former Soviet Union, other newly emerging states in the Central Asian, Transcaucasian, and Baltic regions, and certain European states. From September 1996 to February 1997, the NEC team, with representatives from the Departments of State, Defense, and Energy, and the U.S. Customs Service, coordinated technical exchanges with Russia and with the three Baltic states of Estonia, Latvia and Lithuania, in addition to the activities with Belarus, Ukraine and the Central Asian and Caucasian states noted below.

Central Asia/Caucasian Non-Proliferation Forum. In September 1996, BXA's NEC team organized, with the Department of State, an export control and non-proliferation forum in Washington for officials from Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. U.S. and Turkish export control officials made presentations on legal and regulatory authority for dual-use and munitions controls, control list review, license review, preventive enforcement, U.S. Customs enforcement, and industry outreach.

Belarus Preventive Enforcement Workshop. In October 1996, the NEC team and Export Enforcement representatives hosted a delegation from Belarus in Washington where Office of Export Enforcement representatives made presentations on headquarters operations and interagency cooperative efforts. The Belarusians travelled to Dallas, Texas, where the delegation met with Dallas Field Office personnel, a federal judge, a U.S. Attorney, and Customs officials.

Ukraine Exchanges. During the reporting period, BXA's NEC team coordinated four exchanges with Ukrainian export control officials.

In September 1996, BXA led an interagency technical delegation to Kiev to provide assistance in implementation of the Ukrainian automated export licensing system.

In October 1996, eight high-level Ukrainian officials participated in an export control cooperation executive

exchange in Washington. More than thirty experts from the Departments of Commerce, Defense, Energy, Treasury and State and from U.S. companies provided executive briefings. Key themes included export control administration, interagency coordination, legal elements, licensing practices, preventive enforcement, industry-government relations, automation, and customs techniques.

Also in October 1996, the Special Agent in Charge of the Office of Export Enforcement's Miami Field Office led an interagency team to a Preventive Enforcement Forum in Kiev to present case studies of export enforcement actions and to conduct exercises involving verification of actual licensed export transactions between the United States and Ukraine.

In January 1997, BXA organized an in-depth technical exchange in Washington on control lists, licensing procedures, and regulatory development for eight Ukraine export control experts charged with interpreting and implementing the national export control laws.

C. Regulatory Actions: Published and Pending

Commercial Communications Satellites and Hot Section Technology for the Development, Production or Overhaul of Commercial Aircraft Engines. BXA accepted jurisdiction over commercial communications satellites and hot section technology, formerly on the U.S. Munitions List, in a rule published on October 21, 1996. This rule also imposed enhanced national security and foreign policy controls on these items.

Encryption Items Transferred from the U.S. Munitions List to the Commerce Control List. On December 30, 1996, BXA published an interim rule transferring jurisdiction over commercial encryption products from the State Department to the Commerce Department. Additionally, this rule established a License Exception for export of recoverable encryption products meeting certain criteria. This exception also allows shipment of certain non-recoverable encryption products through December 31, 1998, provided the exporter commits to develop, produce, or market recoverable products.

Implementation of the Wassenaar Arrangement. BXA has circulated for interagency review the implementation of the Wassenaar Arrangement, including a revised Commerce Control List and new reporting requirements. The revised Commerce Control List continues to reflect the European Union list. We anticipate publishing this rule in spring of 1997.

D. Regulatory Reform

After publishing its comprehensive revision and reorganization of the Export Administration Regulations on March 25, 1996, BXA continues to receive public comments and suggestions. On December 4, 1996, BXA published a rule reorganizing and clarifying License Exceptions in response to comments from the exporting community. On December 23, BXA published revisions to the computer controls. Two follow-up rules making corrections and clarifications are in the interagency clearance process.

E. Export License Information

During this reporting period, BXA continued to receive many requests for export licensing information in enforcement proceedings and under the Freedom of Information Act. BXA continues to withhold from public disclosure information obtained for the purpose of consideration of, or concerning, export license applications, unless the release of such information is determined by the Under Secretary to be in the national interest, pursuant to Executive Order No. 12924's directive to carry out the provisions of the Export Administration Act, to the extent permitted by law.

F. Export Enforcement

Over the last six months, the Department of Commerce continued its vigorous enforcement of the EAR through educational outreach, license application screening, spot checks, investigations, and enforcement actions. In the last six months, the efforts resulted in civil penalties, denials of export privileges, criminal fines, and imprisonment. Total penalties imposed from August 19, 1996, through February 14, 1997, amounted to $606,600 in export control and antiboycott compliance cases, including criminal fines totaling $130,600; in addition, twelve parties were denied export privileges.

North Carolina Firm Receives $122,500 Penalty for Illegal Export of Titanium and Maraging Steel: On January 22, 1997, the Department imposed a $122,500 civil penalty on Allvac, a Monroe, North Carolina, manufacturer, to settle allegations that the company violated the Export Administration Regulations (EAR). Based on an investigation conducted by Export Enforcement's Washington Field Office, the Department alleged that Allvac made 48 shipments of titanium alloy products from the United States to Australia, China, France, Ireland, Israel, Italy, Japan, Germany, Switzerland, Taiwan, and the United Kingdom, as well as one shipment of a maraging steel product from the United States to Germany, all without the required U.S. export licenses. The shipments of the titanium alloy and maraging steel products, which are controlled for nuclear nonproliferation reasons,

occurred from September 1991 to June 1993. Allvac voluntarily disclosed these shipments to the Department, and the Department agreed to suspend payment of $47,500 of the penalty for one year, and then to waive payment of that amount provided Allvac commits no violation of the EAR during that period.

Ohio Company Receives $160,000 Civil Penalty for Illegal Titanium Shipments: On January 8, 1997, the Department imposed a $160,000 civil penalty on RMI Titanium, of Niles, Ohio, to settle allegations that the company violated the Export Administration Act and Regulations. Based on an investigation conducted by Export Enforcement's Washington Field Office, the Department alleged that RMI Titanium made six shipments of titanium alloy products to France and Israel without obtaining the required U.S. export licenses. The Department also alleged that the company made false and misleading statements of material fact on export control documents. The export of titanium alloy products is controlled for nuclear nonproliferation purposes.

Texas Company Charged for Illegal Export of Computers to Chinese Nuclear Equipment Factory: On December 20, 1996, New World Transtechnology (NWT), Galveston, Texas, pled guilty to a criminal information that charged the company with two counts of violating the International Emergency Economic Powers Act, and one count of making false statements. A criminal fine of $10,000 was imposed and a special assessment fine of $600 was levied against NWT.

Export Enforcement's Dallas Field Office initiated an investigation of NWT based on information provided by Export Enforcement's San Jose Field Office. As a result of the Dallas Field Office's investigation, the criminal information filed in the Galveston, Texas, division of the U.S. District Court for the Southern District of Texas, alleged that NWT had exported three Sun Microsystems computers to a nuclear equipment factory located in the People's Republic of China in August 1992, without the required validated export license. It was also alleged that, in October 1992, NWT attempted to illegally export a MIPS computer to the same destination in the People's Republic of China. Export Enforcement Special Agents seized another computer before it could be shipped to China via Hong Kong.

Korelski, Doornbos, Plead Guilty to Conspiracy, Fined and Denied Export Privileges for Illegal Exports to Libya: On December 18, 1996, the Department imposed a four-year denial of export privileges on both Doornbos GmbH of Solingen, Germany, and its general manager, Helmut Korelski, to settle allegations that they conspired to evade export control laws which restrict shipments of U.S.-origin equipment to Libya. As a result, neither Doornbos nor Korelski may engage in any transaction involving commodities, technology, or software exported from the United States.

Based on a joint investigation conducted by Export Enforcement's Washington Field Office and the U.S. Customs Service, the Department alleged that Doornbos and Korelski acquired U.S.-made machine parts and construction equipment by claiming that the ultimate destination was Germany, when in fact the goods were sold to the Dong Ah Consortium for use in the Great Man-made River Project in Libya. As a result of the investigation, Doornbos and Korelski also pled guilty to one count of conspiracy and Doornbos received a criminal fine of $500,000 in U.S. District Court in Ohio.

Ohio Company Receives $200,000 Civil Penalty for Attempted Export of Five-Axis Milling Machines to PRC: On October 2, 1996, Yuchai America Corporation of Cleveland, Ohio, agreed to pay a civil penalty of $200,000 for alleged violations of the Export Administration Regulations. As the result of an investigation conducted by Export Enforcement's New York Field Office, the Commerce Department alleged that Yuchai America attempted to export two five-axis milling machines to the People's Republic of China without the required validated U.S. export license in May 1994, and made false and misleading statements of material fact on export control documents. Yuchai America neither admitted nor denied the allegations. Yuchai America is an affiliate of Yuchai Machinery Company, Ltd. of China.

5. The expenses incurred by the Federal Government in the six-month period from August 19, 1996 to February 19, 1997 that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration. Expenditures by the Department of Commerce are anticipated to be $20 million, most of which represents program operating costs, wage and salary costs for Federal personnel, and overhead expenses.

# # #

THE PRESIDENT HAS SEEN
4-9-97

tried twice to call

April 8, 1997

7

RECOMMENDED TELEPHONE CALL FOR THE PRESIDENT

TO: Mayor Richard Riordan, Mayor of Los Angeles, CA

DATE:

April 8, 1997	213-961-7804 Pager for Greg Dawley, Staff Contact all night. 213-623-4316 - Direct Line-Biltmore Hotel, LA, Suite 970, between 8:15-9:55 pm PST Mayor not available between 9:55-10:45 pm PST (12:55-1:45 am EST) and after 10:45 pm PST (1:45 am EST).
April 9, 1997	213-961-7804 Pager for Greg Dawley, Staff Contact all morning. 213-623-4316 - Direct Line-Biltmore Hotel, Suite 970, morning until 10:25 am PST (12:25 pm EST).

4/10/97 per Betty Currie - Call made 8:19 pm - 4/9/97 Smith notified C. Clerk

RECOMMENDED BY: Craig Smith, Office of Political Affairs
Karen Skelton, Office of Political Affairs

PURPOSE: To congratulate Mayor Riordan on his re-election.

BACKGROUND: Mayor Riordan is widely favored to win his race. Though the polls close at 9:00 pm California time, he will probably be declared the winner earlier. Riordan's re-election to a second term as Mayor with an apparently commanding lead is significant, particularly for a Republican in a city where registered Democrats outnumber Republicans by a 2 to 1 margin.

copied Smith COS

Riordan ran an effective, low-key campaign, emphasizing personal appearances with small groups of business leaders, Latino groups, and white voters. In addition, the mayor began his reelection effort early, winning endorsements from African American leaders long before his closest rival, Senator Tom Hayden, (D-Los Angeles), entered the race. Riordan also raised a great deal of money easily.

Riordan's most powerful endorsements came in the last ten days: Senator Diane Feinstein and City Councilman Richard Alatorre

both crossed party lines to support the mayor.

In contrast to Hayden's largely volunteer campaign staff, Riordan had a group of politicos work his race, who are both seasoned and strikingly bipartisan, including Bill Carrick, Arnold Steinberg, and Julio Ramirez. Of course, Bill Wardlaw loomed behind the entire effort and helped broaden Riordan's base by drawing traditional Democrats into the campaign.

SUBMITTED: April 8, 1997

ACTION:

den Lift Riordan in L.A. Mayoral Race

By Lou Cannon
Special to The Washington Post

LOS ANGELES, April 5—Mayor Richard Riordan, a shy venture capitalist who prides himself on deal-making, is heavily favored to win reelection here Tuesday after a low-key campaign that has highlighted the city's economic resurgence and its racial division.

In a recent Los Angeles Times poll, Riordan led by 22 percentage points over State Sen. Tom Hayden, the well-known 1960s radical who has stressed themes of class and racial conflict.

Riordan led by nearly 3 to 1 among whites and Hayden by a similar margin among blacks. Latinos favored Riordan by a 4 to 3 margin.

Nevertheless, a majority of the city's most influential African American politicians support Riordan. Their endorsements are seen as a sophisticated effort by black leaders to maintain influence with a mayor they consider certain to win.

Their support also reflects distrust of Hayden, who last Tuesday called the mayor a "racist." While Hayden later withdrew what he termed this "flippant" remark and apologized to Riordan, the comment was widely criticized as inflammatory.

"We are on the brink in Los Angeles—race and ethnic tensions are high," said Rep. Julian C. Dixon (D), a black person who represents a central city district and deplored the remark.

Dixon has endorsed Riordan because he believes the mayor's program of economic expansion, including creation of a community development bank, has provided jobs and credit to poor people and because "of his strong effort to provide more police protection, which is important to the minority community."

fortune and draws a city salary of a dollar a year, has promoted airport, rail and subway expansion. In the business world he was known as a deal-making attorney; as mayor he has used those skills to entice high-technology industry to Los Angeles.

Hayden's campaign has been hampered by lack of financial resources and defections from his Democratic base, especially among whites. Opposing airport expansion and continued construction of the trouble-plagued subway system, he has claimed Riordan's deals have lined the pockets of his business associates.

While this charge has failed to catch fire, Hayden has successfully taken advantage of black discontent with the treatment of LAPD Chief Willie Williams. A Riordan-appointed police commission criticized Williams's performance and last month declined to give him a second five-year contract.

"As far as I can determine, Riordan's poor showing among blacks is almost exclusively the result of the Williams controversy," said Bill Carrick, the mayor's campaign strategist.

But the roots of dissatisfaction run deeper. Riordan replaced Tom Bradley, an African American who served as mayor for 20 years. African American leaders who deplored their loss of influence at City Hall took comfort in the fact that a black at least was police chief. Once Williams leaves in June, blacks worry that they will have little clout at City Hall or Parker Center, the police headquarters.

Riordan met privately last week with key black supporters—Dixon, John Mack of the Urban League, County Supervisor Yvonne Brathwaite Burke and Rev. Cecil "Chip" Murray of the 1st AME Church. According to participants, he assured them that he favored Deputy Chief Bernard Parks, an LAPD insider and also an African American, as Wil-

4 More Agents Face Possible FBI Sanctions

Roles in Jewell Case May Bring Penalties

Four special agents in the FBI's Atlanta office have been told they face possible disciplinary action for their roles in the case of former Olympics bombing suspect Richard Jewell, a senior bureau official said yesterday.

It was the second reported instance indicating the bureau is preparing to take action against some in its ranks for their treatment of Jewell.

A senior FBI executive, David Tubbs, was notified last month that he might be suspended for up to 15 days for his involvement in the case. Tubbs, the special agent in charge of the bureau's Kansas City office, had been detailed to Atlanta to help supervise the investigation of the Centennial Olympic Park bombing, which killed one person, led to the death of another and injured 111 people.

The other four FBI agents in Atlanta were cited for poor judgment but no criminal wrongdoing. They have been advised they could receive sanctions ranging from reprimands to short suspensions without pay, according to the bureau official, who confirmed a report first published in the Atlanta Journal-Constitution.

The four were identified as Woody Johnson, who runs the Atlanta office; his deputy, A.B. Llewellyn; and special agents Diader

Washington Post
SUNDAY, APRIL 6, 1997

THE WHITE HOUSE
WASHINGTON

April 10, 1997

TO: Ashley Raines

FROM: Phil Caplan

Per our conversation, the attached is forwarded to you for appropriate action. Thank you.

This certificate is
presented to

Sharon Wagner

upon your retirement from the
Government of the
United States of America
following *25* Years
of loyal service

WPS 111-A
5/91

4-9-97

Came in interoffice mail —
Send to Donskyd?

