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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. letter	[Personally Identifiable Information] [partial] (1 page)	05/03/1997	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 9358

FOLDER TITLE:

Chron Files: Friday, May 16, 1997

2019-0774-S
rs3360

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

- C. Closed in accordance with restrictions contained in donor's deed of gift.
- PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
- RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Chron

THE PRESIDENT HAS SEEN
5-16-97

'97 MAY 13 PM7:15

THE WHITE HOUSE

WASHINGTON

Los Angeles Times
Q + A
EB—Here's your assignment—we need to do soon—[illegible]

'97 JUN 5 PM5:51

Copied
Bowles
McCurry
cc: Barnes
From: McHugh

May 12, 1997

MEMORANDUM FOR THE PRESIDENT

FROM : MIKE McCURRY

SUBJECT : LOS ANGELES TIMES Q AND A

Thank you for agreeing to provide written responses to the Los Angeles Times for their special section on the U.S. Open. It will receive excellent pick-up. In addition to running in the LAT, it will also be syndicated on their Washington Post-LAT News Service and we will rely on it for color when you attend the tournament on June 15th.

The following questions will either run in a Q and A format or we will turn them into an article from you. The length of the piece is flexible; although, the LAT would like at least 400 words.

1. What do you like about the course at the Congressional Country Club?

2. What don't you like about the course?

3. Why do you think Congressional will make a good U.S. Open layout?

4. Which pros do you think the course favors?

5. Do you have any personal experiences at Congressional that you would like to share ?

The LAT would also like for you to provide a brief comment on each of the 18 holes at Congressional. Options here for a response include:

* Doing a "How I Play Congressional" hole by hole

* A quick one sentence on each hole

* A general statement on how you would play the course.

Please let me know if you want to dictate answers in lieu of writing them out. The deadline for copy is the first week of June.

Thank you.

'Copied
McCurry
COS

THE PRESIDENT HAS SEEN
5-1-97

THE WHITE HOUSE

WASHINGTON

April 26, 1997

'97 APR 28 PM4:36

MEMORANDUM FOR THE PRESIDENT

FROM : MIKE McCURRY MMc

SUBJECT : LOS ANGELES TIMES Q AND A

The Los Angeles Times is doing an expanded section in June to highlight the U.S. Open on June 15. They have requested that you respond to written Qs and As to be featured in the special section.

The Qs and As would ask you what you think about each of the eighteen holes at Congressional. It would basically be a color commentary from you of the course.

If you were to agree to the Qs and As, the Los Angeles Times would need your responses by June 5. You also have the option of doing an interview with the sports reporter, but it may be difficult to get time on your schedule for this.

Regardless of whether you do written responses or speak with the reporter by phone, this would be a good and relatively easy interview for you to do.

In sum, the options are:

1. Respond to written Q and A ____ YES ____ NO

2. Conduct an interview ____ YES ____ NO

3. Decline the offer ____ YES ____ NO

Thank you.

[illegible]

In Honor of Joey D. Little
August 7, 1996
Placentia P.D., California
- Diane, Casie, Keith & Kelly
Little

THE PRESIDENT HAS SEEN
5-16-97

I met his family
at Memorial —
~~[illegible]~~ very moving
conversation
Pls do nice letter

Todd,
I will send to Jim once
you have seen.

C.

1 copy
COS

JIM DORSKIND:
Please coordinate
the reply.

Fly a "Blue Ribbon"

In honor of "National Police Week" and May 15th, National Peace Officers Memorial Day".

Fly a Blue Ribbon in recognition of the service given by the men and women who, night and day, stand guard in our midst to protect us through enforcement of our laws.

Fly a Blue Ribbon as a symbol of the "Thin Blue Line" of law enforcement.

Fly a Blue Ribbon in recognition of the Federal, State, and municipal officers who have been killed or disabled in the line of duty. And for their surviving families who have paid the ultimate price for freedom.

"Project Blue Ribbon" is sponsored by the Fraternal Order of Police Grand Lodge Auxiliary.

THE WHITE HOUSE
WASHINGTON

Date 5/16

To: Vicki Radd

From: The Staff Secretary

Any comments/edits?

PM

THE WHITE HOUSE

WASHINGTON

May 16, 1997

Jude T. Wanniski
President
Polyconomics, Inc.
86 Maple Avenue
Morristown, New Jersey 07960-5221

Dear Jude:

Thank you for your thoughtful letter regarding the fiscal 1998 budget negotiations. I'm glad you had the opportunity to meet with Larry Summers to discuss your views.

I am proud of the way my Administration and Congress worked together to reach an agreement that will help protect our nation's prosperity and shared values far into the next century.

Thanks again for writing.

Sincerely,

3/8/97

POLYCONOMICS, INC.
Political and Economic Communications
Jude T. Wanniski
President
86 Maple Avenue
Morristown, NJ 07960
Tel. 201-267-4640
Fax. 201-539-4025

Barbara

April 22, 1997

The Hon. William J. Clinton
President of the United States
1600 Pennsylvania Ave
Washington, DC
[via fax to Erskine Bowles] (also by mail)

Dear Mr. President:

Our government appears to be heading into budget gridlock once again, as Senator Lott indicates there is only one small chance this week to work out a compromise on your administration's budget. My guess is that it will fail, chiefly because the political forces that bear upon you and congressional Democrats are once again in a standoff with the political forces that bear down on the Republican leadership in Congress. In chess, the term is stalemate. If the Republicans do develop a budget of their own, even Senator Lott concedes it will be less than satisfactory all around. My suggestion is that you consider the bipartisan plan proposed almost a year ago by Jack Kemp, when he still believed his elective political career was at an end.

Republicans blame you for being stubborn and partisan in refusing to bend to their demands and make spending concessions that cannot be done without betraying your constituency. A budget compromise could be made if the Republicans gave up on their attempt to get a serious capital gains tax cut and estate tax relief, cuts which I believe would be very good for the country, along with a $500 kiddie credit, which I believe would not be good for the country. The numbers don't work and no matter how many times you add and subtract, multiply and divide, we come back to stalemate.

The reason this will continue at the legislative level is the determination of the political Establishment, Republican and Democratic, to refuse to accept its responsibility to employ the law of diminishing returns in setting tax rates. It has been true throughout history that when tax rates get too high, they discourage growth and revenues. Part of the responsibility of government is to make those judgements. The budget process by which the Ruling elites now attempt to manage the national economy is diabolical. Imagine a rule at General Motors that would not allow you to cut the price of a Buick unless you raised the price of a Chevrolet!

The Kemp proposal, Mr. President, skirts this process with two executive orders that would be supported by both parties if you initiated them, but would get tangled up in the broader omnibus legislation if initiated by Congress. The first would instruct the Treasury to strip inflation out of capital gains before determining tax liability. The second would instruct the Treasury and the Federal Reserve to stabilize the dollar value of our international gold monetary reserves around a price of $350.

Those of us who assisted Mr. Kemp in devising this plan, which he described on the editorial page of *The Wall Street Journal* on June 18 last year, did so in the belief that it would meet with little objection in either major political party and that it would invite the kind of healthy, non-inflationary economic growth that would find favor both in the financial markets and with Federal Reserve Chairman Alan Greenspan.

Indexing capital gains, retroactively and prospectively, has no theoretical opponents in the Democratic Party or among Republicans. Treasury bureaucrats may complain it is difficult to administer, but it is easily done in the U.K., as Senate Finance discovered when it had hearings on the subject in 1993. By the stroke of your pen, you would release an estimated $7 trillion in inflated gains from tax liabilities and the backs of American farmers and small businessmen. People would dance in the streets and celebrate your administration for several generations.

When Alan Greenspan became Fed chairman ten years ago, the gold price was $350. By using it as a guide to inflationary impulses, he has managed to keep it from straying too far in one direction or the other. Both Kemp and I have spoken to him about formalizing that practice within a price range, which would give the markets some flexibility on either side of $350. By taking the risks of wide swings out of the market, the value of government bonds would increase by a significant amount. This would of course reduce the cost of debt service in the budget for years to come, as the past debt is refinanced at lower interest rates.

This executive order would also cover the warning of Ross Perot, who observed during the campaign last year that your Treasury had been issuing a great amount of short-term debt to economize on debt service. If inflation hit suddenly in the next several years, the administration would have its hands full refinancing short debt at very high interest rates, ballooning the deficit that has lately been coming down nicely. This executive order might have some complaints from purists who insist gold should have no role in policymaking, but these purists are more likely to be found in the GOP than among Democrats.