Yes ✓

No ____

cc: Nash Yes ✓

no ____

C.

A new union for a new century

April 9, 1997

'97 APR 9 PM3:12

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

Dear Mr. President:

As you evaluate the personnel changes required for a successful second term, we would like to offer our highest recommendation to Richard Sherman Sloan for the position of Assistant Secretary for Policy, Department of Labor.

During his career, Rick Sloan has worked for each of our unions. He has identified the challenges facing America and produced some remarkable victories for working men and women. We believe his contributions – to our success and your own – should be recognized for what they were: the work of an effective and exceptionally talented strategist.

While a law student employed for the Ohio State UAW-CAP Council, Rick Sloan led the state party's fight to win control of the Ohio State Senate. Later, he led an equally successful effort to defeat four unconscionable bond issues proposed by Governor James A. Rhodes. After his admission to the bar, the United Auto Workers introduced him to Senator Howard M. Metzenbaum.

As Senator Metzenbaum's Legislative Assistant and Administrative Assistant, Rick Sloan distinguished himself as an insightful policy analyst. He authored the 10 percent investment tax credit for rehabilitating downtown buildings, a tax expenditure which revitalized many business districts in the late 1970's. He expanded the filibuster-by-amendment tactic to block immediate decontrol of natural gas prices. He organized the Senate's first hearing on plant closings – for Ford Motor Company's shut down of its engine plant in Brookpark, Ohio – which helped rally the community, forced the company to reopen the plant, and led eventually to the WARN legislation that now protects workers and their communities. As Senator Metzenbaum's attorney, he won a two million dollar judgement for Ohio consumers and set the precedent that the reasonable man standard applied to the operation of natural gas pipelines.

Since founding Challenge America, Inc. in 1986, Rick Sloan has worked closely with the International Association of Machinist and the United Steel Workers of America. He has created advertising campaigns, surveyed members, produced video mail, and provided the Machinists with key strategic insights for presidential and congressional elections. For the United Steel Workers of America, he produced *The Revolution from Within*, a training program and video on the delegate selection process, and then traveled the country energizing thousands of Steel Workers to participate in the 1992 and 1996 presidential elections.

Rick Sloan is also one of our party's most prescient political and policy strategist. His *Steel and Seaboard State Strategy* and *Appalachian Trail Strategy* altered the way presidential campaigns targeted states and allocated resources. His assessment of the 1994 congressional elections convinced many Democrats of the real possibility and, indeed, the imperative of recapturing the House of Representatives in the next elections cycle. And his book, *The Gift of Strategy*, argued that you could become America's strategist for the 21st Century by meeting the challenges facing America – a recurrent theme in your 1996 State of the Union message and re-election campaign.

Rick Sloan has been trusted with the toughest assignments. From negotiating the format of the AFL-CIO's first presidential debate in November, 1991, to organizing union participation in the First Lady's inaugural event at the Kennedy Center, from ghost writing Al Shanker's column endorsing you in *The New York Times*, to providing senior White House staff with strategy memoranda, he has always excelled by has never sought the limelight.

Consequently, we are taking the unprecedented step of sending you this letter to underscore our support for Richard Sherman Sloan as DOL's Assistant Secretary of Policy. We are convinced that he would prove an invaluable addition to the Clinton/Gore Administration.

Sincerely,

Stephen P. Yokich
President, UAW

George J. Kourpias
President, IAM & AW

George F. Becker
President, USWA

cc: Secretary-designate Alexis Herman
President John Sweeney
Senator Edward M. Kennedy

4-9-97

Send to Political Affairs?

Yes _____

No ✓

Don't bother for reply c.

ARGYLE
Television, Inc.

9220 Sunset Boulevard, Suite 210 Los Angeles, California 90069
(310) 271-9700 Fax (310) 271-7036

Staff Sec. 97

April 1, 1997

'97 APR 9 PM3:44

The Honorable William Jefferson Clinton
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear Mr. President,

I read with interest your proposal to give free airtime to politicians as a condition under which broadcasters will receive their digital television licenses. Ideally, and in theory, I could not agree more, however, I think the way to attack campaign finance is to limit the amount of money that candidates can spend. There are a number of concerns that I have with this proposal. Among them:

- *Frequently in my thirty-six years of broadcasting experience, I have seen television stations offer of free time to political candidates rejected many times.*
- *Free time for federal candidates in some districts in America would require free time for as many seven or eight candidates because of multiple parties.*
- *If there is not some limit placed on spending, the free airtime, as I see it, will only provide a base for more airtime for the candidates.*
- *Many of the consultants recommend outrageous gross rating point goals for the candidates. In working with a number of the congressional candidates this year, I had several tell me it was recommended to them that they run two thousand gross rating points per week. This amount is four times more than any new product introduction by any major corporation that I have seen in my thirty-six years in business.*
- *In my opinion, we have reached a point of oversaturation and I'm sure many viewers turn their minds off when another political spot hits the airwaves.*

Quality messages in limited doses is what I believe to be the best way to sell ones philosophy. I would be happy to discuss this in more detail and try to reach some kind of solution so that the use of the airwaves by political candidates, better informs the American public and not just lambastes them with political commercials. I would be happy to talk with you or anyone you so designate about this issue.

I do hope that you will have a speedy recovery with your torn knee ligament, but so far, it seems that your wonderful energy and great leadership have not been thwarted. Get well quickly and I look forward to discussing this issue further.

Most Cordially,

Blake

E. Blake Byrne
President / COO

213493

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D. C. 20426

OFFICE OF THE COMMISSIONER

'97 APR 9 PM3:03

April 2, 1997

The President
The White House
Washington, DC 20500

Dear Mr. President:

I am writing to inform you that I do not wish to seek a second term as a member of the Federal Energy Regulatory Commission.

It has been an honor and a privilege to serve as a Presidential appointee. I am proud to have participated for the last four years in the Commission's many accomplishments under the leadership of Chair Moler.

I intend to serve the remainder of my term which expires on June 30, 1997.

Respectfully,

Donald F. Santa, Jr.
Commissioner

4-9-97

Phil -
Forwarded to us by Cabinet Affairs -
Send original to Dorskind for reply
Yes ✓
No ___

Send copy to Executive Clerk?
Yes ___
No ___ C.

Or send to Oval w/note response being prepare?
Yes ___
No ✓

APR 4 1997

TOM LANTOS
CALIFORNIA

WASHINGTON OFFICE:
2217 RAYBURN BUILDING
WASHINGTON, D.C. 20515
(202) 225-3531

DISTRICT OFFICE
400 EL CAMINO REAL
SUITE 820
SAN MATEO, CA 94402
(415) 342-0300
IN SAN FRANCISCO:
(415) 588-6257

INTERNATIONAL RELATIONS COMMITTEE
Ranking Member
Subcommittee on International Operations and Human Rights
Subcommittee on Western Hemisphere

GOVERNMENT REFORM AND OVERSIGHT COMMITTEE
Subcommittee on Human Resources and Intergovernmental Relations
Subcommittee on National Security, International Affairs, and Criminal Justice

Cochairman, Permanent United States Congressional Delegation to the European Parliament
Cochairman, Congressional Human Rights Caucus

Congress of the United States
House of Representatives
Washington, D.C. 20515

April 9, 1997

'97 APR 10 AM 7:04

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: M1 **DATE:** 9/19/97

7019-0774-5

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

Personal and Confidential

Dear Mr. President:

I have just been advised--perhaps inaccurately--that you have signed off on ambassadorial positions for all the countries except one for which Dick Swett was being considered. The one remaining post open--as I understand it--is Stockholm.

Dick and Katrina would do a superb job representing our nation in Sweden. I am assured that Dick is the number one candidate for that post since he has both your support and that of the Vice President. Given the nature of the ambassadorial appointment process, however, your personal involvement at this juncture may be critical. I respectfully request your personal attention to this matter.

I am deeply grateful for your assistance.

With all best wishes,

Cordially,

Tom

Tom Lantos
Member of Congress

4-10-97
Send to Nash
Yes ✓
No
copy Berger
Yes ✓
No
copy Leg Affairs
Yes ✓
No

4-9-97

Send to Dorskind?

Yes ✓

no _____

coordinate w/ Mike Cohen

Yes ✓

no _____

Reply ASAP

C

Diane Suitt Gilleland
LITTLE ROCK, ARKANSAS

'97 APR 9 PM3:13

Dear Mr. President:

I overheard a conversation today regarding your proposed Hope and Opportunity for Postsecondary Education Act of 1997 which alarmed me. Apparently in section 230 of that bill (which I understood was to be introduced tomorrow "on request" by Congressmen Rangel and Clay) language is included which will require all lenders to charge the maximum interest rate and fees to all student borrowers. Current law allows cost-savings to be passed on to student borrowers who pay on time, a reward for responsible behavior.

This will be a public policy and public relations nightmare for you: it will increase the cost of a college education for approximately 3,500,000 students every year who may otherwise receive reduced interest rates and other fees, depending on the terms of their loans, their lenders and borrower behavior. The increased costs which your legislation requires can be easily documented to be between $350 and $7000 per student for maybe 3,500,000 students, depending upon the amount of money they borrow.

Proposing this in your Hope + Opportunity bill puts you in a very difficult position with the

-over-

American people. You said direct lending was needed for competition to lower borrowing costs; it did. Now you are going to say commercial lenders must increase the costs of borrowing?

This position will be hard for you personally to uphold. It goes against the principles you have articulated for years. I saw a Smith-Barney press release today which said, "... educating Americans has been selected by President Clinton as the nation's most important [business]."

I believe it is in your best interests -- and the best interests of millions of student borrowers -- to delay the introduction of that bill and delete that language. I don't think you can win it, but even if you could, do you really want to?

Your friend,

Brent

1 April 1997

4/9/97

Send to Donskind?

Yes ✓

Mailed JSD response

No

Coordinate w/Counsel?

Yes ✓

No

C

Staff sec.

12

BASSETT LAW FIRM

ATTORNEYS AT LAW

P.O. Box 3618

FAYETTEVILLE, ARKANSAS 72702-3618

W.W. "BILL" BASSETT
WOODY BASSETT
TOD C. BASSETT
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WALKER DALE GARRETT†
CURTIS L. NEBBEN
EARL BUDDY CHADICK
ANGELA M. DOSS†
GARY V. WEEKS†
J. DAVID WALL*
VINCENT O. CHADICK*
JAMES M. GRAVES*†
SCOTT E. WRAY

221 NORTH COLLEGE AVENUE

TELEPHONE (501) 521-9996
TELECOPIER (501) 521-9600

*ALSO LICENSED IN OKLAHOMA

†ALSO LICENSED IN MISSOURI

FACSIMILE COVER SHEET

DATE: 4/7/97

NO. OF PAGES: 36
(Including Cover Sheet)

FROM: Woody Bassett
BASSETT LAW FIRM
P. O. Box 3618
Fayetteville, AR 72702

FAX NO.: 501-521-9600
TEL NO.: 501-521-9996

TO: President Bill Clinton

FAX NO.: 202(456-6703

HARD COPY TO FOLLOW: NO

If you have any problems receiving this transmission, please call (501) 521-9996 and ask for: Linda Dover

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BASSETT LAW FIRM
ATTORNEYS AT LAW
P.O. Box 3618
FAYETTEVILLE, ARKANSAS 72702-3618

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221 NORTH COLLEGE AVENUE
TELEPHONE (501) 521-9996
TELECOPIER (501) 521-9600
*ALSO LICENSED IN OKLAHOMA
†ALSO LICENSED IN MISSOURI

April 7, 1997

Re: U.S. Environmental Protection Agency Proposed Rulemakings; Docket No. A-95-54-NAAQS for Particulate Matter: Proposed Decision; Docket No. A-95-58-NAAQS for Ozone: Proposed Decision

via facsimile #202/456-6703

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

Dear Mr. President:

I was recently contacted by representatives of TransMontaigne Oil Company, which is based here in Fayetteville, about various concerns they have about some proposed EPA rules and regulations. I'm enclosing a packet of information which outlines what the EPA is proposing and the objections which TransMontaigne Oil Company has to those proposed rules. Frankly, I'm not familiar with any of this and I'm only passing this on to you and your staff for appropriate review and consideration. If possible, I would appreciate it if the appropriate person on your staff would contact either Richard Gathright or Larry Clynch at TransMontaigne to discuss their concerns and objections.

Thank you for your time and consideration.

Sincerely,

Woody Bassett

WB/ld

Enclosure as noted

TRANSMONTAIGNE OIL COMPANY

280 North College • Suite 500 • Fayetteville, AR 72701

VIA HAND DELIVERY

March 25, 1997

Mr. Woody Bassett, Esq.
Bassett Law Firm
221 North College
Fayetteville, Ar. 72701

Re: **U.S. Environmental Protection Agency Proposed Rulemakings**
Docket No. A-95-54-NAAQS for Particulate Matter: Proposed Decision
Docket No. A-95-58-NAAQS for Ozone: Proposed Decision

Dear Woody:

Richard Gathright requested that I send you information regarding the above referenced, our activities in regard thereto, and any feedback we have received. Enclosed is the following:

1. February 13, 1997 letter to the EPA Office of Air Radiation from Mr. Larry F. Clynch, President of our subsidiary, TransMontaigne Transportation Services Inc. which outlines what the EPA is proposing and our objections;

2. February 18, 1997 letter to Hon. Richard Lugar, Indiana Senator, from Mr. Clynch, attached to which was a copy of our letter to the EPA. This letter, with addressee modifications, was sent to each senator and state representative for the states in which we or subsidiaries own assets. A list of said recipients is attached to the letter to Mr. Lugar;

3. Information Sheet from the Air Quality Standards Coalition which sets forth in detail problems with the EPA's proposed rulemakings;

4. Responses to our letters from various senators and representatives, including:

Mike DeWine, Ohio Senator
Phil Gramm, Texas Senator
Asa Hutchinson, Arkansas Congressman
Kay Bailey Hutchison, Texas Senator
Richard Lugar, Indiana Senator
Pete Session, Texas Congressman (with attached "official report from the Scientific Advisory Board")

I am not sure what level of understanding you need with regard to the issues involved; however, this packet should familiarize you with the key elements. If you need additional information or otherwise, please give me a call.

Kindest regards,

Jennifer J. May

Jennifer J. May
Associate Counsel
Enclosures
cc: Richard Gathright

TRANSMONTAIGNE TRANSPORTATION SERVICES INC.

280 North College • Suite 500 • Fayetteville, AR 72701

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VIA FACSIMILE TRANSMISSION
FAX #

February 13, 1997

Office of Air and Radiation
Docket and Information Center (6102)
Attention: Dockets No. A095-54 & A-95-58
Environmental Protection Agency
401 M Street, S.W.
Washington, D.C. 20460

Re: Docket No. A-95-54 - NAAQS for Particulate Matter: Proposed Decision
Docket No. A-95-58 - NAAQS for Ozone: Proposed Decision

Dear Sir or Madam:

TransMontaigne Transportation Services Inc. ("TransMontaigne") is an Arkansas corporation which owns crude oil and petroleum products pipelines and terminals in Arkansas, Iowa, Illinois, Indiana, Missouri, Ohio and Texas. Our headquarters is located at Fayetteville, Arkansas. TransMontaigne owns 11 terminals, over 600 miles of petroleum products and crude oil pipelines, and employs over 77 employees.

In response to the Environmental Protection Agency's ("EPA's") proposed rules to revise the national ambient air quality standards for ozone and particulate matter, for the reasons set forth below, I believe that the proposed changes have not been adequately researched and are therefore not supportable. The EPA is acting prematurely and without the benefit of much needed and encouraged study. The EPA's own advisory committee has suggested additional research before enacting the proposed changes, a suggestion echoed by thousands of American

businesses. However, the EPA has ignored and refused the advice of the committee it appointed to advise it on these issues.

Specific support for my objections is set forth in detail below:

- **The scientific evidence of the health effects of ozone and particulate matter relied upon by the EPA is defective.**

  * The EPA's own Clean Air Scientific Advisory Committee (CASAC) stated, with regard to ozone, "The selection of a specific level and number of allowable exceedances is a policy judgment." This indicates there is no clear-cut conclusion as to an appropriate level for a revised ozone standard. With regard to the particulate matter (PM) standard, CASAC could not reach agreement on an appropriate $PM_{2.5}$ standard. In its June 13, 1996 closure letter, CASAC stated there are "many unanswered questions and uncertainties associated with establishing causality of the association between $PM_{2.5}$ and mortality." Specifically, CASAC noted problems with the scientific research relied upon by the EPA including exposure misclassification, measurement errors, the influence of confounders (other environmental factors), the existence of other possible alternative explanations for the health effects noted, and the uncertainties associated with the risk assessments conducted.

    In fact, CASAC recommended the EPA "immediately implement a targeted research program to address these unanswered questions and uncertainties." Though funds for the suggested research were appropriated by Congress, the EPA has failed to conduct the suggested study.

  * Although some studies have found a statistical correlation between fine particulates and health effects, none of those studies have provided evidence that fine particulates **cause** these health effects. In fact, other scientific studies have concluded that fine particulates **do not cause** adverse health effects. The EPA relies upon a study done by Harvard University for the Natural Resources Defense Council to support its claims of health benefits; however, it steadfastly refuses to open the Harvard study data to the public.

  * There is little or no monitoring data to support the proposed changes to both the $PM_{2.5}$ standards and the SUM06 secondary ozone standard.

- **There is no conclusive evidence the proposed changes would offer any health benefits:**

  * As acknowledged by CASAC, the EPA has not established a causal link between

PM standards and human health; therefore, control programs designed to attain the PM standards would spend billions of dollars relying on an unsupported assumption. If PM-health endpoint associations are causative and the causative agent(s) are not controlled (because they are not known), billions of dollars will have been spent on the wrong emission control measures without any benefit to the public health. The possibility of this outcome is very real given the uncertainty of the science upon which the EPA relies.

* Key technical analyses have not been completed: EPA has not determined the chemical composition or size of the particulate matter that is linked to the supposed health risks and has failed to identify the biological mechanism that would explain a link between $PM_{2.5}$ and increase in mortality. Finally, the use of a nationwide $PM_{2.5}/PM_{10}$ ratio to estimate $PM_{2.5}$ concentrations is insupportable from the limited $PM_{2.5}$ data available.

* Results of the heath studies conducted by the EPA itself are inconsistent with regard to ozone and, for some cities, in conflict with one another for PM.

* There is virtually no $PM_{2.5}$ exposure data on either the general population or on susceptible populations. The use of community-based epidemiological studies is not appropriate because individual personal exposures do not correspond to these community-based studies.

- **Current air regulations (both those which have been in effect for several years and those which are just coming into effect), which have imposed and will continue to impose on American citizens and businesses enormous environmental costs, are reducing by thousands of tons each year the amount of ozone and particulate matter generated in our country. The EPA itself has admitted a "dramatic" improvement in the quality of our nation's air. To mandate additional regulation at this time is premature and unnecessary.**

* The EPA released its 1996 Air Quality and Emissions Trends Report which clearly shows: 1. Nationwide air quality for all pollutants has been improving over the past 10 years; 2. Emissions of particulate matter and its precursors and the precursors for ozone have been decreasing; and 3. This trend of improvement should continue, especially as the 1990 Clean Air Act Amendments continue to be implemented.

* A measure of improving air quality is the number of metropolitan areas designated as nonattainment. In 1990 there were 98 ozone-nonattainment areas--today there are 66.

- **The implementation of the proposed standards will cause a reclassification of hundreds of cities and counties as non-attainment areas, and will additionally trigger dozens of Clean Air Act provisions. This will cost American consumers, state and local governments, and American businesses billions of dollars in compliance costs.**

  * At least 800 counties will be nonattainment for one of the four proposed standards.

  * The proposed Interim Implementation Plan notice (published on December 13, 1996) proposes that States be credited for the acquisition of emission reductions in attainment areas upwind of their nonattainment areas. This will expand the areas required to implement control measures and significantly enlarge both newly-formed and existing nonattainment areas.

- **In proposing these new standards, the EPA has disregarded several federal statutes enacted by Congress to protect small businesses from regulations such as those under consideration.**

- **The EPA is required by statute only to review the ozone and particulate matter standards every five years - not to change them.**

- **Regulatory Impact Assessment ("RIA") cost and benefit analyses are incomplete and flawed.**

  * The RIA's clearly state that all the potential benefits could not be estimated for the proposed rulemakings.

  * The RIA's fail to note that many of the costs (including ,but not limited to, unfunded mandates, monitoring, and SIP preparation) were not estimated.

  * The RIA's are based on scenarios which leave many areas in nonattainment status. The full cost of reaching attainment status is, therefore, not known or calculated.

  * The RIA's do not estimate the costs associated with the implementation of the proposed secondary ozone standard and do not analyze the exact primary ozone standard proposed in the Notice of the Proposed Rulemaking, but a 4 exceedance or 1 exceedance form of the primary standard.

- **Implementation of the proposed standard has not been discussed or addressed by the EPA.**

* How will the current classification scheme and designations be addressed by the implementation of the new standards?

* What control measures, now in place or mandated by the Clean Air Act for ozone nonattainment areas will be maintained?

* What requirements will be imposed on the new nonattainment areas and what Federal measures will be implemented?

* The ozone RIA assumes that many areas will not attain the standard by the year 2007 and does not indicate that these areas will ever attain the new standard. Are the standards attainable? And, if so, what analysis has the EPA conducted to support that conclusion?

* Since the EPA has not identified the chemical composition or size of the particulate matter of concern, what guidance will be given to states in developing their SIP's for newly-designated PM nonattainment areas?

* By what date will states have to meet new standards?

I reiterate our position that the proposed changes are fraught with uncertainty and discrepancies which must be addressed before their enactment. It would be irresponsible to enact the proposed changes absent additional research into the matters raised by the EPA's own advisory committee, and misleading to enact the proposed changes without supplementing the information set forth in the Regulatory Impact Assessments prepared by the EPA.

If you have any questions, please call me at the telephone number listed hereon.

Sincerely,

Larry F. Clynch
President

LFC/jjm

cc: Society of Independent Gasoline Marketers of America FAX 703/709-7007
Representatives as listed on attached Exhibit A
Greg Scott, Esq., Collier, Shannon, Rill & Scott, PLLC FAX 202/342-8541

TRANSMONTAIGNE TRANSPORTATION SERVICES INC.

280 North College • Suite 500 • Fayetteville, AR 72701

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VIA FACSIMILE TRANSMISSION

February 18, 1997

The Honorable Richard Lugar
306 Hart Senate Office Bldg.
Washington, D.C. 20510-1401

Re: The Environmental Protection Agency's Proposed Changes to the National Ambient Air Quality Standards for Ozone (EPA Docket A95-54) and Particulate Matter (EPA Docket A95-58)

Dear Senator Lugar:

TransMontaigne Transportation Services Inc. ("TransMontaigne") is an Arkansas corporation which owns and operates petroleum products and crude oil pipeline and terminaling facilities in Arkansas, Iowa, Illinois, Indiana, Missouri, Ohio and Texas. We are an environmentally responsible company and it is our policy and goal to comply with all applicable state, local and federal rules and regulations. However, we are very concerned about the Environmental Protection Agency's (EPA's) apparent plan to enact revisions to certain air quality standards without having first conducted the research recommended by its own advisory committee—even though said research has been prefunded by the U.S. Congress.

On November 29, 1996, the Environmental Protection Agency proposed revisions to the National Ambient Air Quality Standards (NAAQS) for ozone and particulate matter. The proposals were published in the *Federal Register* on December 20, 1996, and public comment thereon will be accepted through February 18, 1997. As set forth in the attached copy of our letter to the Environmental Protection Agency, the proposed changes will have a significant impact on American citizens and businesses. The proposed changes would require the

expenditure of billions of dollars, and yet are unsupported by scientific data or accurate Regulatory Impact Assessments. The EPA will not even allow the public to see the scientific studies upon which it relies to justify the proposals. To support its claims of health benefits and its proposed revisions, the EPA relies upon a study prepared by Harvard University for the Natural Resources Defense Council. However, it steadfastly refuses to open the Harvard study data to the public. This is clearly unreasonable and untenable. More specific and detailed information is set forth in the attached copy of our letter to the EPA.

We comply and will continue to comply with all rules and regulations. However, to impose the substantial costs associated with the EPA's proposed revisions on the off-chance that it might provide some health benefit is absolutely outrageous, and this type of dictatorial rulemaking should be dealt with accordingly.

I urge you to contact the EPA and confirm the statements set forth herein and in the attached letter. I appreciate your attention to this matter. If you have any questions, please do not hesitate to call me at the number listed hereon.

Sincerely,

Larry F. Clyburn
President
LFC/sa

BLDG - LTRS
ALL OTHERS - FAX

SENATE

ST	NAME	PARTY	PHONE	FAX
AR	BUMPERS, DALE	D	202-224-4843	202-224-6435
	HUTCHINSON, TIM	R	202-224-2353	202-228-3973
CO	ALLARD, WAYNE	R	202-224-5941	202-224-6471
	CAMPBELL, BEN NIGHTHORSE	R	202-224-5852	202-224-1933
IA	GRASSLEY, CHARLES E.	R	202-224-3744	202-224-6020
	HARKIN, TOM	D	202-224-3254	202-224-9369
IL	MOSELEY-BRAUN, CAROL	D	202-224-2854	202-228-1318
	DURBIN, RICHARD	D	202-224-2152	202-228-0400
IN	COATS, DANIEL R.	R	202-224-5623	202-228-4137
	LUGAR, RICHARD 306 HART SENATE OFFICE BLDG WASHINGTON, D.C. 20510-1401	R	202-224-4814	NON-PUBLISHED
ND	CONRAD, KENT	D	202-224-2043	202-224-7776
	DORGAN, BYRON	D	202-224-2551	202-224-1193
MO	ASHCROFT, JOHN	R	202-224-6154	202-228-0998
	BOND, CHRISTOPHER S. (KIT)	R	202-224-5721	202-224-8149
MT	~~BAUCUS, MAX~~ 511 HART SENATE OFFICE BLDG WASHINGTON, D.C. 20510	D	202-224-2651	NON-PUBLISHED
	BURNS, CONRAD	R	202-224-2644	225 202-~~224~~-8694
OH	DeWINE, MIKE	R	202-224-2315	202-224-6519
	GLENN, JOHN H., JR.	D	202-224-3353	202-224-7983
TX	GRAMM, PHIL	R	202-224-2934	202-228-2856
	HUTCHISON, KAY BAILEY	R	202-224-5922	202-224-0776
WY	ENZI, MICHAEL 116 HART SENATE OFFICE BLDG WASHINGTON, D.C. 20510	R	202-224-3424	NON-PUBLISHED
	THOMAS, CRAIG	R	202-224-6441	202-224-1724

HOUSE OF REPRESENTATIVES

ST	NAME	PARTY	PHONE	FAX
AR	BERRY, MARION	D	202-225-4076	202-225-5602
	DICKEY, JAY W., JR.	R	202-225-3772	202-225-1314
	HUTCHINSON, ASA	R	202-225-4301	202-225-5713
	SNYDER, VIC (maarice Playboy)	D	202-225-2506	202-225-5903
CO	DeGETTE, DIANA	D	202-225-4431	202-225-5657
	HEFLEY, JOEL	R	202-225-4422	202-225-1942
	McINNIS, SCOTT	R	202-225-4761	202-226-0622
	SCHAEFER, DANIEL	R	202-225-7882	202-225-7885
	SCHAFFER, BOB	R	202-225-4676	202-225-5870
	SKAGGS, DAVID E.	D	202-225-2161	202-226-3806
IA	BOSWELL, LEONARD	D	202-225-3806	202-225-5608
	GANSKE, GREG	R	202-225-4426	202-225-3193
	LATHAM, TOM	R	202-225-5476	202-225-3301
	LEACH, JIM	R	202-225-6576	202-226-1278
	NUSSLE, JIM	R	202-225-2911	202-225-9129
IL	BLAGOJEVICH, ROD	D	202-225-4061	202-225-5603
	COSTELLO, JERRY F., JR.	D	202-225-5661	202-225-0285
	CRANE, PHILIP M.	R	202-225-3711	202-225-3711 SAME# AS PHONE
	DAVIS, DANNY K.	D	202-225-5006	202-225-5641
	EVANS, LANE	D	202-225-5905	202-225-5396
	EWING, THOMAS W.	R	202-225-2371	202-225-8071
	FAWELL, HARRIS W.	R	202-225-3515	202-225-9420
	GUTIERREZ, LUIS V.	D	202-225-8203	202-225-7810
	HASTERT, J. DENNIS	R	202-225-2976	202-225-0697
	HYDE, HENRY J.	R	202-225-4561	202-225-1166

(IL)	JACKSON, JESSE, JR.	D	202-225-0773	202-225-0899
	LaHOOD, RAY	R	202-225-6201	202-225-9249
	LIPINSKI, WILLIAM O.	D	202-225-5701	202-225-1012
	MANZULLO, DONALD	R	202-225-5676	202-225-5284
	PORTER, JOHN EDWARD	R	202-225-4835	202-225-0837
	POSHARD, GLENN W.	D	202-225-5201	202-225-1541
	RUSH, BOBBY L.	D	202-225-4372	202-226-0333
	SHIMKUS, JOHN	R	202-225-5271	202-225-5880
	WELLER, JERRY 130 CANNON HOUSE OFFICE BLDG WASHINGTON, D.C. 20515-1405	R	202-225-3635	815-740-2037 D.C. NON-PUBLISHED
	YATES, SIDNEY R.	D	202-225-2111	202-225-3493
IN	BURTON, DAN	R	202-225-2276	202-225-0016
	BUYER, STEPHEN E. 326 CANNON HOUSE OFFICE BLDG WASHINGTON, D.C. 20515	R	202-225-5037	NON-PUBLISHED
	CARSON, JULIA	D	202-225-4011	202-225-5633
	HAMILTON, LEE H.	D	202-225-5315	202-225-1101
	HOSTETTLER, JOHN N.	R	202-225-4636	202-225-3284
	McINTOSH, DAVID M.	R	202-225-3021	202-225-3382
	PEASE, ED	R	202-225-5805	812-238-5638 D.C. NON-PUBLISHED
	ROEMER, TIM	D	202-225-3915	202-225-6798
	SOUDER, MARK E.	R	202-225-4436	202-225-3479
	VISCLOSKY, PETER J.	D	202-225-2461	202-225-2493
ND	POMEROY, EARL	D	202-225-2611	202-226-0893
MO	BLUNT, ROY (FAX # IS NOT FOR PUBLICATION)	R	202-225-6536	202-225-5604
	CLAY, WILLIAM (BILL)	D	202-225-2406	202-225-1725
	DANNER, PATRICIA	D	202-225-7041	202-225-8221