If the budget talks break down tomorrow, as we fear, Senator Lott and Speaker Gingrich will attempt to fashion a Republican budget. The financial markets would have an added burden of worrying through the summer into autumn whether this can be done without your veto or another government shutdown. The suggestion I make regarding the executive orders is one that would not only be cheered in the bond and stock market, it would also make it much easier for a budget to be worked out on the Hill, as the prospects of higher revenues from a sounder economy would be factored into the calculations of the Congressional Budget Office.

At the very least, I hope that you would discuss the idea with Jack, who may be assuming that you are not interested in ideas that come from the other party and would reject them out of hand. There are many executive orders that you can sign, but few that will enjoy widespread support in both parties. My belief is that if you did these, you would break the barrier of partisanship and acrimony that has grown up around these years of budget stalemate.

Sincerely, as ever,

Jude Wanniski

Jude Wanniski

cc: Mr. Jack Kemp
The Hon. Newt Gingrich
The Hon. Trent Lott
http://www.polyconomics.com/memo.html

THE WHITE HOUSE
WASHINGTON

Date 5/8

To: Jim Dorskind

From: The Staff Secretary

Attached is letter to POTUS from Jude Wanniski, given to us by Vicki Radd.

Wanniski met with Larry Summers to discuss his ideas.

POTUS should respond with general letter saying that he understands Wanniski met with Summers; proud of our budget deal, etc.

BC sig.

Thanks
Phil

Phil -

This is the letter I mentioned. Wanniski did get a meeting w/ Larry Summers @ Treasury to discuss his views - Thanks, V
PS. Can I get copy of response?

THE WHITE HOUSE
WASHINGTON

Date 5/16

To: Bob Bell

From: The Staff Secretary

Copies of previous
CWC letters.

PM

'97 MAY 15 PM5:06

THE WHITE HOUSE

WASHINGTON

May 5, 1997

Dear Dan:

Thank you for your important vote for ratification of the Chemical Weapons Convention. Your support was critically important to preserving national and international security and maintaining our global leadership.

I believe that the actions by the Senate and your commitment to this vital arms control treaty resulted in a true victory for America. Because of this vote our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists and rogue states.

Sincerely,

Bill

The Honorable Daniel K. Akaka
United States Senate
Washington, D.C. 20510

General

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Dear ~~Mr. Leader~~ Tom:

Thank you for your important vote for ratification of the Chemical Weapons Convention. Your support was critically important to preserving national and international security and maintaining our global leadership.

I believe that the actions by the Senate and your commitment to this vital arms control treaty resulted in a true victory for America. Because of this vote our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists and rogue states.

Sincerely,

Bill

The Honorable Thomas A. Daschle
Democratic Leader
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Trent

Dear Mr. Leader:

Thank you for your indispensable leadership in securing Senate advice and consent for the ratification of the Chemical Weapons Convention (CWC).

Ratification of this landmark treaty would not have been possible without your commitment to and support for the bipartisan negotiations that produced the 28 agreed conditions. The process that we put in motion in January worked across party lines and resulted in a victory for America. I am especially pleased that a majority of Republican Senators voted for the treaty.

Because the Senate gave its advice and consent to the CWC, our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists. I look forward to continuing our work together to maintain the momentum achieved through passage of this historic treaty.

Sincerely,

Bill

The Honorable Trent Lott
Majority Leader
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Dear Mr. Chairman:

Thank you for your cooperation in working with my Administration and Senator Biden in negotiating the 28 agreed conditions to the Chemical Weapons Convention (CWC) and in agreeing to the resolution of ratification for the CWC as Chairman of the Committee on Foreign Relations. While I know you believed additional conditions should have been approved and opposed final passage as a result, I applaud your willingness to allow the CWC debate to move forward despite our differences.

I look forward to continuing our work together to further promote American global leadership.

Sincerely,

The Honorable Jesse Helms
Chairman
Committee on Foreign Relations
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Joe

Dear Sen~~ator~~ Biden:

Thank you for your indispensable leadership in securing Senate advice and consent for the ratification of the Chemical Weapons Convention (CWC).

Ratification of this landmark treaty would not have been possible without the time and energy you devoted to acheiving agreement with Chairman Helms on the 28 conditions and your floor leadership in winning votes to strike the five conditions on which we disagreed. Please convey to your staff my deep appreciation for the exemplary support they provided you and my Administration throughout this process.

Because of the strong, bipartisan vote for the CWC, our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists and rogue states. I look forward to continuing our work together to maintain the momentum acheived through the passage of this historic treaty.

Sincerely,

Bill

The Honorable Joseph R. Biden, Jr.
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Dear ~~Mr. Chairman~~ Dick:

Thank you for your indispensable leadership in securing Senate advice and consent for the ratification of the Chemical Weapons Convention (CWC).

Ratification of this treaty would not have been possible without your unwavering commitment over the past three years. I sincerely appreciate your leadership in bringing the first resolution of ratification to the Senate floor last September, and your strong support during the floor debate last week. I am especially pleased that a majority of Republican Senators followed your lead.

Because of the strong, bipartisan vote for the CWC, our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists and rogue states. I look forward to continuing our work together to maintain the momentum achieved through the passage of this historic treaty.

Sincerely,

Bill

Thanks!

The Honorable Richard G. Lugar
Chairman
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Dear Mr. ~~Chairman~~ John:

Thank you for the very important role you played in securing Senate advice and consent for the ratification of the Chemical Weapons Convention (CWC). Your early and unwavering support for the treaty and your consistent efforts to keep Senator Dole apprised of our work on the resolution of ratification greatly facilitated our task.

Because of the strong, bipartisan vote for the CWC, our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists and rogue states. I look forward to continuing our work together to maintain the momentum achieved through the passage of this historic treaty.

Sincerely,

Bill Clinton

The Honorable John McCain
Chairman
Committee on Commerce, Science and Transportation
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

May 1, 1997

Dear Mr. Chairman:

Thank you for the very important role you played in securing Senate advice and consent for the ratification of the Chemical Weapons Convention (CWC). Your strong, unwavering support and the unique perspective you brought to the debate as Chairman of the Arms Control Observers Group greatly facilitated our task.

Because of the strong, bipartisan vote for the CWC, our troops will be less likely to face poison gas on the battlefield, and our hand will be strengthened in the fight against terrorists and rogue states. I look forward to continuing our work together to maintain the momentum achieved through the passage of this historic treaty.

Sincerely,

Bill Clinton

The Honorable Ted Stevens
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE

WASHINGTON

DATE: May 16, 1997

NOTE FOR: Brian Greenspun

The President has reviewed the attached, and it is forwarded to you for your:

Information [x]

Action [ ]

Thank you.

Staff Secretary
(x6-2702)

cc:

WHERE I STAND

5-1-97

Clinton jumps into middle of FDR memoria

A FEW WEEKS on crutches after falling down some stairs prior to a golf game might have given some insight to President Bill Clinton. I wish I could believe this.

A couple of weeks ago, after extreme pressure from very vocal advocates for the disabled, he has promised to add a statue at the Franklin D. Roosevelt memorial which will show the former president in a wheelchair. He did this following the threat they would disrupt the opening tomorrow. Americans are witnessing Clinton responding to the loudest voices. His own crutches have nothing to do with his involvement, it's pure politics.

MIKE O'CALLAGHAN

What's disturbing to me is that Clinton is treating Sen. Daniel Inouye, D-Hawaii, as a waterboy to carry his proposed new statue legislation through Congress. This is the same senator who lost his arm in World War II as a heroic infantry combat leader in Europe. Yes, this is also the same Inouye who served on the FDR Memorial Commission and defended the construction of the memorial which will be dedicated tomorrow. Last year when the disability groups demanded that a statue show him in a wheelchair or on crutches, Inouye wrote in the Washington Post: "Of the 10 sculptures in the memorial, three depict the public persons of FDR as president, commander-in-chief and world leader. These FDR sculptures were inspired by real-life situation he actually appea a wheelchair or course, the way I presented himsel

"We know fro Eleanor Roosevel both of whom liv White House, th person who consi matter. They bot of the memorial' Another grandso B. Roosevelt, ha commission since

SEE WHERE, 3/

GROUPS GATHER TO CELEBRATE ELLEN'S DECISION –

l argument

s, and they show the president as
red at the time, seated, without
crutches present. This is, of
DR deliberately and painstakingly
f to the public.
n FDR's two eldest grandchildren,
t Seagraves and Curtis Roosevelt,
d for several years in the Roosevelt
t FDR was an intensely private
dered his disability a very private
h confirm the historical accuracy
s portrayal of their grandfather.
of Franklin and Eleanor, David
been an active member of the
1992."

Where

CONTINUED FROM 1A

If the protesters had been complaining about the memorial being difficult to visit, they would have had a legitimate complaint. Inouye, in his column, made clear this wasn't the case when writing, "In compliance with the spirit and the letter of the Americans with Disabilities Act, the FDR memorial was designed, from the beginning, with the disabled in mind. This is the first memorial in Washington purposely designed to be totally wheelchair accessible, with many areas for rest and contemplation. Also, a major bas-relief sculpture, titled 'Social Programs,' includes 54 detailed images, each with braille for the sight-impaired."

In addition to this, the visitors' center at the memorial site between the Potomac River and Tidal Basin will display Roosevelt's kitchen chair with wheels and a photograph of him in a wheelchair. Also carved in granite are the major events of the president's life, including "1921 – stricken with poliomyelitis – he never again walked unaided." The three statues of him will have him sitting.

The Roosevelt grandchildren are split over how their grandfather is to be honored. David Roosevelt, a member of the Memorial Commission, recently told the New York Times, "At no time did this commission consider 'hiding' FDR's disability. His disability will be depicted for all to see, but it will not – and in my opinion, should not – be the primary focus of the memorial."

Maria Echaveste, speaking for the White House, said the president's action reflects his belief that FDR, a forward-looking man, would want the world to know that he overcame great disabilities to lead our nation. Then Clinton's spokesperson added, "Whatever Roosevelt's efforts to hide his disability, that was a different time, a different reality." So the memorial isn't to recall a great leader during a time of world turmoil but rather it's supposed to depict him in a manner some people want us to remember him 52 years later during this era of political correctness. And I thought it was only Germany and Japan that have tried to revise the history of their roles during World War II.

As I have written before, when he was alive, he hid his physical disability because he was afraid it might distract people from listening to his message. This was his personal decision, and the media of that era honored his desires. Why can't we continue to respect his feelings in any monument built in his memory? We are building it to honor a great American, not to promote him

Clinton's political decision doesn't surprise me but his use of Dan Inouye disappoints me.

as a poster model showing how the physically disabled can overcome everyday challenges.

FDR overcame his disability his way, so I have to believe the decent way to honor this man is to do it in the way fellow Americans remember him and how he wanted us to see him. He certainly earned this simple consideration.

Clinton's political decision doesn't surprise me but his use of Dan Inouye disappoints me.

The peddlers of modern-day political correctness have already made certain that FDR isn't shown with his famous lighted cigarette in a holder clenched in his teeth. That's right, and his wife Eleanor is shown wearing her cloth coat without the fox fur collar we watched her wear so many years ago before the anti-fur group became powerful. I guess Clinton and the disability advocates might just as well complete the farce and have one of the greatest leaders of this century shown in a way few of us saw him as our president during the 1930s and 1940s.

More important, we will be showing him in a way he didn't want to be shown. But then he's dead and can be shown the way the loud voices of advocacy groups in the 1990s want him depicted. Despite what we know about the man's personal courage, some of the advocates for the disabled want us to believe that FDR was only great because he suffered the crippling effects of polio. This is pure speculation and loaded with political and advocacy nonsense of the 1990s.

MIKE O'CALLAGHAN, a former two-term governor of Nevada, is executive editor of the Las Vegas SUN.

National Indian Gaming Association

'97 MAY 16 PM4:57

224 Second Street SE
Washington, DC 20003
phone: (202) 546-7711 fax: (202) 546-1755

FAX TRANSMISSION COVER SHEET

DATE: 5/16/97

TO: Erskine B. Bowles-Chief of Staff to the President

FAX: (202) 456-2215

FROM: Richard G. Hill, Chairman

5-16-97

YOU SHOULD RECEIVE 3 PAGE(S), INCLUDING
NOT RECEIVE ALL THE PAGES, PLEAS

Phil -
Should we
[redacted] send to
Bob Nash ?

Yes ✓
No
C.

don Dorskind
for reply

MESSAGE:

NIGA Seminar Institute Presents:

June 5-6
How to Recognize & Investigate Frauds, Scams & Cheats

call NIGA for registration information at 202-546-7711. Pre-registration deadline is Friday, May 23, 1997

Comfort Inn
2424 S. Mission
Mt. Pleasant, MI
(517) 772-4000

NIGA '97
Trade Show and Convention

August 25-27, 1997

Minneapolis Convention Center
Minneapolis, MN

call 202-546-7711 for more information

National Indian Gaming Association

May 15, 1997

The Honorable William J. Clinton
The White House
1600 Pennsylvania Avenue NW
Washington D.C. 20500

Dear President Clinton,

The National Indian Gaming Association is a non-profit organization established by gaming Tribes in 1985. NIGA membership is composed of 152 sovereign Indian Nations and 64 non-voting Associate (Corporate) members representing tribes, organizations and businesses engaged in Tribal gaming enterprises throughout the United States. NIGA was formed by Tribes to protect their sovereign governmental rights in this area and to support their gaming and economic interests in Congress and elsewhere.

The National Indian Gaming Association wishes to express our serious concern on a matter under consideration by the White House. As you are aware, H.R. 325, a bill which proposes to apply unrelated business income tax (UBIT) to Indian Gaming has been re-introduced and has been referred to the Ways and Means Committee. NIGA, the NIGA/NCAI Task Force and several hundred Tribal Nations fought long and hard to defeat a similar provision attached to the budget bill the 104th Congress.

You, and your administration, took a strong position against the taxation proposal in the 104th Congress. For that support, we again thank you. The truth is, the vast majority of Indian Nations are not so healthy that they can afford to give their governmental revenue to the U.S. Government.

However, this proposal has once again arisen. Moreover, we fear it will again be unfairly placed in an appropriations bill, where no impartial and objective reasoning may be considered, in an attempt to slide the provision through Congress. We request and urge you, and under your direction, the Department of Treasury, The Department of Interior, The Office of Management and Budget to oppose these bills in writing now.

The House Ways and Means Committee will begin deliberations soon on proposals to fund $50 billion in taxes to pay for the budget deal. We believe that the Chairman of the House Ways and Means Committee, William Archer, and perhaps other committee members may be looking at Indian Gaming UBIT taxes again. If that committee adopts

224 Second Street SE Washington DC 20003 (202) 546-7711 FAX (202) 546-1755

and passes legislation out of committee, we then have a much more difficult task to defeat the legislation and concomitant use of Human resources of your Administration and Indian Tribes. (Congressman Hutchinson's Bill, H.R.1554, taxing all Tribal commercial revenue is an equally unfair attempt to siphon off limited and meager Indian Tribal Governmental revenue.)

The Administration should oppose these bills and their addition to appropriations bills because;

1. Tribe are Sovereign governments,. Sovereigns don't tax sovereigns.
2. Gaming is economic development implementing tribal self-determination, a cornerstone of Administration policy and a primary purpose of the Indian Gaming Regulatory Act.
3. 220 years of Federal Indian Policy has included the immunity of Tribes from taxation as governments.

Should you have any questions, please contact Tim Wapato, NIGA Executive Director, at (202) 546-7711. Thank You.

Sincerely,

Rick Hill

Rick Hill
Chairman, NIGA

5-16-97

From the trip / Betty Currie.

Send to NSC?

Yes ✓

No ____

C

NSC might be able to get address of school

Sucrre, 8 de mayo de 1997.

'97 MAY 14 PM 5:02

Señor

Bill Clinton
Presidente de Estados Unidos

Presente

Estimado señor presidente

Lo saludamos a usted, a su esposa Hillary y a su hija.

En esta oportunidad en la cual visita nuestro bello país deseamos que su estadía la pasen muy bien.

Queremos que disfrute nuestras bellas naturalezas.

Nuestro país es muy bonito, pequeño pero su gente es amable.

Suerre es un lugar en donde su gente cuida los recursos naturales. Alex Eakright, una norteamericana del Cuerpo de Paz nos lecciones interesantes acerca de la ecología. Aprendemos con ella mucho.

Nos despedimos con cariño,

Los niños de la Escuela Suerre.
Guapiles, Pococí, provincia Limón.

APIZACO TLAXCALA 7 DE MAYO 1997

'97 MAY 16 AM10:4?