(MO)	EMERSON, JOANN 132 CANNON HOUSE OFFICE BLDG WASHINGTON, D.C. 20515	R	202-225-4404	NON-PUBLISHED
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	HULSHOF, KENNY	R	202-225-2956	202-225-5712
	McCARTHY, KAREN	D	202-225-4535	202-225-4403
(MO)	SKELTON, IKE	D	202-225-2876	202-225-2695
	TALENT, JAMES M.	R	202-225-2561	202-225-2563
MT	HILL, RICK	R	202-225-3211	202-225-5687
OH	BOEHNER, JOHN A.	R	202-225-6205	202-225-0704
	BROWN, SHERROD	D	202-225-3401	202-225-2266
	CHABOT, STEVEN J.	R	202-225-2216	202-225-3012
	GILLMOR, PAUL E. 1203 LONGWORTH HOUSE OFFICE BLDG WASHINGTON, D.C. 20515-3505	R	202-225-6405	NON-PUBLISHED
	HALL, TONY P. (FAX # NOT FOR PUBLICATION)	D	202-225-6465	202-226-0351
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	KAPTUR, MARCY	D	202-225-4146	202-225-7711
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	KUCINICH, DENNIS	D	202-225-5871	202-225-5745
	LaTOURETTE, STEVE C.	R	202-225-5731	202-225-3307
	NEY, ROBERT W.	R	202-225-6265	202-225-3394
	OXLEY, MICHAEL G. 2233 RAYBURN HOUSE OFFICE BLDG WASHINGTON, D.C. 20515	R	202-225-2676	NON-PUBLISHED
	PORTMAN, ROB 238 CANNON HOUSE OFFICE BLDG WASHINGTON, D.C. 20515	R	202-225-3164	NON-PUBLISHED

(OH)	PRYCE, DEBORAH 221 CANNON HOUSE OFFICE BLDG WASHINGTON, D.C. 20515	R	202-225-2015	NON-PUBLISHED
	REGULA, RALPH S.	R	202-225-3876	202-225-3059
	SAWYER, THOMAS C.	D	202-225-5231	202-225-5278
	STOKES, LOUIS	D	202-225-7032	202-225-1339
	STRICKLAND, TED	D	202-225-5705	202-225-5907
	TRAFICANT, JAMES A., JR.	D	202-225-5261	202-225-3719
TX	ARCHER, BILL	R	202-225-2571	202-225-4381
	ARMEY, RICHARD K. 301 CANNON HOUSE OFFICE BLDG WASHINGTON, D.C. 20515	R	202-225-7772	NON-PUBLISHED
	BARTON, JOE L.	R	202-225-2002	202-225-3052
	BENTSEN, KEN	D	202-225-7508	202-225-2947
	BONILLA, HENRY	R	202-225-4511	202-225-2237
	BRADY, KEVIN	R	202-225-4901	202-225-5524
	COMBEST, LARRY U.S. HOUSE OF REPRESENTATIVES WASHINGTON, D.C. 20515-4319	R	202-225-4005	NON-PUBLISHED
	DeLAY, TOM D.	R	202-225-5951	202-225-5241
	DOGGETT, LLOYD	D	202-225-4865	202-225-3073
	EDWARDS, CHET	D	202-225-6105	202-225-0350
	FROST, MARTIN	D	202-225-3605	202-225-4951
	GONZALEZ, HENRY B 2413 RAYBURN HOUSE OFFICE BLDG WASHINGTON, D.C. 20515-4320	D	202-225-3236	NON-PUBLISHED
	GRANGER, KAY	R	202-225-5071	202-225-5683
	GREEN, GENE	D	202-225-1688	202-225-9903
	HALL, RALPH M.	D	202-225-6673	202-225-3332
	HINOJOSA, RUBEN	D	202-225-2531	202-225-5688
	JACKSON-LEE, SHEILA	D	202-225-3816	202-225-3317

(TX)	JOHNSON, EDDIE BERNICE (THIS IS THE CORRECT SPELLING OF HER NAME)	D	202-225-8885	202-226-1477
	JOHNSON, SAM	R	202-225-4201	202-225-1485
	LAMPSON, NICK	D	202-225-6565	202-225-5547
	ORTIZ, SOLOMON P.	D	202-225-7742	202-226-1134
	PAUL, RON	R	202-225-2831	202-226-4871
	REYES, SILVESTRE	D	202-225-4831	202-225-2016
	SANDLIN, MAX	D	202-225-3035	202-225-5866
	SESSIONS, PETE	R	202-225-2231	202-225-5878
	SMITH, LAMAR S.	R	202-225-4236	202-225-8628
	STENHOLM, CHARLES W.	D	202-225-6605	202-225-2234
	TEJEDA, JAMES M.	D	202-225-1640	202-225-1641
	THORNBERRY, WILLIAM M. "MAC"	R	202-225-3706	202-225-3486
	WILSON, CHARLES (THIS INDIVIDUAL IS NOT ON THIS TERM'S LIST, AND THIS PHONE NUMBER IS NOT FOR A CONGRESSMAN)	D	202-225-2401	
WY	CUBIN, BARBARA	R	202-225-2311	202-225-3057

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C. J. Krambuhl
Director
Manufacturing, Distribution and Marketing

March 4, 1997

GENERAL COMMITTEE ON MARINE TRANSPORTATION
GENERAL COMMITTEE ON MARKETING
GENERAL COMMITTEE ON PIPELINES
GENERAL COMMITTEE ON REFINING
FUELS COMMITTEE

Dear Members:

With NAAQS listed as a high priority issue by our Public Policy Committee on the recent issue grid, I thought you might be interested in the attached information sheet from the Air Quality Standards Coalition to which API is a member.

Sincerely,

for CJK

Attachment

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AQSC
AIR QUALITY STANDARDS COALITION

EPA Misrepresents Science, Costs and Benefits of New Air Standards

EPA's newly proposed air quality standards for ozone and fine particles (dust and soot) would do very little, if anything, to improve health and a great deal to empty the pocketbooks of consumers, businesses, and local and state governments. EPA argues otherwise, but the case it makes is full of holes. In evaluating its proposals, the agency has refused to take into account major scientific uncertainties, has exaggerated benefits, and has failed to count billions of dollars of costs.

Everyone wants clean air, and the air is consistently getting cleaner under current air quality standards, thanks to the considerable investments and sacrifices of people in hundreds of communities across the nation. It's wrong now to make the public invest the many billions of additional dollars it would take to implement new standards when the benefits are so questionable—and when that expenditure would steal resources that could be used to solve other societal problems, including other environmental and health problems.

Air getting cleaner

EPA wants to issue new, more stringent standards even though the nation has made impressive progress cleaning the air under existing standards. In effect, the agency is pushing back the goal posts just when the goal line is in sight.

EPA's latest air quality report shows that air pollution has declined for all categories of "criteria" pollutants over the past ten years.

Over the longer term—between 1970 and 1995—total emissions nationwide from all sources declined 29 percent while the population increased 28 percent, people more than doubled the miles they drove, and the gross domestic product nearly doubled.

As a result of cuts in air pollution, more and more areas are complying with existing air quality standards. For example, of the nearly 100 ozone *nonattainment* areas in 1990, more than 30 now meet the ozone standard and have been officially redesignated as *attainment* areas. Many others have recorded good air quality recently that may entitle them to similar redesignation.

Moreover, even in places with persistent air quality problems, the air is getting cleaner. According to EPA, the nation's cities experienced a 50-percent decline in days when pollution levels exceeded air quality standards between 1986-1990 and 1991-1995. Not a single city showed an increase.

Health benefits doubtful

EPA says that more stringent air quality standards for ozone and fine particles would produce major health improvements for millions of Americans. But the scientific evidence linking these pollutants to death and serious illness is too weak to justify EPA's proposed actions. At high enough concentrations, air pollution is harmful. But current federal standards already adequately protect human health. New, more stringent standards are unnecessary.

Ozone. Laboratory research shows that most people aren't sensitive to ozone at levels currently allowed by EPA, and those who are rarely experience anything but mild, temporary reactions (a spell of coughing, for example). After reviewing a number of more stringent ozone standards similar to those in EPA's proposal, including one approximately as stringent as the current standard, EPA's own Clean Air Scientific Advisory Committee (CASAC) concluded that none is "significantly more protective of public health" than any of the others. Indeed, CASAC noted that it is not possible to set a standard that would eliminate all biological responses to ozone because some people react to ozone even at the background levels produced by emissions from trees and other natural sources.

Fine particles. The scientific community is still not sure what, if any, impact fine particles have on health at current levels of exposure. Indeed, EPA does not even have an accurate understanding of how much exposure there is.

While some epidemiological studies have shown what scientists call a "statistical association" between higher levels of particles and serious health problems, many have not. Moreover, the associations found have been questionable. A key epidemiological study used to justify EPA's proposal, shows a 17-percent increase in mortality among people living in areas with greater amounts of pollution. (Virtually every other study shows an even smaller increase or association.) But epidemiologists at the National Cancer Institute say that increases in risk of less than 100 percent are "considered small and difficult to interpret." The Institute adds that "such increases may be due to chance, statistical bias or effects of confounding factors that are sometimes not evident." Last year, *Science* magazine said that "many epidemiologists concede that their studies are so plagued with biases, uncertainties and methodological weaknesses that they may be inherently incapable of accurately determining ... weak associations."

In fact, the epidemiological studies EPA cites to justify its [illegible]

standards have not adequately ruled out other potential causes of the health problems alleged. These include climate, personal habits and other air pollutants. For example, one study EPA relied upon failed to take into account humidity. When the National Institute of Statistical Sciences later looked at the study data, factoring in humidity, it determined that humidity could just as easily have caused the premature mortality as particles.

In addition, of the 38 epidemiological studies cited by EPA to justify a new standard, only two actually studied fine particles. All the other studies involved particles as much as 4,000 times larger than those EPA thinks require further control.

Finally, experimental chamber studies of asthmatics exposed to high concentrations of fine particles do not support the contention the particles are dangerous.

In light of this evidence, CASAC concluded that there are "many unanswered questions and uncertainties" about the effects of fine particles on humans. The committee called for a targeted research program to resolve these uncertainties.

Asthma. EPA has suggested that the new standards would help deal with the worsening asthma problem, but the truth is different. While asthma problems have been increasing, air pollution is unlikely to be the cause because it has been decreasing. According to a 1993 article in the *Annual Review of Public Health*—cited by the Centers for Disease Control (CDC) in its analysis of asthma deaths—"no evidence exists that supports the role of outdoor pollution levels as the primary factor driving the changes in the epidemiologic patterns of asthma morbidity." Other studies cited by the CDC attribute the worsening asthma problem primarily to indoor air pollution, cigarette smoke, indoor allergens and poor prenatal care.

In addition, two University of Oxford scientists writing in *Science* magazine have recently suggested that the increase in asthma relates to decreased incidence of childhood respiratory diseases. Because few children suffer from those diseases today, their immune systems may be less strong, making them more susceptible to asthma problems.

While air pollution doesn't cause asthma and isn't responsible for the recent increase in problems, it may aggravate the condition for some. However, it would be incorrect to suggest that EPA's proposal would significantly improve their health. The research shows that any benefits from the new standards would be minor. In New York City, for example—a city with one of the more serious air

pollution problems—EPA has estimated that its proposed standards would reduce asthma-related hospital admissions by only six-tenths of one percent.

Costs grossly underestimated

EPA says the costs of its proposals would be reasonable—from $6.5 billion to $8.5 billion each year. However, the fine print accompanying these estimates reveals that many areas would not be able to meet the new standards even after such an investment. EPA stopped figuring when the total reached $8.5 billion because its own calculations showed costs beginning to rise *exponentially*, indicating that full compliance with the stricter standards would be prohibitively expensive, if feasible at all.[1] Indeed, an analysis by EPA consultants E. H. Pechan and Associates estimates the cost of a new fine particle standard for the Northeast and Midwest at almost $20 billion per year, with some localities there never able to come into compliance.

This number is supported by other estimates. For example, a study by Sierra Research, an environmental consulting firm, estimates that a new, more stringent ozone standard would cost the city of Chicago alone from $2.5 billion to $7.0 billion annually. A study by the American Petroleum Institute—using EPA air quality data, EPA exposure and risk models, and EPA-reviewed health effects studies—estimates the benefits to Chicagoans of such a standard at no more than $33 million annually. That puts the costs of a stricter ozone standard at more than 100 times the benefits.

Spending many billions of dollars for so little also means making unavailable those same sums for other environmental and health projects: addressing the real causes of asthma, cleaning up hazardous wastes, finding a cure for AIDS, etc.

EPA does say that new technology, flexibility and market solutions would reduce the future costs of its new standards. But the agency fails to explain how this would happen, by how much costs would be reduced, or why the costs of controlling air pollution have steadily risen over the past decades despite technological advances.

---

[1] Achieving the standards may not prove feasible because they would require pollution concentrations to be reduced to near background (natural) levels. In fact, the National Research Council (NRC) says that "in many cities even if manmade VOC [volatile organic compound] emissions are totally eliminated, a background of reactive VOCs will remain. ...this VOC background should be able to generate ozone concentrations that exceed the [*existing*] NAAQS."

Consumers and taxpayers to bear brunt

The effects of the new standards would be pervasive. They would effect business and industry in most parts of the country and most state and local governments, but, ultimately, all of the inconvenience and costs would fall upon consumers and taxpayers.

The new standards would immediately throw many areas of the country into "non-attainment" status. About one in four counties would be out of compliance with the new standards—or about 800 nationally. That's more than three times the current number. As a result, many of these areas would have to pay for more air quality monitoring—and face higher administrative costs, incurred in part by having to totally revise "implementation" plans for attaining the new standards. States unable to devise and implement a plan acceptable to EPA could face federal highway fund cuts and other sanctions. The increased costs and reduced funding would mean higher taxes, higher deficits, or reduced services—all suffered by taxpayers.

Business and industry would have to invest in a whole new regimen of pollution controls. Plants, factories, refineries and utilities would have to reduce emissions. Small businesses like restaurants, bakeries and dry cleaners would have to cut emissions—at a potential cost of thousands of dollars per establishment. And farms, dairies, and feed lots would have to invest in controls to reduce dust. These additional costs would raise the prices of most consumer goods and services.

Consumers would pay more for cars, gasoline, electricity and virtually all goods shipped to market. They would have to pay more to get their cars inspected and repaired. They could be forced to drive less or join carpools—and face limitations on the use of woodstoves, boats, barbecue grills and outdoor power equipment. Consumers could also lose jobs as higher control costs forced some businesses to close—and as government emission rules kept existing businesses from expanding and new businesses opening. Higher consumer costs and lost jobs would reduce money the average person could devote to medical and health services. In short, for some people, the proposed new standards might actually result in poorer health.

Benefits greatly overestimated

In American society, no one feels comfortable putting a monetary value on human life or good health because each person is unique and precious. Nevertheless, government regulators, insurance actuaries, economists, judges, juries and others routinely establish such values to help decide important matters. For example, judges and juries put a monetary value on life and health

in order to compensate people for their losses. Government agencies do so to help decide whether regulations provide benefits that justify their costs. Typically, researchers calculate these values based on choices that average Americans make about employment and the risk of accidents on the job.

EPA has estimated the dollar benefits of its proposed air quality standards at as much as $115 billion—a figure that far exceeds the agency's estimate of the costs of achieving them. But, in doing so, EPA vastly inflated the benefits by ignoring or misusing existing research.