SR! PRESIDENTE CLINTON Y SRA : ESPOSA

ME ATREBO AMOLESTARLOS MUY ATREBIDA MENTE POR EL RESPETO QUE SE MERESEN
Y YO ME ESTOY ATREBIENDO AMOLESTARLO POR MEDIO DE ESTAS LINIAS LLA QUE
DIOS ME DIO LA OPORTUNIDAD DE CONOSERLO PERSONAL MENTE
SR: PRESIDENTE SIEMPRE ETENIDO UNOS DESEOS INMENSOS DE CONOSER ESTADOS UNIDOS
PERO SE ME ANEGADO LA VISA Y HOY QUE DIOS MELO PUSO EN MI CAMINO
ME ATRBO A MOLESTARLO SI ME PUDIERA AYUDAR AQUE SEME CONSEDIERA LA VISA
SOLAMENTE I5 DIAS YO TENGO FAMILIAS EN SAN ANTONIO EN AIRAHO EN HIUSTON
SON UNOS FAMILIARES QUE ME CRIE CON ELLOS Y MI SESEO ES DE BOLBER ABERLOS
LLA QUE ASE COMO $) 40 AÑOS QUE NO LOS VEO SOLO NOS ESCRIBIMOS
PORESO YO TENGO MUCHOS DESEOS DE IR A ESTADOS UNIDOS
Y HOY QUE SOLICITARON MIS SERVICIOS EN GOBIERNO DEL ESTADO DE TLAXCALA
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GRACIAS ATENTA MENTE ROSA RODRIGUEZ

Rosa Rodriguez

5/16/97

From Betty Currie
from the Trip —

Give to NSC?

Yes ✓

No ____

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ODISEA FOTO

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THE PRESIDENT HAS SEEN
5-16-97

Educators Say Proposed Law Boosting Ability To Punish Disabled Kids Doesn't Go Far Enough

Bruce — is this worth a read — BC

By JUNE KRONHOLZ
Staff Reporter of THE WALL STREET JOURNAL

As Principal E. Don Brown tells it, a 17-year-old junior terrorized L.D. Bell High School outside Dallas last year, throwing punches, brawling and, finally, breaking the nose of a male teacher-aide.

But because the youngster was diagnosed as emotionally disturbed, under the law Mr. Brown couldn't suspend him, couldn't expel him and couldn't send him to a special school for children with discipline problems. Instead, at a cost of $40,000, he hired a full-time teacher and a full-time aide for the student; the three spent the rest of the year in a classroom isolated from the rest of the school.

When the Individuals with Disabilities Education Act was passed in 1975, it sounded, as its acronym suggests, like an idea whose time had come. The IDEA law guarantees an education to all disabled children until age 21 and requires that they attend school in the "least restrictive setting," usually a regular classroom. But, with violence increasing in schools, educators complain the law has a dangerous flaw: It also restricts the ability to discipline special-education students, even those caught bringing weapons and drugs to school.

A rewritten law that would tighten discipline guidelines passed the House yesterday and is expected to pass the Senate today. But teachers' and principals' groups remain alarmed, saying the changes don't go far enough.

Ballooning Program

"Congress hasn't done anything to help us," says Michael Brown, principal of Hope High School in Hope, Ark. "They haven't helped education. They haven't helped the children." Meantime, the program has ballooned to 13% of all public-school children, and to a cost of perhaps $39 billion a year, according to the U.S. Education Department.

Discipline restrictions were written into the original IDEA law because advocates for the disabled feared schools might use behavior problems as an excuse to get rid of special-education children. At most, special-education youngsters could be sent home for 10 days in any school year, no matter how serious their offenses.

But children arrive at school these days with problems far more serious than in 1975, teachers say — drug and child abuse and the effects from fetal alcohol syndrome — and learning defects are being diagnosed earlier. Children with learning, speech or language problems account for about 72% of the 5.4 million special-education youngsters now. Children with crippling disabilities account for only 1.2%.

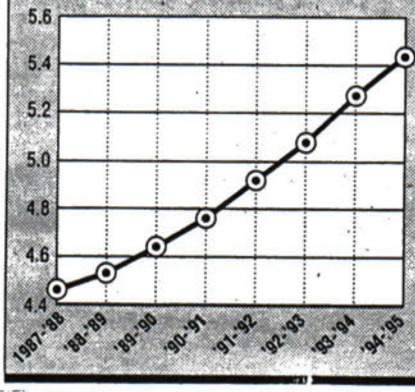
Criminal 'Incidents'

When the law was written, moreover, no one foresaw the problems of guns and violence in the schools. The Education Department, which tracks reports of school violence, doesn't break out incidents by special-education students. But the United Federation of Teachers, the New York City teachers' union, says there were 4,712 criminal "incidents" against its members last year — assaults, sex offenses, robbery — and that half were committed by special-education students.

Two years ago, to bring special education into line with the gun laws for general-education children, Congress amended IDEA to allow schools to suspend a disabled child who brings a gun to school. But while general-education children face a one-year suspension under the federal Safe and Gun-Free Schools law, a disabled child can face only a 45-day suspension. And during the suspension, the school district must continue educating special-education students.

Educating Disabled Children

Growing Numbers
Special-education students, aged 3-21, in millions



Major Categories
Special-education children by disabilities, 1994-95 data

	TOTAL (in millions)	PERCENT OF TOTAL
Learning disabilities	2.51	51.1%
Speech or language impairments	1.02	20.8
Mental retardation	0.57	11.6
Emotional disturbance	0.43	8.7
Multiple disabilities	0.09	1.8
Hearing impairment	0.07	1.3
Orthopedic impairment	0.06	1.2

Source: U.S. Education Department

So when three Hope High School students, one with learning disabilities, robbed a pawnshop, beat the owner and then brought stolen guns to a school basketball game two years ago, all three were arrested and two were expelled. But the school district couldn't expel the disabled student and was required to send a tutor to jail for the next year to educate him while he was awaiting trial.

Recent revisions now allow for youngsters whose disabilities didn't cause their behavior problems to receive the same discipline as other children, as long as they continue to be taught. That has set up double and even triple standards of discipline in schools. When David Hoekel, principal of Fort Zumwalt North High in O'Fallon, Mo., found four of his students using methamphetamines, he immediately suspended the two general-education students for a year.

The third was a learning-disabled student; a special hearing officer ruled that his disability wasn't linked to his behavior, so he was suspended for a year, but given home tutoring. The fourth was a student with behavior problems that a hearing officer ruled caused him to act inappropriately; he got the maximum 10-day suspension for special-education students and returned to school.

'Slippery Slope'

Rewriting IDEA is delicate because the law is widely seen as having extended education to children who once were shut out of the public schools. Advocates for the disabled also have lobbied heavily against most changes in the discipline provisions. "We call that the slippery slope for pulling large numbers of children out of class," says Joseph Ballard, policy director for the Council of Exceptional Children.

Judith Heumann, assistant secretary of education, insists that with better training, particularly in behavior problems, teachers "can work with most children." And dealing with discipline problems in school, she adds, is a lot cheaper than dealing with them, later on, in the juvenile court system.

The new law would toughen discipline guidelines by broadening the 45-day suspension for special-education youngsters who bring guns to school to also cover other weapons and drugs. Disability advocates and teachers' and principals' groups all support the provision.

But teachers and principals say the new law doesn't go far enough. It sets up such complicated rules before a youngster can be disciplined for assault that it doesn't deal with one of their major problems: special-education youngsters who attack their teachers, or each other, with fists.

"Teeth and feet and hands can be weapons just as much as knives can," says Linda Gruehn, principal of Baker Elementary in Acworth, Ga., who recently ordered up hepatitis shots for a teacher who was bitten by a special-education student.

Teachers also are dismayed that the law doesn't strengthen their ability to deal with disruptive special-education children. Advocates for the handicapped opposed any sanctions on disruptive behavior because, says Mr. Ballard, "it could be used against a large population of children."

But Sid Graham, principal of West Elementary in Knoxville, Iowa, describes an 180-pound sixth grader who "wreaked havoc" for a year, fighting and stopping classroom work with his outbursts before he finally moved to another school. A former special-education teacher himself, Mr. Graham says the child left him "desperate," and he fears the rest of the class lost learning time because of the disabled child.

"I fought hard for the disabled," he says, "but we haven't got this thing right."

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THE WALL STREET JOURNAL
WEDNESDAY, MAY 14, 1997

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THE PRESIDENT HAS SEEN
5-16-97

POLITICS & POLICY

In Some Big States, Lawmakers Remain Divided Over How Best to Implement Welfare Overhaul

By JOHN HARWOOD
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON – Just beyond the unusual bipartisan harmony here over federal welfare overhaul lies a more familiar spectacle: one of political brawling over how that legislation will be implemented in the states.

In Texas, state officials fume that the Clinton administration has surrendered to pressure from labor unions in blocking their plan to hire private companies to administer welfare, food stamps and Medicaid. In neighboring New Mexico, Democratic leaders may sue to stop the Republican governor from unilaterally implementing his welfare plan after he vetoed the legislature's version.

And in giants New York and California, which together account for some 30% of the nation's welfare caseload, months of partisan wrangling between GOP governors and Democratic legislators haven't yielded agreement on crucial issues such as time limits for state aid, benefit levels, the work recipients will be required to perform for benefits, and the financial penalties they will face for failure to do so.

Combined with the impasse over privatization in Texas, the nation's three largest states, with more than a third of all U.S. welfare recipients, remain uncertain over how they will proceed. Texas implemented new rules two years ago but wants to revamp the way it delivers services.

"Congress didn't reform the welfare system," complains Frank Mecca, who heads the County Welfare Directors Association in California. Instead of settling policy disputes, "Washington opened everything up. There are fundamental disagreements over what government owes recipients" of public assistance.

Broad Latitude for States

The reason for continued infighting over the issue, even though the GOP-led Congress overwhelmingly passed last year's legislation and a Democratic president signed it, is that the law gives states broad latitude in fashioning their welfare systems. It imposes some restrictions in return for the lump-sum "block grants" of federal money that states receive from Washington, such as barring most recipients from receiving federal money for more than five years and requiring states to put specified percentages of welfare recipients to work. But states have flexibility in deciding how to accomplish those things and are free to use their money to pay benefits as long as they wish.

That has turned the welfare legislation into a case study in the continuing drive to move more authority and decision-making out of Washington and into state capitals.

The Caseload

Here are the three largest states...

	Welfare recipients	Percent of national total
California	2,474,689	21.8%
New York	1,074,100	9.5
Texas	625,376	5.5

And the next three

	Welfare recipients	Percent of national total
Illinois	599,629	5.3%
Ohio	518,595	4.6
Pennsylvania	483,625	4.3
U.S. total	11,359,582	

The political conservatives who favor the trend actually embrace the varied state-level disputes as evidence that it will yield policies more closely suited to the needs of different regions.

"It's a statement in favor of federalism," says Douglas Besharov, a welfare scholar at the American Enterprise Institute. "That was the whole idea. States are not going to move in lockstep."

But the lingering political hang-ups also mean that, nine months after President Clinton signed the federal law, a big chunk of the nation's welfare recipients still don't know what their new benefits or rules will be.

'War of Public Opinion'

In California, Republican Gov. Pete Wilson's plan would force new recipients to leave the rolls after one year and would require beneficiaries to participate in work activities as long as their children are at least 12 weeks old. "We have won the war of public opinion," says Eloise Anderson, Mr. Wilson's Social Services director.

But Democrats, who recently unveiled a competing proposal with more lenient rules and more money for education and job training, warn that the governor's approach may force an increasing numbers of Californians into homelessness. Most participants expect a compromise later this year. If the two sides can't agree, says Democratic state Sen. Diane Watson of Los Angeles, "it's because the governor and his people have a demonic strategy" to strengthen his political standing by cracking down on poor people.

In New York, Republican Gov. George Pataki and the Democrats who control the state assembly are locked in similar combat. For example, Mr. Pataki wants to cut cash aid incrementally the longer a beneficiary remains on the rolls, so that someone's monthly benefit after four years would be 45% smaller than during the first year. The governor would keep assisting some legal immigrants cut off under the federal legislation through vouchers rather than cash. Assembly Democrats would provide more generous benefits in both areas.

The stalemate bewilders some of the politicians involved, not to mention the state's welfare recipients. "There's a lot of misinformation and noninformation out there," grouses Democratic Assemblyman Marty Luster of Ithaca, who says the GOP-led state senate has been "deadly silent" on the issue. Meanwhile, adds fellow Democrat Jeffrion Aubry of Queens, "We are sitting on each side of the fence hurling press releases."

Irate over the Clinton administration's stance on privatization, Texas politicians are ready to hurl more than news releases. Republicans in the state's congressional delegation, threatening to push legislation permitting the state to proceed with a privately run "integrated enrollment" system, have summoned White House Chief of Staff Erskine Bowles to a meeting on Capitol Hill this morning. While Gov. George Bush's aides look for ways to get around administration restrictions, the adminstration has floated the idea of compromising on a limited pilot program to test a privatized system.

Message Gets Muddled

Amid all the wrangling, some of the authors of the federal legislation fear its message of ending unlimited aid and shifting to a work-based system may be getting muddled. "That's cruel," says Rep. Clay Shaw (R., Fla.), who is chairman of the House welfare subcommittee. "The clock is ticking, and this thing isn't going to go away."

It is ticking for local welfare administrators as well as for recipients. In New York and California, falling caseloads and earlier welfare-to-work innovations may ease the task of meeting the initial requirement that 25% of a state's caseload participate in work activities. But that requirement escalates to a daunting 50% of the caseload by the year 2002.

"It's frightening," says Mr. Mecca of the California association of county welfare administrators. "The longer it takes policy makers to decide what they want, the shorter the time bureaucrats have to retool, redesign. . . and turn 60 years of social policy on its head."

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THE WALL STREET JOURNAL
FRIDAY, MAY 16, 1997

THE PRESIDENT HAS SEEN
5-16-97

Sallie Mae Managers' Plan Rejected

Two Groups Deadlocked Over Firm's Future as Private Company

By Albert B. Crenshaw
Washington Post Staff Writer

Management of the Student Loan Marketing Association failed yesterday to win a majority of shareholder votes for its plan to convert the company to a fully private corporation. That shortfall leaves management and an opposition stockholder group deadlocked over the future of the company.

The opposition group—known as the Committee to Restore Value at Sallie Mae (CRV)—at a special meeting of its own last week also was unable to garner a majority of the firm's shareholders for its proposal.

The sides are in a "dead heat" at the moment, Sallie Mae chief executive Lawrence A. Hough said after management's special shareholder meeting yesterday in Tysons Corner.

Slightly more than 80 percent of the shareholders have spoken, and they have split just about 50-50, he said, giving each faction slightly more than 21 million shares so far. Both groups adjourned their meetings in hopes of picking up more votes, either from shareholders who have not yet voted or from those who decide to switch.

The two sides also are negotiating with each other over possible compromises. The company's stock is concentrated largely in the hands of a number of large holders, such as mutual funds and money managers, and persuading one or two of them to switch probably would decide the issue, management officials said.

The largest holder is FMR Corp., parent of the Fidelity group of mutual funds. Also among the top five are Scudder Stevens & Clark, and AIM Management Group, which manage mutual fund money.

Sallie Mae, based in the District, is a government-sponsored enterprise. It is owned by private stockholders but it holds a federal charter and a portion of its board of directors is appointed by the president of the United States. Its mission has been to buy government-guaranteed student loans to provide additional capital to the education market.

Under the Clinton administration, the government has begun making student loans itself, raising questions about Sallie Mae's future. The company last year requested and received permission from Congress to convert to a fully private corporation, subject to shareholder approval.

Both Hough and CRV leader Albert L. Lord emphasized that they favor privatization and that the vote shows that an overwhelming majority of the stockholders favor that as well. They differ, however, on matters of corporate governance and business strategy.

For example, Lord would like to see the company begin making student loans itself rather than merely buying them from lenders. Hough argues that would put the company in competition with its customers, which perhaps might decide not to do business with it.

Since neither plan has won a majority from shareholders, "the writing's on the wall," Hough said. "There's something about these two plans they do not like."

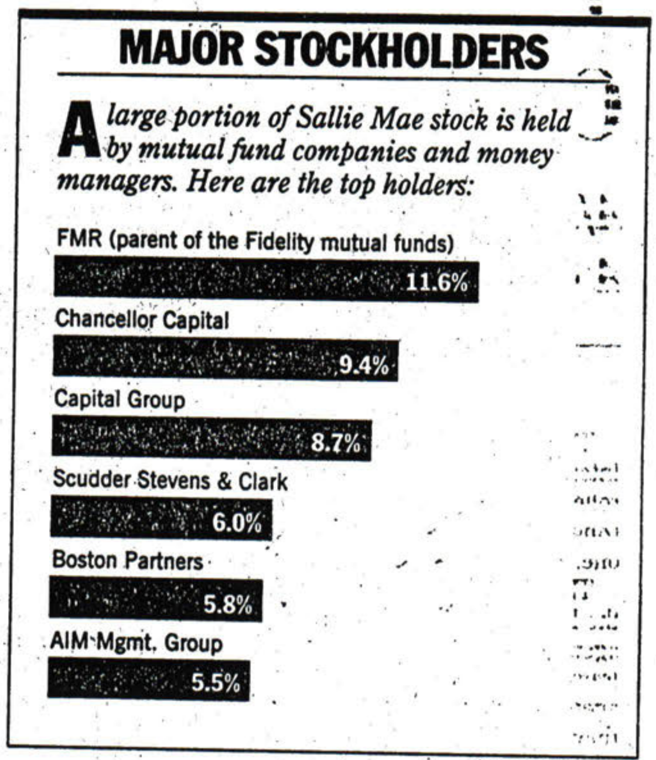
He said management will talk to shareholders and to the CRV, and is willing to revise its plan to meet shareholder demands.