For example, EPA exaggerated the economic benefits of reducing chronic bronchitis. According to EPA, each case of bronchitis prevented by the new regulations would save society almost $600,000 a year, multiplied by 74,000 cases, for a total of $43 billion. In fact, the figure EPA uses is one that researchers developed to value *the costs of a case over several years, not just one year, of a more severe chronic bronchitis, similar to emphysema.*

Also, EPA estimated the value of each life extended under the new standards at almost $5 million. That's consistent with the values researchers have previously assigned to the remainder of a middle-aged healthy adult's life. However, according to the research, many of those EPA alleges to be dying prematurely are elderly, already very sick, and would live only a few more days. EPA's own Science Advisory Board Council on Clean Air Compliance Analysis urged the agency to take into account the age and health of people when quantifying health benefits, but EPA ignored the council's advice.

Conclusion

Because of the Clean Air Act, air quality continues to improve without new standards. If scientists reach consensus that tighter standards would produce further needed public health improvements, then the public, the business community, state and local government, and others will work together to find ways to meet them. But that consensus has not been reached because the scientific evidence is inadequate or contradictory. As a result, a stringent fine particle standard could well prove unwarranted and a waste of money—money that could be used more productively elsewhere. We won't know until more research has been conducted. As for ozone, the weight of the evidence already demonstrates that a stricter standard would be ill-advised and not in the public's interest.

MIKE DeWINE
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United States Senate

WASHINGTON, DC 20510-3503

COMMITTEES:
JUDICIARY
INTELLIGENCE
LABOR AND HUMAN RESOURCES

February 19, 1997

Mr. Larry Clynch
280 North College
Suite 500
Fayetteville, Arkansas 72701

Dear Larry:

Thank you for writing to express your concerns about the EPA's proposed standards for ozone and particulate matter. I am concerned about the adverse impacts that these proposed standards could have on jobs in Ohio and the nation.

I have requested that the Senate Environment and Public Works Committee hold regional field hearings throughout the country to study the impact that such stringent air standards will have on large and small communities alike. I have offered my help and the help of Ohio state and local officials in sponsoring field hearings in Ohio. A hearing was held on February 5, 1997 in the Senate regarding the proposed standards, and additional hearings are likely. Even though I am not a member of the Environment Committee, I will continue to monitor this issue and express my concerns during the ongoing debate.

Again, thank you for writing. If you have any further questions or concerns, please do not hesitate to contact me.

Very respectfully yours,

MIKE DeWINE
United States Senator

RMD/wc

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PRINTED ON RECYCLED PAPER

PHIL GRAMM
TEXAS

United States Senate

WASHINGTON, D.C. 20510

March 5, 1997

Mr. Larry F. Clynch
P. O. Box 1503
Fayetteville, Arkansas 72702

Dear Mr. Clynch:

Thank you for contacting me opposing proposals by the Environmental Protection Agency (EPA) to increase air quality standards on particulate matter and ozone. I appreciate having the benefit of your views and comments.

The Clean Air Act of 1970 (CAA), amended in 1990, is the principal law which regulates air pollution. Under the CAA, the Environmental Protection Agency (EPA) must determine whether the nation's air quality standards are adequate to protect human health and is charged with the responsibility to revise and issue regulations for the emission of effluents, based on a scientific review process.

The EPA has established a toll-free number to accept public comment on proposed rules regarding particulate matter and ground-level ozone from now until March 12, 1997. Interested parties may call 1-888-TELL-EPA to leave their verbal comments and to receive electronic and postal mail addresses to contact the agency.

While it is important to protect our environment and human health, we must avoid excessive regulations that impose an unnecessary burden on Americans. I believe that all regulatory legislation Congress considers should be subject to risk assessment or cost-benefit studies. Businesses, local governments, families, and individuals make cost-benefit decisions every day on how to spend their money and ensure that expenditures are cost-effective. The Federal Government, particularly the EPA and other regulatory agencies that thrive on imposing new rules, should be subject to similar standards. They don't follow those standards now because the money being spent is not their own--it's ours. I share your concern for the implementation of sound, economically-based regulations and will keep your comments in mind as the Senate considers future legislation.

I appreciate having the opportunity to represent you in the United States Senate. Thank you for taking the time to contact me.

Yours respectfully,

Phil Gramm

PHIL GRAMM
United States Senator

PG/rtss

ASA HUTCHINSON
3D DISTRICT, ARKANSAS

COMMITTEES:
TRANSPORTATION AND INFRASTRUCTURE
VETERANS' AFFAIRS
JUDICIARY

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February 21, 1997

LFC
FHB
Jamison

Mr. Larry F. Clynch
Transmontaigne Transportation Services, Inc.
P.O. Box 1503
Fayetteville, Arkansas 72702

Dear Mr. Clynch:

Thank you for your recent correspondence regarding changes the Environmental Protection Agency (EPA) is planning to make to air quality standards. I appreciate your taking the time to alert me to the concerns you have with the agency's proposed action.

A good deal of concern has been expressed with the methodology of the rulemaking process at EPA with respect to its proposed ozone and particulate matter standards. Though the EPA asserts that "sound science" has been used in determining the specifics of the strengthened regulations, it is not at all clear to me that this "science" is incontrovertible.

The changes that the EPA has proposed will certainly have a negative economic effect on a number of regions in Arkansas, not to mention the country as a whole, and it seems reasonable to me to ask that they be examined more thoroughly in order to ascertain whether they are absolutely necessary. You can be assured that I will do whatever I can to ensure that the regulations are not imposed if it is clear that the costs involved outweigh the benefits accrued.

Let me again express my sincere thanks for sharing your opinions on this issue. Please do not hesitate to contact me if you have any questions or if I may be of any service to you in the future.

With warm regards,

Sincerely,

Asa Hutchinson

ASA HUTCHINSON
3D DISTRICT, ARKANSAS

COMMITTEES:
JUDICIARY

LFC

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Congress of the United States

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March 19, 1997

Mr. Larry F. Clynch
P.O. Box 1503
Fayetteville, Arkansas 72702

Dear Mr. Clynch:

As a follow-up on your past contact with my office and in an effort to make certain that my office is responsive to your needs, I wanted to let you know that I will be in the Fayetteville District Office in the Federal Courthouse on Thursday, March 27, 1997, from 2:00 - 4:00 p.m. The purpose is to meet personally with anyone who has a matter of federal interest with which I may be of help. Since this will be an informal session, no appointments are necessary.

As your elected representative, I believe it is very important to listen to your concerns about our federal government and to keep you informed about what is happening in Congress. Most importantly, I want to make certain that your views are represented as Congress debates important legislation.

With warm personal regards.

Sincerely,

Asa Hutchinson
Member of Congress

AH:cjb

PRINTED ON RECYCLED PAPER

KAY BAILEY HUTCHISON
TEXAS

COMMITTEES:
SMALL BUSINESS
ARMED SERVICES
COMMERCE, SCIENCE,
& TRANSPORTATION
SELECT INTELLIGENCE

United States Senate

WASHINGTON, DC 20510-4304

LHC
Jennifer

March 4, 1997

Mr. Larry F. Clynch
President
Transmontaigne Transportation Services, Inc.
Suite 500
280 North College Avenue
Fayetteville, Arkansas 72701-4279

Dear Mr. Clynch:

Thank you for contacting me regarding the EPA's proposed changes on the limits of ozone particulate matter in the air. I appreciate knowing your views. I share your skepticism about the scientific basis for this decision and concern for the impact on cities and businesses.

With regard to the Clean Air Act and other environmental issues, I believe Congress must consider the effects of proposed new standards and requirements on businesses, workers, communities, and consumers. The impact on jobs must be a factor in any decision on this issue. The actual benefits and the scientific basis of the proposed changes should be explored as well.

Please be assured that I am following this issue closely and will resist efforts to add new burdensome and unnecessary regulations on cities and businesses. Please do not hesitate to contact me in the future on this or any other issue of concern.

Sincerely,

Kay Bailey Hutchison

Kay Bailey Hutchison

KBH/chf

RICHARD G. LUGAR
INDIANA
306 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510
202-224-4814

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
CHAIRMAN
FOREIGN RELATIONS
SELECT COMMITTEE
ON INTELLIGENCE

United States Senate

WASHINGTON, DC 20510-1401

KTO
Jennifer

February 26, 1997

Mr. Larry Clynch
TransMontaigne Transportation
Services, Inc.
P.O. Box 1503
Fayetteville, Arkansas 72702

Dear Mr. Clynch:

Thank you for your recent correspondence.

I noted your interest in the EPA's proposed ozone and particulate standard.

I appreciate the significance of these proposals, which could have a large impact on the midwestern economy if adopted. My staff is part of a Senate working group that is carefully reviewing the proposals. Some alternatives under consideration may be too sweeping to implement sensibly and would undermine the great progress that has already been made in the clean air area.

The EPA plans to make a final decision on these proposed regulations in June 1997. Under the Small Business Regulatory Enforcement and Fairness Act, Congress will have 60 days to review the regulations under an expedited procedure, which will ensure that a congressional resolution of disapproval will be acted upon in a timely fashion.

I will have your thoughts in mind as progress on this matter continues.

I am grateful for your interest in this vital issue and for taking the time to communicate your views to me.

Sincerely,

Richard G. Lugar
United States Senator

RGL/dwl

PETE SESSIONS
5TH DISTRICT, TEXAS

146

Congress of the United States
House of Representatives
Washington, DC 20515-4305

March 13, 1997

Mr. Larry F. Clyneh
Transmontaigne Transportation Services Inc.
P.O. Box 1503
Fayetteville, Arkansas 72702

Dear Larry:

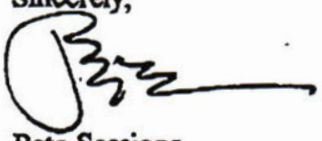
Thank you for your letter concerning the Environmental Protection Agency's (EPA) proposed standards on particulate matter (PM) and ozone. I agree with you that the costs to small businesses, cities, and municipalities could be cost prohibitive and overly burdensome. However, I am even more concerned that this ruling seems to disregard EPA's own scientific advisory board.

I have enclosed for your review the official report from the Scientific Advisory Board on this issue. After a quick review, I think you will agree that this board reached no conclusions on any type of standard. In fact, the panel's only conclusion was that they were rushed--needing more time and further scientific studies before they could agree on the proper standards for emissions.

Our environment is too important to politicize, but I am afraid this decision is nothing more than that. I will work diligently in my committee assignments on the Government Reform and Oversight Committee and Science Committee to ensure that current and future regulations maintain scientific integrity and incorporate both risk and cost/benefit analysis.

Thank you again for writing. I know I can count on you to support my efforts to reform our regulatory agencies to work in cooperation with businesses, property owners, and taxpayers. If you need more information, please contact my legislative assistant, Guy Harrison, at (202) 226-8426.

Sincerely,



Pete Sessions
Member of Congress

PRINTED ON RECYCLED PAPER

(96-1) Attachm

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

November 30, 1995

EPA-SAB-CASAC-LTR-96-002

OFFICE OF THE ADMINISTRATOR
SCIENCE ADVISORY BOARD

Honorable Carol M. Browner
Administrator
U.S. Environmental Protection Agency
401 M Street, S.W.
Washington, DC 20460

RE: CASAC Closure on the Primary Standard Portion of the Staff Paper for Ozone

Dear Ms. Browner:

A Panel of the Clean Air Scientific Advisory Committee (CASAC) of EPA's Science Advisory Board (SAB) met on March 22, 1995, to review a draft of the primary standard part of the document entitled Review of National Ambient Air Quality Standards for Ozone Assessment of Scientific and Technical Information OAQPS Staff Paper. At that time, a draft of the secondary standard portion of the document was not completed. At the March meeting, the Panel made extensive recommendations for strengthening the document. In August 1995, a revised Staff Paper, which included a first draft of the secondary standard portion was sent to CASAC panel members for review. On September 19 and 20, 1995, the Panel met to compete this review. The Panel members' comments reflect their satisfaction with the improvements made in the scientific quality and completeness of the primary standard portion of the Staff Paper. The changes made in that portion of the document are consistent with CASAC's recommendations. However, the Panel Members provided additional comments to your staff at the meeting and subsequently in writing. Although the Panel would like to have these comments considered for incorporation in the Staff Paper, the Panel did not feel that it was necessary to review another revised version and came to closure on the primary standard portion. It was the consensus of the Panel that although our understanding of the health effects of ozone is far from complete, the document provides an adequate scientific basis for making regulatory decisions concerning a primary ozone standard.

The Panel could not come to closure, however, on the secondary standard portion of the Staff Paper which was a first draft. To facilitate further development of

uncertainties associated with the numerous assumptions that were made to develop the estimates.

The single estimates presented in Table VI-2 do not reflect any of the uncertainties associated with these estimates. (Table VI-2 contains only the estimated hospital admissions due to asthma which account for over 85% of the estimated total hospital admissions due to ozone exposure). These uncertainties need to be explicitly articulated in order to put the estimates in proper perspective. Nevertheless, based on the results presented in these and other similar tables presented in the Staff Paper, the Panel concluded that there is no "bright line" which distinguishes any of the proposed standards (either the level or the number of allowable exceedences) as being significantly more protective of public health. For example, the differences in the percent of outdoor children (Table VI-1) responding between the present standard and the most stringent proposal (8H1EX at 0.07 ppm) are small and their ranges overlap for all health endpoints. In Table VI-2, the estimates in row 1, which appeared in the draft Staff Paper, suggest considerable differences between the several options. However, when ozone-aggravated asthma admissions are compared to total asthma admissions (rows 5 and 6), the differences between the various options are small. Consequently, the selection of a specific level and number of allowable exceedences is a policy judgment. Although it was the consensus of the Panel that the ranges of concentrations and allowable exceedences proposed by the Agency were appropriate, a number of Panel members expressed "personal" preferences for the level and number of allowable exceedences. Of the ten panel members who expressed their opinions, all ten favored multiple allowable exceedences, three favored a level of 0.08 ppm, one favored the mid to upper range (0.08 - 0.09 ppm), three favored the upper range (0.09 ppm), one favored a 0.089 - 0.10 ppm range with health advisories issued when the 8-hour ozone concentration was forecasted to exceed 0.087 ppm, and two just endorsed the range presented by the Agency as appropriate and stated that the selection should be a policy decision. The members who favored the lower numbers expressed concern over the evidence for chronic deep lung inflammation from the controlled human and animal exposure studies and the observations of pain on deep inspiration in some subjects.