"There is a formulation of an amended plan that will move our numbers. Far enough? Don't know. But we're going to run at 'em. And ultimately there's a way to get privatization done," Hough said.

Lord said his reading is that the shareholders want privatization but are rejecting a "cram down" of a management "entrenchment" that management has tied to the privatization issue.

Late yesterday, his group proposed splitting up the issues and taking separate votes on privatization per se, and then on competing slates of directors.

Management said it would study the proposal.



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The Washington Post
FRIDAY, MAY 16, 1997

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We have to do better

THE PRESIDENT HAS SEEN
5-16-97

Courts Without Judges

A FRONT-PAGE story in this paper yesterday reported on a crisis in the federal courts along the Texas-Mexican border, where the increasing caseload of drug and immigration matters is overwhelming an overworked and shorthanded bench. The failure to fill vacancies and provide needed help to those judges is a scandal. But it is not confined to Texas. All across the country, the judiciary has been left shorthanded because Washington has failed in its responsibility to fill vacancies in the courts. The workload cannot be handled by subordinates, as it might be in industry or in the executive branch. Only judges can exercise judicial power. And it cannot be postponed indefinitely without a risk of constitutional violation and real injustice.

The vacancy problem is most acute in the Far West. The U.S. Court of Appeals for the 9th Circuit, for example, covers Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, the Northern Mariana Islands, Oregon and Washington. More than 50 million Americans live in those states and territories. The Court of Appeals is supposed to have 28 judges, but as of Monday morning, there will be nine vacancies. There are another 14 vacancies on the district courts of this circuit. Some of these vacancies go back to 1994. It is preposterous for government leaders to expect the men and women who are currently serving on this circuit to take up the slack when the caseload increases inexorably.

There is plenty of blame to spread around for this failure of responsibility. The Republican Senate is a prime target, for it stalled last year, confirming only 17 district judges and no appellate court judges. This year, despite a pledge made by Judiciary Committee Chairman Orrin Hatch to move nominations without unreasonable delay, the pace is even slower. The committee has reported five nominations in 1997, but the Senate has confirmed only two. The White House also deserves criticism. Last year the president nominated only 21 judges, leaving 65 vacancies at year's end. There are now 99. Individual senators, and in some cases congressmen, are also at fault for not moving quickly to make recommendations to the administration, and even for blocking consideration of any nominee unless their own particular candidate is moved to the top of the list. Such irresponsibility is serious business. The work of an entire branch of government is threatened by a failure, here, to fill vacancies. It shouldn't take the collapse of the courts to get some action.

Musical Budget Cuts

SOME OF the sharpest spending cuts on which the president and congressional budget negotiators have agreed are in a part of the budget that supports some of the nation's strongest constituencies. Domestic appropriations—the operating and grant-making budgets of all the major domestic agencies—would be cut about 10 percent in real terms by the year 2002.

Who would that affect? The highway and veterans' lobbies each get large chunks of this money. So do the mayors—it is the principal source of federal aid to cities—and the nation's major research institutions. The federal programs of most concern to environmentalists are likewise in this category. Just those groups are enough to create a pretty good tussle for scarce funds, and of course there are other claimants. The list is as long as your arm.

How do you keep the constituencies relatively happy and suppress the appropriations total at the same time? One way is to find at least some of them alternative sources of funds—their own back doors to the Treasury. The Department of Veterans Affairs collects certain funds from primary insurers for treating veterans at its hospitals. In the past those funds have been turned over to the Treasury as general revenues. To compensate the department at least in part for prospective cuts in its appropriations, the president has proposed—and the budget negotiators have apparently agreed—to let the department keep those funds in the future. The veterans' budget cut will in that way be less than it seems—and less still if the long-term goal of the department to tap into Medicare funds is also realized. The president likewise proposed that the State Department be allowed to keep consular fees it collects; there were enough such proposals in his budget that an entire small section was devoted to them.

The largest such shift in the sources of funding in his budget would occur in aid to higher education. He proposes what, five years from now, would amount to about a 50 percent increase in such assistance. But the increase would mainly take place outside the appropriations process, in the form of tax cuts to help mostly middle-class families defray tuition costs. You cut the budget, cut taxes and increase "spending" on higher education all in the same stroke. Not bad work if you can get it. The tighter the budget gets, the closer you need to watch to make sure that what is called a cut is not just a shift to a different spigot.

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The Washington Post
FRIDAY, MAY 16, 1997

On Their Own

Most Iowans Taken Off Welfare Do Get By, Legally or Illegally

Mary Byrkett Dealt Drugs From Home, Then Found Honest, Low-Paying Job

Doing It 'for the Children'

A1

By CHRISTOPHER GEORGES
Staff Reporter of THE WALL STREET JOURNAL

DES MOINES, Iowa — Thirty-two years old and nearly broke, Mary Byrkett prepared to make the decision she had postponed for weeks. The $135 left from her welfare check would cover groceries for several days for herself and two daughters. But this was the last check. Her eligibility was up.

She decided to invest the money, but not in a boutique selling fake flowers, like the one she started, then saw fail just a few months earlier. Instead, she says, she took up a friend's offer: She would sell drugs from home.

Mary Byrkett

Thus began Ms. Byrkett's effort to do without welfare. During the past 16 months, she has evolved from welfare mother, to drug dealer, to day-care teacher and now to job seeker.

Ms. Byrkett is an early test case in the experiment known as welfare reform. Having failed to fulfill the new work rules, she is among the first of thousands nationwide to have been forced from the rolls. Her decision to sell drugs for several months—for the sake of her children, she says—is in some ways exceptional.

But in one key respect, Ms. Byrkett's course appears close to the norm. Most of those cut from the rolls here are finding ways — through family or friends, with legal or illegal work, using new jobs or student loans—to earn about what they got on welfare.

The Central Question

That is the conclusion of a study to be released today examining the impact of welfare cutoffs in Iowa. The study, funded by the federal government and several nonpartisan foundations, was conducted by Mathematica Policy Research, a research firm based in Washington. It is one of the first broad efforts to answer the question that will largely define the success of welfare reform: What happens to those thrown off the rolls?

The bottom line: "We thought we would find a lot of people living on the streets," says Thomas Fraker, a Mathematica researcher who led the study. "They're not."

Although the cutoffs are still years away in much of the country, more than 15

Stalemate in Key States

Three states that account for a third of welfare rolls — Texas, California and New York — are uncertain about how to handle changes. Article on Page A20.

states have already started ending benefits for entire families when adults don't follow new work rules. Iowa, where welfare rolls have declined 30% in the past three years, has been a leader in this effort, ending cash and other aid for about 180 families a month since October 1994.

Turning to Family, Friends

According to the study, which tracked 137 families in Iowa who lost all cash welfare benefits, about half reported incomes slightly higher or equal to their welfare cash aid. The other half took in slightly less money, with very few becoming truly destitute.

"We've challenged the assumption that they couldn't get by without welfare," says Iowa Human Services Director Charles Palmer. Not all ended up in jobs, but for those who did—about half the group—their incomes were relatively low, a median of $170 a week. Some continued to get food stamps.

About 80% of the former recipients lost benefits against their will; the others found work on their own or voluntarily left the program. But few are homeless. Instead, the study says, many have turned to family, friends and other informal means of support.

Advocates for the poor caution that such results could easily change with a weaker economy, or when the cutoffs kick in among the poor in such cities as New York or Chicago.

"There is no way we can interpret this as people doing well," says LaDonna Pavetti, a welfare scholar at the Urban Institute. "But the idea that people will be overwhelming the homeless system is a long way off."

For the Byrkett family, hard times go back several generations. In fact, it is part of the family history, which Ms. Byrkett's daughter, 12-year-old Amanda, highlighted recently in her project for her sixth grade's culture fair. In the crowded gymnasium at Goodrell Middle School, Amanda displayed a poster board titled, "A Story of Survival." It is a photo and essay montage featuring her great-great-grandmother, Mary Alice Holterman, who was married six times and, in the 1930s, ran a landmark Des Moines bar.

Just below a photo of Ms. Holterman is an essay by Amanda: "I've learned that things don't always meet our standards,

Please Turn to Page A6, Column 1

Continued From First Page

but that you have to work hard and keep your head out of the clouds. . . . I've also learned that money certainly does not grow on trees, and jobs don't just fall from the sky."

For Amanda, who got an A-, and for her mother, the poster board is as much a story about their recent past as their distant history.

Abandoned Dreams

Mary Byrkett was raised in eastern Des Moines, a mostly white, poor and working-class neighborhood literally just across the railroad tracks. After graduating from high school, she married a neighborhood boy. But by 1991, the marriage fell apart.

Ms. Byrkett and her girls, Amanda and Katie, retreated to a $350-a-month rental on the block where she was raised. She tended bar, and when the $155 a month in child support ended after her ex-husband lost a factory job, she worked two part-time jobs at minimum wage.

Though she hadn't used drugs since high school, she says she began using a methamphetamine-based stimulant known as "crank" on weekends. Then she hurt her back, quit her jobs and began collecting Aid to Families with Dependent Children, getting $702 a month in cash and food stamps. But welfare reform had already started in Iowa, and Ms. Byrkett was immediately informed of the new requirements.

Iowa's program, called Promise Jobs, is today essentially the same program Ms. Byrkett entered then. Benefits are given only to those who work at low-paid jobs, complete other work-related requirements or take approved courses. But recipients who break the rules — by quitting jobs or skipping appointments with caseworkers—lose aid after six months.

Some Leniency

In some ways, Iowa's is a lenient program. Recipients can turn down jobs they don't like, as long as they demonstrate that they are still searching. And given the state's strong economy — 3.3% unemployment and steady growth—low-skill jobs are relatively easy to find.

Still, that isn't enough for everyone. After enrolling in Promise Jobs, Ms. Byrkett started working as a waitress. But she quit, amid more back trouble and her growing drug habit. Then, she missed an appointment with a caseworker. That did it. Six more months of aid and she was out for good, she was told.

With her small savings, she opened her strip-mall flower shop, but shoppers shrugged over her floral arrangements. Instead, her pocket of the city had developed a healthy appetite for drugs.

Nearly a third of the 20 wilting houses on her street are shuttered. At two others, large quantities of drugs can be bought and sold. A few houses down, teenagers regularly gather for after-school socializing: Amanda says that on a recent afternoon, she saw them getting an 11-year-old high on marijuana.

Although Ms. Byrkett allows Amanda and 10-year-old Katie out of the house during daylight, she says that most of the neighborhood children are off limits as playmates. Petty crime is rampant.

Open for Business

Ms. Byrkett — off welfare and out of money — decided to open her drug outlet last year. She teamed up with a friend and ordered $125 worth of crank. Street value: $175.

Word spread quickly. Customers, often friends and neighbors, called all day, and often through the night.

She rarely offered credit, even for friends. "This was my income," she says. When traffic grew too heavy at her door, she hired a delivery person. She budgeted weeks in advance to make sure profits would be enough for rent, phone bills, groceries and an occasional weekend night out at the local Chinese buffet.

"There was more money than welfare or any job I could get," she says. "And I could work from home."

A good day would bring in more than $100 in profit. After a few weeks, she walked over to the power company to pay the bill she had neglected for months, carefully laying out nine $100 bills. "You can't imagine my pride," she recalls. "I had self-respect again."

A Mustang and a VCR

Her daughters picked out a new $500 wardrobe and some rented furniture. They bought a rundown Mustang for $350, a new stereo, television and VCR.

Ms. Byrkett got into the business for the money. But now there was more. "I was empowered," she says. "I was a successful businesswoman."

She says that she turned to drug-dealing "for the children" and still adhered to some values. Even when down to her last dollars, she clung to the family's antique phone and stereo that dominate her weary living room. For the girls, swearing was banned and homework was checked regularly. MTV's "Beavis and Butt-head" cartoon was off-limits.

Unlike many former recipients, Ms. Byrkett has been unable to rely on family for support. Her mother, who lives nearby, works at a Taco John's restaurant.

But Ms. Byrkett never turned to such safety nets as homeless shelters and food pantries. In that, her path isn't unusual. Only one person in the Mathematica study population turned to a shelter after being thrown off welfare. And recent visits by a reporter to shelters in Des Moines, where the homeless population is about 1,500, turned up no examples of welfare recipients bumped from the rolls.

Ms. Byrkett never was arrested for dealing drugs, but her new job became well-known in the neighborhood. She suspected she was being watched by undercover police officers, who had raided several houses on the block. And because of her frantic efforts to make buyers pay on time, she became known as the "Mafia mama of the East Side," says her own mother, Pam Cirksena.

Social Worker Shows Up

Meanwhile, she felt she was losing control of her girls. Katie, always a straight-A student, was slipping in school. Amanda was running with the wrong crowd. Although Ms. Byrkett didn't tell her daughters the source of the money, they both knew. "I figured it out as soon as the refrigerator was full," Amanda says. But she wasn't happy about it and says she told her mother, "I don't want you to use the money you make from drugs on me."

Finally, a child-welfare worker showed up at the Byrketts' door, responding to a tip from a neighbor. Ms. Byrkett grew worried she would lose her children. "How could this be?" she thought to herself. "I'm on top of things. I'm making more money for them than ever. They're clean. They're getting to school on time."

That settled it. She would shut down and apply for a job as a day-care teacher. She didn't mention (and wasn't asked about) her history of drug use. Her boss, Sara Patterson of the Playpen Childcare Center, later learned of it, but said it wouldn't have been a factor in her hiring. In fact, says Ms. Patterson, her performance was "excellent. . . . She could have stayed here for a long time."

Ms. Byrkett was rising out of the "yuck," as she called it, but sinking, in the welfare-reform world, into the same financial bog that had led her to the drug scene. Work, starting at 6:30 a.m., stretched 10 hours a day, with pay just over minimum wage. That left little time for the girls and not much money. Income was about $200 more each month than when on welfare, but less than when she was dealing drugs.

Another Job Search

Earlier this month, she quit, deciding to focus on finding a higher-paying day-care job. The struggle has begun anew. She is determined to stay clean of drugs, she says, as she checks out a book, "How to Write a Winning Resume," from the library. But later, after a Mother's Day dinner of pork and beans, she says, "I feel worthless. I'm tired. I'm barely getting by being a mom."

Meanwhile, their standard of living is back to reality. Though Amanda still loves to wear the stylish Dr. Martens shoes so popular among her peers, her current pair, torn in the back, is a hand-me-down from a friend. The rented furniture has been recalled.

At home one evening, after a take-out dinner of Whoppers and fries, the phone rings. "Of course we're still interested," Ms. Byrkett tells a telemarketer who has been calling to close the deal on a three-day, $97 vacation offer to Branson, Mo. The price covers the hotel and meals, in exchange for listening to a sales pitch for a resort property. She hangs up and shouts to the girls, "Vacation!"

Recently, Ms. Byrkett paid a visit to Amanda's school. As she entered the auditorium, a circle of sixth-graders surrounded "Miss Mary," who is so often a chaperone, she is known to children outside Amanda's class. This day, Ms. Byrkett was crowd-control mother for a school-choir performance. Amanda and her choirmates closed with a tune: "Catch a falling star and put in your pocket, never let it fade away."

Ms. Byrkett's charges grew rowdy, but her mind was on the song. "I like that," she says to no one in particular. "I really like that."

THE WALL STREET JOURNAL
FRIDAY, MAY 16, 1997

Bruce

THE PRESIDENT HAS SEEN
5-16-97

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'97 MAY 13 PM 7:15

THE WHITE HOUSE

WASHINGTON

Los Angeles Times
Q + A

EB — Here's our assignment — We need to discuss soon — BC

Copied
Bowles
McCurry

May 12, 1997

MEMORANDUM FOR THE PRESIDENT

FROM : MIKE McCURRY

SUBJECT : LOS ANGELES TIMES Q AND A

Thank you for agreeing to provide written responses to the Los Angeles Times for their special section on the U.S. Open. It will receive excellent pick-up. In addition to running in the LAT, it will also be syndicated on their Washington Post-LAT News Service and we will rely on it for color when you attend the tournament on June 15th.

The following questions will either run in a Q and A format or we will turn them into an article from you. The length of the piece is flexible; although, the LAT would like at least 400 words.