Because there is no apparent threshold for responses and no "bright line" in the risk assessment, a number of panel members recommended that an expanded air pollution warning system be initiated so that sensitive individuals can take appropriate

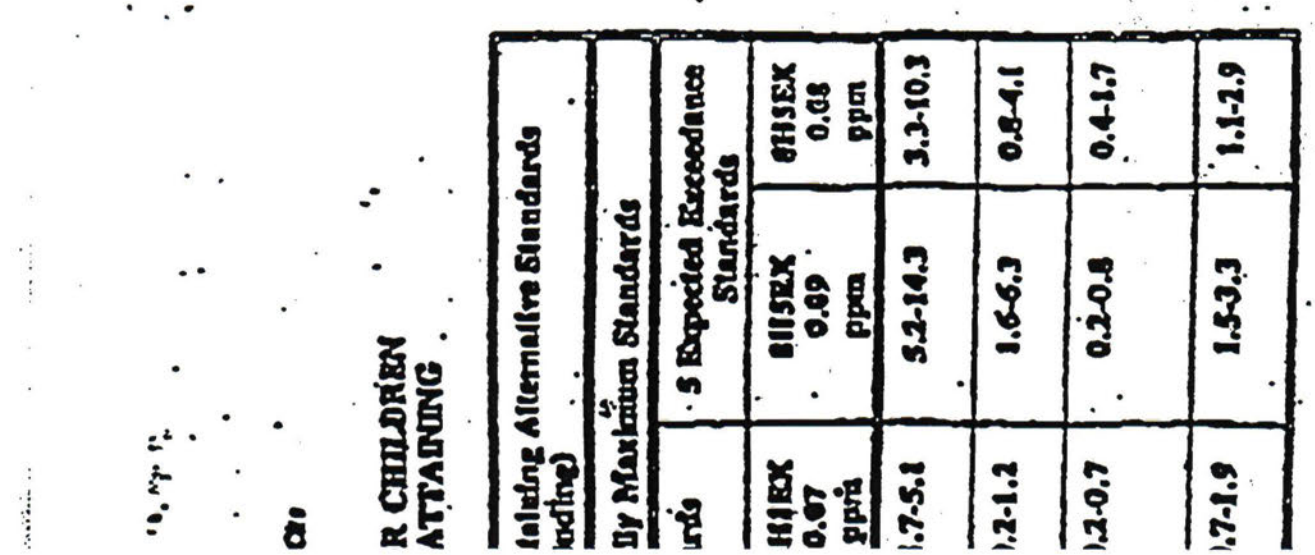


TABLE VI-1. RANGE OF MEDIAN PERCENT OF OUTDOO
RESPONDING ACROSS NINE U.S. URBAN AREAS UPON
ALTERNATIVE AIR QUALITY STANDARDS.

Health Endpoints	Range of Median Risk Estimates Associated With Just A (percent of outdoor children resp					
	Alternative 1-Hour NAAQS		Alternative 8-Hour Di			
			1 Expected Exceedance Stand			
	1HIEX 0.12 ppm	1HIEX 0.10 ppm	8HIEX 0.10 ppm	8HIEX 0.09 ppm	8HIEX 0.08 ppm	(
FEV_1 decrement ≥ 15%[a]	4.6-13.7	2.6-9.4	6.9-16.1	4.9-11.9	3.3-8.3	
FEV_1 decrement ≥ 20%[a]	1.1-5.9	0.4-3.5	2.4-7.3	1.5-4.8	0.9-2.8	(
Moderate or Severe Pain on Deep Inspiration[b]	0.5-1.6[b]	0.1-0.4	1.0-2.6	0.6-1.7	0.4-1.7	(
Moderate or Severe Cough[b]	1.4-3.7	0.9-2.6	1.9-3.9	1.5-3.3	1.0-2.5	(

[a]Risks associated with 8-hour exposures under moderate exertion (equivalent ven
exposure-response relationships derived from Folinsbee et al. (1988), Horstman et al.

[b]Risks associated with 1-hr exposures under moderate exertion (equivalent ventila
min^{-1} m^2) based on exposure-response relationships derived from Seal et al (1993);

SCIENCE ADVISORY BOARD
CLEAN AIR SCIENTIFIC ADVISORY COMMITTEE
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Dr. Joe L. Mauderly, Inhalation Toxicology Research Institute, Lovelace Biomedical & Environmental Research Institute, Albuquerque, NM

Dr. Paulette Middleton, Science & Policy Associates, Inc., Boulder, CO (did not participate)

Dr. James H. Price, Jr., Texas Natural Resource Conservation Commission, Austin, TX

Consultants to CASAC

Dr. Stephen D. Colome, Integrated Environmental Services, University Tower, Irvine, CA

Dr. A. Myrick Freeman, Department of Economics, Bowdoin College, Brunswick, ME

Dr. Allan Legge, Biosphere Solutions, Calgary, Alberta, CANADA

Dr. Morton Lippmann, Institute of Environmental Medicine, New York University Medical Center, Tuxedo, NY

Dr. William Manning, Department of Plant Pathology, University of Massachusetts, Amherst, MA

Dr. Roger O. McClellan, Chemical Industry Institute of Toxicology, Research Triangle Park, NC

Dr. D. Warner North, Decision Focus, Inc., Mountain View, CA

Dr. Frank E. Speizer, Harvard Medical School, Channing Lab, Boston, MA

Dr. George Taylor, Biological Services Center, Desert Research Institute, University of Nevada, Reno, NV

Dr. Mark J. Utell, Pulmonary Disease Unit, University of Rochester Medical Center, Rochester, NY

Science Advisory Board Staff

Mr. A. Robert Flaak, Designated Federal Official, U. S. Environmental Protection Agency, Science Advisory Board (1400F), 401 M Street, SW, Washington, DC 20460

Ms. Connie Valentine, Staff Secretary, U. S. Environmental Protection Agency, Science Advisory Board (1400F), 401 M Street, SW, Washington, DC 20460

The Washington Post
WEDNESDAY, APRIL 9, 1997

Senate Appears to Move Toward Decision on Chemical Weapons Treaty

By Thomas W. Lippman
Washington Post Staff Writer

More than three years after beginning consideration, the Senate appears to be moving quickly toward a final decision on whether to ratify a treaty banning the production and use of poison gas weapons that is bitterly opposed by hard-line arms control opponents and many conservative Republicans.

Majority Leader Trent Lott (Miss.) said last night that he is seeking unanimous consent to put the treaty to a vote, perhaps as early as next week. In anticipation of Lott's move, Democratic leader Thomas A. Daschle (S.D.) dropped an announced plan to block other pending legislation in an effort to force Lott's hand.

In order to put the treaty known as the Chemical Weapons Convention to a vote, however, Lott needs the approval of Foreign Relations Committee Chairman Jesse Helms (R-N.C.), the entrenched foe of the agreement. Last night aides to Helms said he is still not prepared to go along.

Helms told Secretary of State Madeleine K. Albright at a hastily scheduled committee hearing yesterday that "some in the administration are still stonewalling" on conditions Helms is seeking to place on U.S. participation in the international chemical control system created by the treaty.

Helms might be prepared to let the treaty emerge from his committee and go to a vote of the full Senate despite his objections, aides said, but only if Lott agrees to oppose the treaty when the full Senate takes it up.

If Lott agrees, supporters of the treaty said last night, the administration's appeal for a quick vote might backfire because it is unlikely that treaty supporters could get the two-thirds vote they need for ratification with Lott joining Helms in opposing it.

"There is no agreement on the Chemical Weapons Convention," Lott said in a statement last night. "I am meeting with senators and representatives of the administration tomorrow [Wednesday] and hope we can conclude an agreement. A number of issues—both substantive and procedural—need to be resolved, and I hope they will be."

The reason for the deadline atmosphere, after more than three years is that 70 nations have already ratified the treaty. That's enough to put it into effect April 29 with or without U.S. participation. If the United States has not ratified it by that date, Albright said yesterday, the United States will be excluded for at least a year from an international enforcement system, no Americans will be members of international inspection teams and U.S. chemical manufacturers could face sanctions from participating nations.

Albright asked to make her first appearance before Helms's committee as secretary of state as part of the war of dueling national security celebrities between the administration and Helms. Each side has marshaled an array of former defense secretaries, arms control experts and senior military officers to support its case.

Yesterday morning, the committee heard three former secretaries of defense—Donald Rumsfeld, Caspar Weinberger and James Schlesinger—denounce the treaty as unenforceable, unverifiable and a threat to U.S. security interests. They argued that the countries most likely to use poison gas weapons, such as Iraq, are unlikely to ratify the treaty and would violate it even if they did.

Albright asked to be heard because she thought the hearings on the treaty this week were stacked in favor of the opposition. Helms made clear yesterday that his much-publicized friendship with Albright does not extend to yielding to her entreaties on the chemical accord.

The intention of the treaty is to ban the production, sale, possession and use of nerve gas weapons and their component chemicals. Opponents say they approve of the goal but not of the instrument.

"It is not global, it is not verifiable, it is not constitutional, and it will not work," Helms said.

It is too late to modify the treaty, but Helms has proposed a "resolution of ratification" that would place 30 conditions on U.S. ratification. He and the administration have reached agreement on 22, officials said, but those remaining are unacceptable to the White House, which regards them as "treaty-killers."

Helms is demanding that Chinese, Cubans and Iranians be excluded from inspection teams sent to this country; that the international enforcement organization in the Hague be liable for any damages suffered by leaks of proprietary business information from inspected U.S. firms; that international inspectors obtain criminal search warrants before visiting U.S. facilities; and that the United States retain the right to use tear gas in some military operations.

FOR MORE INFORMATION

For the full text of the Chemical Weapons Convention and a list of the original signatories, click on the above symbol on the front page of The Post's Web site at www.washingtonpost.com

Military Forces Are Near 'Breaking Point,' GOP Report Charges

By Bradley Graham
Washington Post Staff Writer

Increased demands on a reduced U.S. military to engage in peace operations and other noncombat missions have stretched units to "the breaking point," according to a House Republican report on the condition of American forces to be released today.

While congressional warnings about a growing military readiness problem have sounded for several years, the new study provides the most extensive anecdotal evidence so far about the toll on American forces of frequent post-Cold War deployments, long tours away from home, personnel shortages, and inadequate pay and living conditions.

"Indicators of a long-term systemic readiness problem are far more prevalent today than they were in 1994," said the report issued by Rep. Floyd Spence (R-S.C.), chairman of the House National Security Committee, after a seven-month study by his staff. "Declining defense budgets, a smaller force structure, fewer personnel and aging equipment, all in the context of an increase in the pace of operations, are stretching U.S. military forces to the breaking point."

Pentagon leaders, citing official readiness indicators, have insisted that U.S. forces remain as prepared for battle as ever.

For several years, the Clinton administration has listed readiness as its top priority in apportioning the defense budget, setting a historical high in operational and maintenance spending per soldier.

Some defense experts have accused Republican legislators of fanning talk of a readiness crisis for political ends—to justify increases in defense spending, forestall more troop reductions and embarrass the Clinton administration. They contend that any strains in the force could be relieved simply by more selective and efficient management of deployments.

But the House report, which was drafted without the participation of committee Democrats, describes a pervasive erosion of operational conditions and combat training. It says the quality of military life is deteriorating "to the point where a growing number of talented and dedicated military personnel and their families are questioning the desirability of a life in uniform." And it says military equipment is aging prematurely due to extended use and reduced maintenance.

The report faults the Pentagon's system for tracking readiness as flawed and incomplete.

The system, which is being revised by Defense Department officials, has focused mostly on whether units possess the required resources and training for wartime missions and includes little provision for measuring such factors as morale or deployment rates.

The official view of how troops are faring, the report asserts, contrasts markedly with what committee staff members found in visits to more than two dozen installations and over 50 units in the United States and Europe.

"Doing more with less may be the military's new motto," says the report, "but it is certainly not a sustainable strategy, nor is it conducive to ensuring the long-term viability of an all-volunteer force."

With the Pentagon in a middle of a major review of U.S. defense needs, the report cautions that any attempt to shrink the force further will "surely exacerbate the readiness problems that are identified in this report."

Since the waning days of the Cold War, American forces have dropped from 2.1 million to 1.45 million service members, while the number of deployments to such places as Bosnia, Haiti and Somalia has risen sharply.

Although only a small percentage of all U.S. military forces is involved in these missions at any given time, the extended duration and frequency of the deployments have magnified their impact.

The combination of lower troop numbers and more numerous deployments has led to shortages particularly of mid-grade, noncommissioned officers, the report says. To cover gaps, service members often are assigned to jobs for which they lack the requisite training and experience, the report adds.

Moreover, deployment times too often exceed the 120-days-per-year maximum set by the services, the report says. To make ends meet, those units that do deploy frequently scavenge parts and people from other units, creating "troughs of unreadiness" in the force that are "deeper and of longer duration" than before, the report adds.

Particularly troubling, the report says, is an evident drop in the amount and quality of training, caused by funding shortages and reduced opportunities to train because units are on deployment or covering for units that are.

"The widespread belief of trainers interviewed at the services' premier high-intensity training sites—the National Training Center at Fort Irwin, the Marine Corps' Air Ground Combat Center at Twentynine Palms and the Air Force's Air Warfare Center at Nellis Air Force Base—is that units are arriving less prepared than they used to and are not as proficient when they complete their training as in the past," the report states.

Although military retention rates remain relatively high, the report says these official statistics cloud the fact that the "best of the best" are getting out. According to an internal Army survey quoted in the report: "Job satisfaction is down and about two-thirds of leaders say organizations are working longer hours. . . . The force is tired and concerned about the uncertainty of the future. . . . Morale is low at both the individual and unit level."

THE PRESIDENT HAS SEEN
4-10-97

USS Sandy
Amphibious
to Persian Gulf

Copied
Berger
NSC
10:15

The Shanker National Education Standards

By Chester E. Finn Jr.

This morning in Washington, hundreds of friends and admirers will salute the late Albert Shanker, president for many years of the American Federation of Teachers, in a memorial service. Al's death leaves a large void in American education. Even people who tangled with him came to respect his intellect, tenacity and integrity. It's also possible to disagree fiercely with Al on some issues yet value him as an ally and leader on others. He and I did not see eye to eye on school choice, for example, or on the role of teacher unions, yet there wasn't a dime's worth of difference between us on curriculum content, on good teaching, on educating kids around the world about democracy, or on the centrality of high academic standards to any serious reform strategy.

Part of Al's legacy of leadership on standards is Bill Clinton's proposal for voluntary national testing based on existing National Assessment of Educational Progress exams and standards. After voicing this idea—to the surprise of his own Education Department—in his State of the Union address, Mr. Clinton reportedly phoned the gravely ill Shanker and said, "We should have listened to you sooner."

Al rightly saw standards and tests as the key to real school reform. He recognized the crucial difference between the dreamy talk of standards at education "summits" and the tough-minded actions that must be taken to improve students' and teachers' performance. As he wrote a couple of years back, "Some danger exists that world-class standards will become America's latest education slogan," a false panacea that doesn't lead anyone to study harder and thus doesn't yield any real gains.

But political Washington today is practically paralyzed by the idea of national testing. The right dislikes anything "national" while the left is skittish about anything objective. Yet Republicans mostly favor the accountability that rigorous tests offer, while Democrats are generally keen to enlarge Uncle Sam's role in education. Thus Mr. Clinton's proposal has flummoxed just about everyone, something that Al Shanker—who flummoxed a few folks himself—well understood. Indeed, he answered many of these concerns in his own writings.

Albert Shanker

To liberals, he explained that "it is the failure to have standards and stakes that leads to elitism—to a system where few succeed except for a small group of youngsters who already have a lot going for them." To wary educators, he cautioned that "as long as students are given no reason to work, no reform, no matter how ingenious or creative, will have a lasting effect on achievement. Students always want to know: Does it matter? Will the test count?"

To conservatives who recoil from the bureaucratic and authoritarian connotations of the word "national," Al matter-of-factly pointed out that nearly all countries whose students outperform those in the U.S. have national standards and exams—many even a national curriculum. To employers wondering how to judge job candidates, he noted that "without some kind of national standards, it would be impossible to know whether one teacher's A meant the same thing as another teacher's A."

One fitting way to memorialize Al Shanker would be to transform U.S. education by launching standards-based national tests. This is not just a Clinton initiative. After all, President Bush urged a far more ambitious testing plan six years earlier. Opinion polls make clear that Americans of every political persuasion favor national testing.

The Clinton plan has three virtues—and needs one crucial repair. First, the tests and standards already exist; there's no need to go through the agonies of drafting new ones (though we must make sure, as Lynne Cheney warned on this page recently, that they remain faithful to the underlying National Assessment).

Second, they're voluntary. States and communities that don't want to participate need not. Some will incorporate the national tests into their own accountability schemes, thus gaining the ability to compare their students to their peers in Detroit, Charlotte, New York and Denver—and Singapore and Germany. Private schools can use them, too, as could parents wanting to check on their own children's achievement or needing clear information about the quality of schools they're choosing among.

Third, they can be used for the "high stakes" that Al Shanker argued so passionately for. States can make passing these tests the basis for grade promotion if they wish. With the addition of a 12th-grade test—Mr. Clinton has proposed only tests of fourth-grade reading and eighth-grade math—they could become a basis for college admissions and employment as well.

But the Clinton plan also has one big flaw. As proposed, the tests would remain within the bosom of the federal Education Department. As Mrs. Cheney has noted, that arrangement invites bureaucratic finagling, interest-group pandering and political manipulation. These will rob the tests of credibility and, perhaps, integrity. This bold but delicate venture needs to be truly independent. A wholly privatized version is one approach. Another is to turn over complete responsibility to the existing National Assessment Governing Board, a diverse, bipartisan group (including parents, teachers, business leaders and governors) that already makes policy for the National Assessment of Educational Progress—and that set the standards Mr. Clinton is urging for the national tests. Made properly independent, such tests are worth trying.

Is there a risk that this will turn out badly? Sure. But as long as the testing remains truly voluntary, that risk is manageable. Certainly—as Albert Shanker well understood—it's no greater than the risk of keeping U.S. education on its present wretched course.

Mr. Finn, a senior fellow at the Hudson Institute, served as assistant secretary of education in the Reagan administration and as a member of the National Assessment Governing Board from 1988 to 1996.

A Mideast Lexicon

By Sol W. Sanders

There is an old Persian saying—maybe an hour old—that you can't tell a camel from a Bohemian cow unless you have a Mideast lexicon.

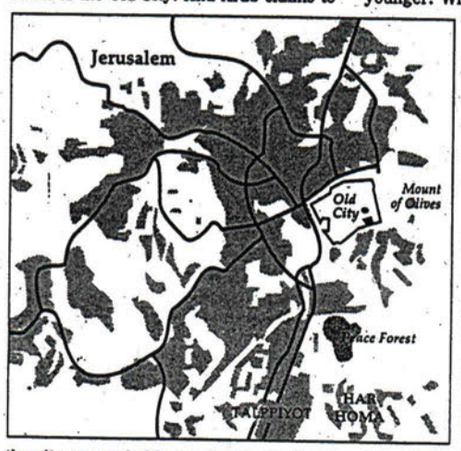
It behooves us during the present crisis in "the peace process"—that never-ending negotiation between Israelis and Palestinians—to be clear about the terms we use and what they mean. For Western newsmen are more than usually twisting the present situation out of shape with their ahistorical approach, particularly as it involves the mapping of this area—perhaps the most sensitive patch of land in the world.

In the first place, "East Jerusalem" is a misleading designation. It was called the Old City (as contrasted with the more modern parts of the city, outside the Judean-Roman-Crusader-Mameluke-Arab-Turkish walls) until it was conquered in 1948 by the Jordanian forces of Glubb Pasha, a British officer. And since Jordan is east of Israel . . .

So there is no such place as "Arab East Jerusalem," or even "traditionally Arab East Jerusalem." If the Old City is today "contested East Jerusalem," it is so because the Arab powers tried to gang up on Israel in 1948 to set aside a United Nations effort to split the old British Palestine Mandate and make Jerusalem an internationalized enclave. When the 1948 war ended, the Israelis were left with most of the modern city and the Jordan Legion with the Old City. The Old City was always a potpourri of ethnic groups—Jews from time immemorial, Armenians, Greeks, Circassians, Ethiopian Coptic Christians, Russians, Westerners of all nationalities pursuing religious callings, and Arabs, most of whom were Christians. The only period of modern history during which Jews did not live there was from 1948 to 1968, when the area was under Jordanian control and Jews weren't even permitted to visit their holy places there.

Arabs have been crowding into the mushrooming greater Jerusalem, which now reaches virtually to Bethlehem. The number of legal housing units has grown 115% for Jews since 1948, 155% for Arabs—and it is common knowledge that half the Arab housing in greater Jerusalem is illegal.

And what about the area of "East Jerusalem" that the Israelis call Har Homa, where Prime Minister Benjamin Netanyahu's plans to build publicly subsidized housing are the flash point for the current conflict? Har Homa is, in fact, south of the Old City. And Arab claims to the site are probably less legitimate than Israelis'. Zionist Jews had begun buying up the area in the 1930s before losing it to the Jordanians. More recently an Israeli developer had owned most of it and wanted to develop it commercially. (His case is still in the Israeli courts.) The Greek Orthodox patriarch of Jerusalem put his oar into the water by claiming that since the last known construction on the site had been in Byzantine times, *his* church owned it.



The West Bank (of the Jordan River) was merely a geographical designation, with no political significance, until 1948. The area had always been known by its biblical names, Judea and Samaria, as had the coastal strip of Gaza. The interwar League of Nations mandate that had put the old Ottoman province of Southern Syria under British control (minus the new state of Lebanon, under French mandate) included both banks of the Jordan and the desert beyond. London decided in its wisdom to chop off "Transjordan" for a client Arab family, the Hashemites (led by King Hussein's grandfather), run out of Mecca by the Saudis.

And "Palestinian" meaning "Arab" is less than 50 years old; the nationality even younger. When I served in a U.S. ambulance unit with the British Eighth Army in Italy in World War II, it was for a time alongside the all-Jewish Queens' Own 16th Rifles Brigade, whose members were mostly German and Austrian refugees recruited in Tel Aviv. They were called "the Palestinian Regiment."

There is, of course, a Palestinian Arab cause, which demands justice. Golda Meir, the Laborite prime minister of Israel, after a visit to an Arab village where children had been induced to turn out for her waving Israeli flags, said something to the effect that only a Jew could know that kind of humiliation. No wonder all the Palestinian Arabs' above-ground organizations (and some of those below) are modeled on those of Zionist Jews, and thence the Israelis.

But the press must restrain its tendency to sloganize with loaded words. That isn't easy: A few days ago, a correspondent for the new BBC-WGBH-NPR program "The World" delivered a lecture on the nuances of words in the Mideast. He started his next item with the expression "the Wailing Wall"—a term of derision used by the ignorant and by anti-Semites to describe what has always been called the Western Wall of King Herod's Second Temple.

Mr. Sanders, a veteran reporter, had his first enforced Holy Land stay when his British bomber/transport fell apart on the old British Lydda (now Lod) air base in 1945.

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THE WALL STREET JOURNAL
WEDNESDAY, APRIL 9, 1997

JIM DORSKIND:

Please coordinate the reply.

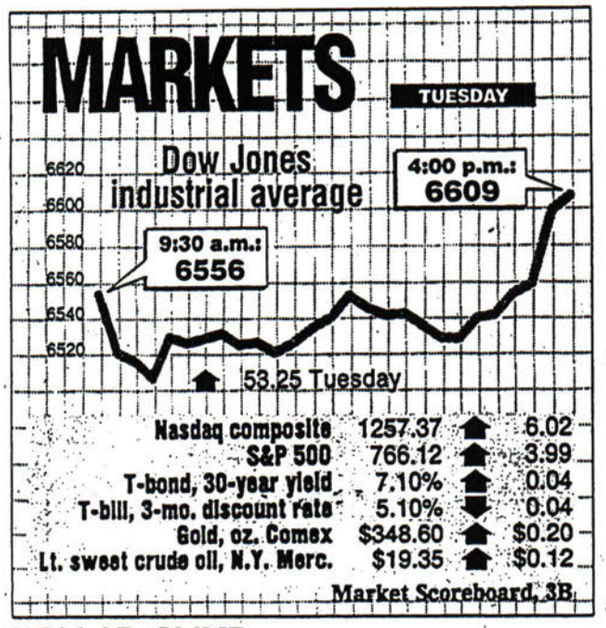
Copied Reed COS

THE PRESIDENT HAS SEEN
4-10-97

Bill Reed
Sure do admire
Ol' Rich
RF

MONEYLINE

A QUICK READ ON THE TOP MONEY NEWS OF THE DAY



DOLLAR CLIMB: The dollar continued to surge against the Japanese yen Tuesday. It rose past 126 yen for the first time in 4½ years after a Japanese trade official said the weak yen was not entirely negative for Japan's economy. In New York trading, the dollar closed at 126.23 yen, up from 125.56 yen Monday. The dollar has strengthened from a combination of rising U.S. interest rates and economic weakness in Japan.

IRS SNOOPS: Legislation was introduced in the House that would make any unauthorized inspection of tax returns a crime punishable by up to a year in prison and fines. *(Story, 2B.)*

Strong sales add to fears of rate hikes, inflation

By Bill Montague
USA TODAY

Strong February sales left wholesale merchants with the leanest inventories in more than 12 years, adding to fears of excessive economic growth and inflation.

The Commerce Department said Tuesday that wholesale inventories were flat in February, while sales rose 2.1%.

That pushed the monthly inventory-to-sales ratio — which measures the ability of merchants to meet demand out of stockpiles — to 1.24 months, lowest since September 1984.

"This doesn't bode too well for short-term rates," says Anthony Chan, economist for Banc One Investment Advisors.

If demand stays strong, inventory shortages could trigger sizable price increases, forcing the Federal Reserve to push up short-term interest rates.

Copied Emanuel Echaveste COS Original to Dorskind

Black churches launch national anti-crime effort

By Paul Shepard
The Associated Press

WASHINGTON — A national coalition of black ministers announced plans Tuesday to fight black-on-black crime and drug-dealing, expanding a church-based program credited with helping to reduce crime in Boston.

"We have a generation of de facto orphans now drowning in their own blood," said the Rev. Eugene Rivers, a Boston pastor and co-founder of the new National Ten Point Leadership Foundation. "We must mobilize in defense of our own future."

At a press conference Tuesday, Rivers joined with ministers from Philadelphia, Louisville and New York to announce the expansion of the Boston project, which includes 43 Boston-area churches.

The plan is to use black churches as round-the-clock sanctuaries for young people seeking refuge from street life, Rivers said. In addition, church volunteers will act as missionaries to show drug dealers, gang members and other wayward youth that options exist.

The campaign, "Operation 2006," will mobilize 1,000 churches in 40 of the country's most dangerous neighborhoods to start or expand anti-crime programs.

Rivers said he is seeking $25 million from public and private sources to help push the program beyond Boston.

The first cities for expansion include Philadelphia; Louisville; Tampa; and Chester, Pa., Rivers said.

The project is modeled after Boston's Ten Point Coalition, which began five years ago in response to escalating black-on-black violence.

The coalition is a network of churches that reaches out to violent youths with mentors, counseling, drop-in centers and work programs. It works closely with city and law enforcement officials and businesses.

The project is credited with contributing to a 39% decrease in Boston's murder rate from 1995 to 1996 and bringing further progress so far in 1997.

"We are about the business of bringing the impossible into the realm of possibility," said the Rev. Jeffrey Brown of Boston.

The notion of church-based projects to remodel urban America has picked up steam recently.

In February, Christian Coalition leader Ralph Reed announced an urban outreach program called "The Samaritan Project." The plan would have volunteer families take up residence in poor urban areas to help people in their neighborhoods.

Rivers said he was challenging Reed "to move beyond platitudes and sound bites."

"We need a new conversation," Rivers said. "We need them to put material resources on the table to help and move beyond the rhetoric."

THE PRESIDENT HAS SEEN
4-10-97

USA TODAY
WEDNESDAY, APRIL 9, 1997

Karen / Maria-Rose Cotter

JIM DORSKIND:

Please coordinate the reply.

We should do a little outreach to Reverend Rivers

BC

THE PRESIDENT HAS SEEN
4-10-97

Today's debate: REVAMPING HEALTH CARE

Too many HMOs stint on emergency-room care

OUR VIEW **That's why states are finding it necessary to force payment for real emergencies. Will Congress act?**

Tales from the crypt of managed care:

▶ In Arkansas, an insurer refused for almost a year to pay the emergency-room bills of patient who suffered a broken neck in a car wreck. Why? The emergency care wasn't preapproved.

▶ In Michigan, an insurer used the same reason to deny a $1,200 claim after a woman was rushed to a hospital in full cardiac arrest. She died; the bill lived on.

▶ In Pennsylvania, a 20-year-old woman with abdominal pain and vaginal bleeding was denied emergency-room care not once but twice for what turned out to be a ruptured ectopic pregnancy.

▶ And in Maryland, a man was brought to an emergency room with such severe pneumonia he was rushed to intensive care. His wife said she delayed seeking treatment until she got approval from the insurer, which had previously refused to pay for unapproved emergency visits.

These are anecdotes, obviously. But the problem appears widespread. A 1993 federal study found that 60% of all claim disputes between Medicare patients and health maintenance organizations involved emergency care. Last year in Oregon, Pacificare, a well-respected managed-care provider, was fined $20,000 for failing to properly investigate emergency-room claims before denying them.

In response, at least 12 states, including managed-care-heavy California, have enacted regulations requiring insurers to pay emergency-room claims. At least two dozen more are considering something similar. And a federal proposal, which unlike state laws would also cover large companies and others that self-insure, is in the works. The laws vary, but they generally require payment if the patient had symptoms severe enough that a "prudent layperson" would have been concerned.

All of this is necessary because the industry's practice of requiring preapproval can deter people from seeking urgently needed care. For instance, the difference between the pains that signal indigestion and those that signal a heart attack are often very slight. Insured Americans should not feel pressured to delay seeking help simply because they can't tell the difference. Nor, of course, should they delay seeking emergency care for fear of getting socked with an unmanageable bill.

More than money is at issue, though. Misdiagnosis is a risk, too. Preapproval of emergency care often requires that ailments be diagnosed over the phone by a managed-care gatekeeper who may not even be a doctor. In New York, an 8-year-old girl living in a homeless shelter was initially denied emergency-room coverage for flu-like symptoms that turned out to be meningitis. Only the caution of an attending emergency physician prevented her from taking that deadly and contagious disease back to the streets.

Finally, the problem is not just a consumer issue. Hospitals are required by law to provide emergency care to all comers, regardless of final diagnosis. They handled 93.4 million emergency visits in 1994. Total cost of such care: roughly 2% of the nation's total health expenditures, or something in excess of $20 billion. Hospitals will always be left holding the bag for much of the care they give to the uninsured. They shouldn't have to pay for reasonable care provided to people who are insured, too.

Because consumers may indeed visit emergency rooms for routine care, some hospitals have installed on-site triage operations to perform quick medical screens and provide appropriate levels of treatment. Others do their best to contact insurers without compromising patient health. But as cost pressures grow, consumers in crisis need to be able to rely on more than institutional good will to ensure their care.

Few health mandates, especially those that second-guess health-care professionals, make sense. But requiring an industry to do its job — in this case, to care for and cover people in need of medical attention — is neither picayune nor meddlesome. It is the right thing — the best thing — to do.

Who gets emergency care

For nonemergency conditions

Most visits to emergency departments are not actual emergencies.

Age makes a difference

The oldest Americans are more likely to seek emergency room care. Number of visits per 100 persons per year by age:

Under 15	40.2
15-24	42.6
25-44	34.0
45-64	25.8
65-74	31.8
75 and over	56.5

And older people are more likely to be suffering from real emergencies. Urgent visits per 100 persons per year:

Under 15	16.9
15-24	18.1
25-44	14.8
45-64	13.8
65-74	19.6
75 and over	37.6

Source: Centers for Disease Control, 1996 report

USA TODAY
WEDNESDAY, APRIL 9, 1997

THE WHITE HOUSE

April 10, 1997

Mr. Alton Rhoads
228 Grove Street
Wellesley, Massachusetts 02181

Dear Mr. Rhoads:

Alan sent me a couple of wonderful photographs which were made during our visit last August. They remind me of a very special person and the delightful time we had together.

Please be assured of my thoughts and prayers with you. May God bless and give you peace, my friend.

With kindest personal regards, I remain

Sincerely yours,

Hillary

Hillary Rodham Clinton

Thanks for staying with us and keeping the faith! Bill Clinton

4-10-97

RM:
Alton Rhoads is the father of Alan Schechter who is a professor at Wellesley -

4-10-97
Phil -
See my note to RM -
C. OK

C. Cleveland

HOWARD RUBIN
5 WINTERBOTTOM LANE
POUND RIDGE NY 10576
914-764-4931 PHONE
914-764-0536 FAX
howard_rubin@COMPUSERVE.COM

APR 10 PM4:06

Date : April 7, 1997

For : Betty Currie

Subject : Yet another follow-up document

Here's a document that resulted from my DoC briefing that should interest the President. I'll be seeing him at an event on April 15th and would appreciate it if he could see it before then.

If there is a need to reach me you may do so at the numbers above or via pager at 800-SKY-PAGE Pin# 2291309.

Thank you as usual,

Howard

4-10-97
Should we send to Dorskind?
Yes ✓
No ____

Include in trip book?
Yes ✓
No ____
keep copy for me

HOWARD RUBIN

5 WINTERBOTTOM LANE
POUND RIDGE NY 10576
914-764-4931 PHONE
914-764-0536 FAX
howard_rubin@COMPUSERVE.COM

Date : **April 7, 1997**

For : **President Clinton**

Subject : **Proposal for a National Technology Education Consortium**

As a result of my discussions with Dr. Mary Good on the issues of U.S. software engineering competitiveness and the national labor shortage in the area of software engineering, I am now proposing a more "active" step to be taken in addition to my concept of the National Software Competitiveness Council.

On the page that follows, you'll find my concept document for NatTEC.... a National Technology Education Consortium with the purpose of meeting the challenge of the software engineering labor crisis by providing a mechanism to produce new entrants into the job market with appropriate skills and training and also enable under-skilled resources or resources that can be trained to work in the field to rapidly attain the appropriate skills.

NatTEC is proposed as a coalition of academic, corporate, and government resources nationwide that will make use of the rich infrastructure our nation already has in place that can leveraged to solve the labor problem. This "infrastructure" is within the nation's city and state university centers in the form of today's computer science and engineering programs. With energy and investment, this infrastructure can be used teach real-world skills to undergraduate students during the normal academic year and to act as retraining/reskilling centers for those in other fields during intersession periods. The same infrastructure can be used to provide low-cost outsourcing services in the computer field to government and industry alike.

Hopefully, you'll find time to review my idea as an adjunct to the NSCC. Perhaps we can discuss it for a few moments when I see you at the DCCC event on April 15th.

Dr. Howard A. Rubin
Chair, Dept. of Computer Science, Hunter College of CUNY
CEO & Founder, Rubin Systems Inc.

A Proposal for a
National Technology Education Consortium - *NatTEC*

Dr. Howard A. Rubin, *Chair, Department of Computer Science, Hunter College of CUNY*
5 Winterbottom Lane Pound Ridge NY, 10576 (914) 764-4931 howard_rubin@compuserve.com

The Issue:

There is no question that in today's information age the ability to develop and maintain software systems are critical skills. However, there is a severe national labor shortage in the area of software engineering that has been acknowledged by the Department of Defense, the Department of Commerce, and has even received national media attention. The shortage involves both the limited number of resources available to fill the hundreds of thousands of jobs being created in this field and the skills of those already in the field. Historically, resources to fill this void were graduates of computer science programs around the nation -- unfortunately enrollments have dropped drastically and those graduating do not have the needed skill sets. This shortage is one of national concern and will continue to elevate to new levels of importance in terms of the global competitiveness of the United States.

The Need:

To meet the challenge of this labor crisis an approach is needed that will produce new entrants into the job market with appropriate skills and training and also enable under-skilled resources or resources that can be trained to work in the field to rapidly attain the appropriate skills.

The Mechanism -- NatTEC:

Our country has a rich infrastructure that with minor modification and investment can meet these needs. This infrastructure exists today in the form of the computer science programs within state and city universities. To meet the national needs in this area, the National Technology Education Consortium should be formed as a coalition of academic, corporate, and government resources nationwide. Specific actions to be taken by NatTEC are:

- the establishment of software engineering project centers in each of the computer science programs in state and city universities that will be used to teach real-world skills to both undergraduate students during the normal academic year and to act as retraining/reskilling centers for those in other fields during intersession periods
- the staffing of these centers by industry professionals rotating with university faculty so that world-class commercial expertise can be transferred to students while academic expertise can be transferred to industry
- the awarding of projects to the centers on an "outsourced basis"... that is to say that each center will actually perform real project work for government or industry as greatly reduced cost to the benefit of the project sponsors. (An added benefit would be the reduced cost of computer system development and support which would be a major benefit to state and local governments and industry partners.)

The Next Steps:

1. Form a NatTEC Advisory Board
2. Identify pilot campuses
3. Select participants and projects
4. Test the concept!

The NatTEC program is a national model of software engineering training excellence that could well be a pivotal component of maintaining the competitive position of the U.S. economy for years to come. NatTEC has the potential to reposition states with low job growth rates (e.g. New York State) as centers for software engineering and software related industry.

Per Nancy -

PUPUS doesn't want to make call -- should do letter instead.

Phil
4/9/97

4-10-97
Emanuel
notified of
decision to
send ltr.

THE WHITE HOUSE

WASHINGTON

April 9, 1997

'97 APR 9 PM 1:30

RECOMMENDED TELEPHONE CALL

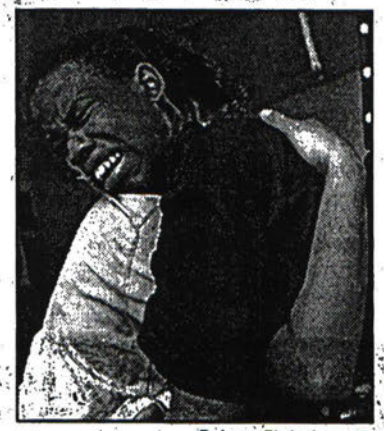
TO:	Wanda McMurry, the mother of 13 year old Lenard Clark.
DATE:	Any time this week.
RECOMMENDED BY:	Rahm Emanuel
PURPOSE:	To offer support and words of comfort to Lenard Clark and his family as he continues to make progress in rehabilitation.
BACKGROUND:	Lenard Clark was attacked on March 21st by three older boys in what police have called a vicious racial attack. He has just emerged from his coma and has begun to walk and talk again. He is expected to leave the hospital by the end of April but Doctors say therapy will continue for many years. You spoke to Wanda McMurry right after Lenard Clark was admitted to the Intensive Care Unit to offer your support and prayers.
CONTACT PERSON:	Wanda McMurry Rehabilitation Institute of Chicago 312-908-6115 (Her pager number: 312-390-3238) Mayor Daley's office: 312-744-3301
DATE:	April 8, 1997
NOTE:	Attached in an article from today's USA Today on Lenard Clark.

4-10-97
send to Dorskind for
reply?
Yes ✓
no

coordinate w/ Emanuel
Yes ✓
no

Chicago beating victim improving

Lenard Clark, 13, was just emerging from his coma and could not leave his bed when he arrived at the Rehabilitation Institute of Chicago March 28. Now the victim of what police say was a vicious racial attack can walk the halls, eat soft food and say "mama." "He is getting more and more responsive every day," pediatrician Lisa Thornton says. He is expected to leave the hospital by month's end, but outpatient therapy could take years, doctors say. His mother, Wanda McMurray, has maintained a vigil at his bedside since the attack March 21. McMurray expressed thanks for the letters of support from across the nation: "I want to tell everyone that I really thank them and may God bless them."



By Iwona Biedermann, AP

Able to walk: Lenard Clark and his mother, Wanda McMurray

Written by John Bacon from staff and wire reports.

THE WHITE HOUSE

WASHINGTON

April 11, 1997

MEMORANDUM FOR LIST

FROM: TODD STERN

SUBJECT: Presidential Medal of Freedom

Every year around this time my office puts together a list of possible recipients of the Medal of Freedom, which we then submit to the President for his review. We generally submit a list of around 15 names with a view toward ending up with 10 awardees. The awards are made in an East Room ceremony, which has occurred in August or September the past three years, although there is nothing magic about that time; the awards could be made somewhat earlier or later.

This is the highest civilian award the President can bestow and the winners should be people of great distinction. And, of course, who the President chooses says something about his concerns, values, etc. I have attached lists of the Medal winners for the past four years.

If you have any creative ideas for possible awardees, please let me know. I will be getting a brainstorming session together in the near future. Thanks.

To: Don Baer
Sandy Berger
Rahm Emanuel
Jack Gibbons
Elena Kagan
Ron Klain
Ann Lewis
Mike Mccurry
Katie McGinty
Sylvia Mathews
John Podesta
Vicki Radd
Bruce Reed
Chuck Ruff
Doug Sosnik
Gene Sperling
Jim Steinberg
Melanne Verveer
Michael Waldman

cc: Jim Dorskind

PRESIDENTIAL MEDALS OF FREEDOM

BERNARDIN, Joseph Cardinal — 9/9/96
Cardinal of Chicago Archdiocese.

BRADY, James Scott — 9/9/96
Outspoken leader in the fight for responsible gun control, including the "Brady Bill."

FULLER, Millard D. — 9/9/96
Founder and president of Habitat for Humanity.

HAMBURG, David Alan — 9/9/96
President of the Carnegie Foundation.

JOHNSON, John H. — 9/9/96
Founded Ebony and Jet, and built one of the most influential African-American publishing companies.

LANG, Eugene M. — 9/9/96
Creator of "I Have a Dream" Foundation.

NOWAK-JEZIORANSKI, Jan — 9/9/96
The former National Director of the Polish-American Congress and former director of Radio Free Europe's Polish Service.

PANTOJA, Antonia — 9/9/96
Founder of ASPIRA, an organization that promotes education, leadership training, and community service for Latino youth.

PARKS, Rosa L. — 9/9/96
Helped launch the modern civil rights movement when she refused to give up her seat on a bus in 1955. Rosa Parks is also the founder of the Rosa and Raymond Parks Institute for Self Development, located in Detroit.

SAGAN, Ginetta — 9/9/96
Founder of the first West Coast chapter of Amnesty International USA and has organized 75 chapters around the United States.

UDALL, Morris K. — 9/9/96
Represented Arizona for thirty years in the House of Representatives.

PRESIDENTIAL MEDALS OF FREEDOM
1995

CHARREN, Peggy — 9/29/95
Founder of Action for Children's Television

COLEMAN, William T., Jr. — 9/29/95
Public Servant, former Sec. of Transportation, Chairman of the Board, NAACP Legal Defense & Educational Fund, lifetime of service for equal opportunity for all citizens

COONEY, Joan Ganz — 9/29/95
Creator of Children's Television Workshop, creator of Sesame Street

FRANKLIN, John Hope — 9/29/95
Historian, has chronicled the history of African Americans in the South

HIGGINBOTHAM, A. Leon, Jr. — 9/29/95
Judge, academic, civil rights attorney

JOHNSON, Frank, M. Jr. — 9/29/95
District Court, Appeals Court Judge, dismantled segregation, protected the rights of mentally ill and imprisoned

KOOP, C. Everett — 9/29/95
Physician, former Surgeon General of the U.S.

NELSON, Gaylord — 9/29/95
Public Servant, former Wisconsin State Legislator, Governor & United States Senator, advocate for the environment, creator of Earth Day

REUTHER, Walter P. (POSTHUMOUSLY) — 9/29/95
Labor activist, United Auto Workers President for 25 years

ROUSE, James W. — 9/29/95
Urban Planner, designer of Columbia, Maryland, Boston's Faneuil Hall, Baltimore's Inner Harbor

VELASQUEZ, Willie (POSTHUMOUSLY) — 9/29/95
Founder of Southwest Voter Registration Education Project

WASSERMAN, Lew R. — 9/29/95
Philanthropist, advocate for the blind and visually impaired

PRESIDENTIAL MEDALS OF FREEDOM
1994

BLOCK, Herbert Political Cartoonist	8/8/94
CHAVEZ, Cesar E. (POSTHUMOUSLY) Union Leader, United Farm Workers of America	8/8/94
FLEMMING, Arthur Public Servant, former Secretary of Health, Education, and Welfare, Chairman of the Commission on Civil Rights	8/8/94
GRANT, James Executive Director of UNICEF	8/8/94
HEIGHT, Dorothy Irene Civil Rights, Womens Rights Advocate	8/8/94
JORDAN, Barbara Public Servant, Educator, former Member of the U.S. House of Representatives	8/8/94
KIRKLAND, Joseph Lane Labor Leader, President AFL-CIO	8/8/94
MICHEL, Robert H. Public Servant, Member of the U.S. House of Representatives from Illinois, Republican Leader	8/8/94
SHRIVER, Robert Sargent Public Servant, former Director of the Peace Corps	8/8/94

PRESIDENTIAL MEDALS OF FREEDOM
1993

ASHE, Arthur, Jr. (POSTHUMOUSLY) 6/20/93
Athlete, former Professional Tennis Player, Philanthropist, Author

BRENNAN, William J., Jr. 11/30/93
Public Servant, former Associate Justice of the Supreme Court

DOUGLAS, Marjory Stoneman 11/30/93
Conservationist, led early crusade to preserve and restore the Florida Everglades

FULBRIGHT, J. William 5/5/93
Public Servant, former U.S. Senator and Member, U.S. House of Representatives from Arkansas, longtime Chairman of the Senate Foreign Relations Committee, founder of the Fulbright Foreign Scholarship Program

MARSHALL, Thurgood (POSTHUMOUSLY) 11/30/93
Public Servant, Attorney, former Associate Justice of the Supreme Court, Solicitor General of the United States, United States Circuit Judge, first African American to sit on the Supreme Court

POWELL, General Colin L. U.S.A. (With Distinction) 9/30/93
Military Officer, Chairman, Joint Chiefs of Staff, former Assistant to the President for National Security Affairs, Deputy Assistant to the President for National Security Affairs

RAUH, Joseph L. Jr. (POSTHUMOUSLY) 11/30/93
Lawyer, Civil Rights and Labor activist, former Counsel, United Auto Workers, General Counsel, Leadership Conference on Civil Rights

RAYE, Martha 11/2/93
Entertainer, Humanitarian

THURMOND, Strom 1/12/93
Public Servant, U.S. Senator from South Carolina, former Governor, State judge, and teacher

WISDOM, John Minor 11/30/93
Public Servant, former United States Circuit Judge