1. What do you like about the course at the Congressional Country Club?

2. What don't you like about the course?

3. Why do you think Congressional will make a good U.S. Open layout?

4. Which pros do you think the course favors?

5. Do you have any personal experiences at Congressional that you would like to share ?

The LAT would also like for you to provide a brief comment on each of the 18 holes at Congressional. Options here for a response include:

* Doing a "How I Play Congressional" hole by hole

* A quick one sentence on each hole

* A general statement on how you would play the course.

Please let me know if you want to dictate answers in lieu of writing them out. The deadline for copy is the first week of June.

Thank you.

THE PRESIDENT HAS SEEN
5-16-97

STRATEGIC ECONOMIC DECISIONS, INC.
905 SHERMAN AVENUE
MENLO PARK, CALIFORNIA 94025

TEL: (415) 854-2404
FAX: (415) 854-2415

Gene - FYI -
Sure to do general answer
on entitlements — [illegible]
only on a version of
SS —
BC

Mr. President:

The attached figure shows why "Social Security Commissions" like the vaunted Greenspan Commission of 1983 enjoy no credibility whatsoever with Baby-Boomers.

Incidentally, as I pointed out in my August 1982 New York Times Op Ed piece ("Social Security Inequity") a number of us knew full well at the time of the Commission that younger Americans were being deceived by the Commission's preposterous projections. As time has shown, we were right for the right reason.

Dick Gephardt told me at lunch in New York six weeks ago that "another Greenspan Commission is just what is needed before anything is done to adjust the CPI". If this is so, then perhaps no one over thirty years old should be a member of the Commission he calls for.

With Best Wishes,

Woody Brock

Horace W. Brock, Ph.D.
President

Strategic Economic Decisions, Inc.
905 Sherman Avenue
Menlo Park, CA 94025
TEL: (415) 854-2404
FAX: (415) 854-2415

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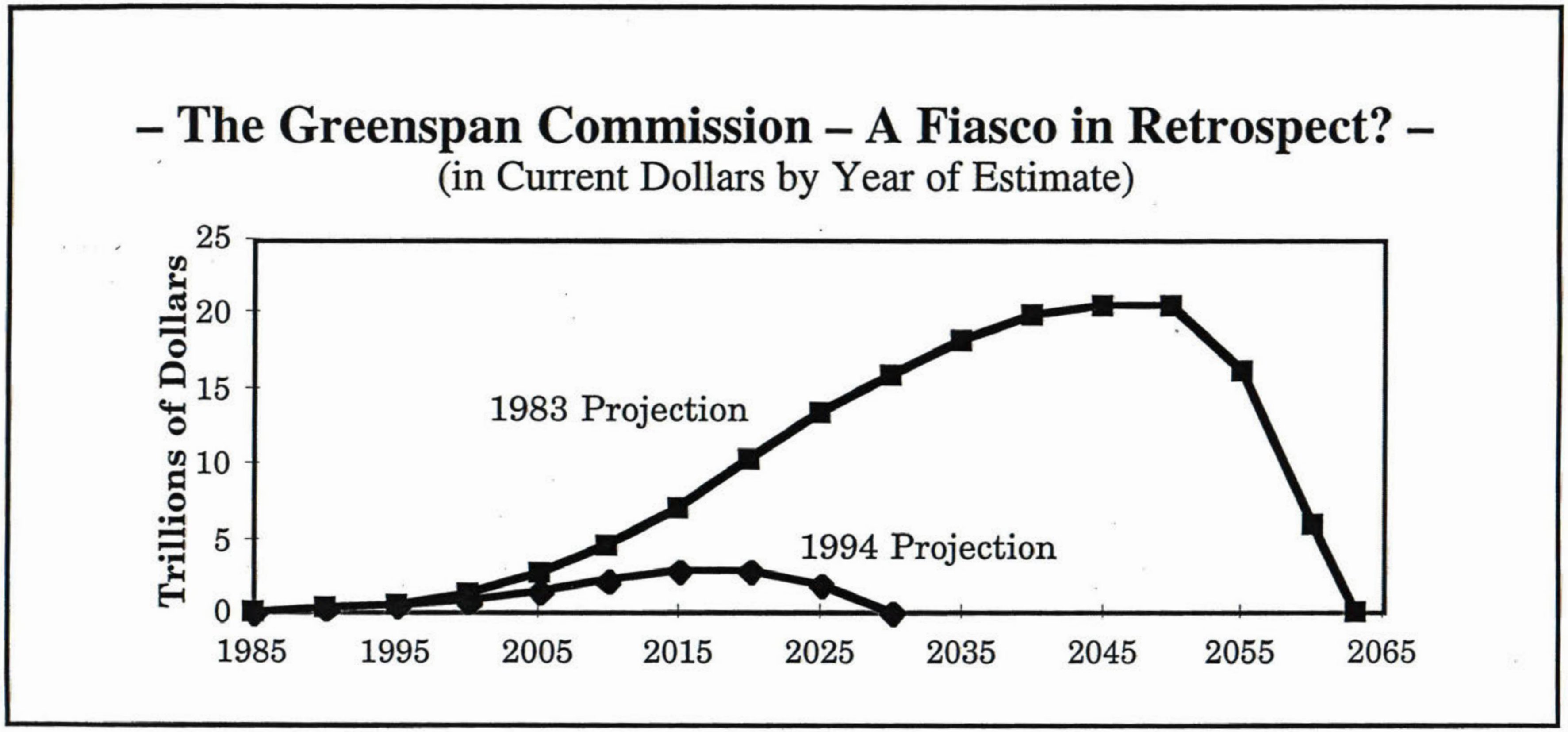

Strategic Economic Decisions, Inc., November 1996

THE PRESIDENT HAS SEEN
5-16-97

Rahm/cc BC
· preventing way to lose
see pt 3 - looking good for us
BC

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Emanuel
Lindsey
COS

Campaign abuses listed

Meredith Oakley

Andrew Mollison of Cox News Service asked each major party to list the other's 10 most serious legal and ethical abuses of campaign finance laws. The Republican National Committee supplied 39 pages on Democrats; the Democratic National Committee supplied only seven.

Most folks who would be interested in such things are of an age that they don't need to go straining their eyes reading the agate type that would be required for me to reproduce the entire package here, so in the interest of space, Mollison produced condensed versions of the first 10 charges on each list.

Republicans vs. Democrats

1. President Clinton, Vice President Al Gore and the Democratic Party "broke current campaign finance laws and degraded the White House" by using access to the president and his office to raise funds.

2. Clinton personally initiated the selling of overnight stays at the White House and approved rewards for top donors, e.g. included golf outings.

3. In 22 months, the Democrats raised money from 358 of the 1,528 guests at 103 coffees in the White House and four in the vice president's official residence.

4. Gore solicited contributions by phone from his office in possible violation of the Hatch Act.

5. Despite misgivings by the National Security Council, Gore knowingly participated in a $140,000 fund-raising event organized by DNC fund-raiser John Huang in a Buddhist monastery in California; nonprofit organizations are prohibited from hosting political fund-raising events.

6. On a tip from Clinton, Harold Ickes, then his deputy chief of staff, "solicited money on federal property" by using a White House fax machine and phones in the White House and Air Force One to tell a financial speculator how to channel big gifts to the DNC and three nonprofit organizations whose goals paralleled those of the Clinton/Gore campaign.

7. At one coffee, a bank regulator met with 17 top bankers. At another, a product safety commissioner met with the leader of a trade group she regulated.

8. A "clear pattern of illegal political fund-raising activities" by Huang has been shown at Commerce and the DNC.

9. The Justice Department reportedly uncovered evidence that efforts to direct contributions from foreign sources to the Democrats before the 1996 election were discussed in the Chinese Embassy, which was visited three times by Huang, who had many classified briefings, including those on China, during his 18 months at the Commerce Department.

10. The Clinton administration "may have put domestic considerations above possible national security concerns" by cooperating with efforts by California officials to revitalize an old naval base there by leasing property to a big Chinese-government company with a "questionable track record."

Democrats vs. Republicans

1. In dealings with Pakistani officials, Rep. Dan Burton of Indiana, who heads the House probe of campaign abuses, may have violated the Hobbs Act, which prohibits federal officials from using their positions to extort contributions.

2. Rep. David McIntosh of Indiana "used his chairmanship of the House Regulatory Affairs Subcommittee to raise contributions for his 1996 campaign."

3. While chairing the National Republican Congressional Committee, Rep. Bill Paxon of New York intimidated lobbyists by circulating to all GOP representatives a list that ranked fund-giving political action committees depending on their ratio of gifts to Democrats and Republicans.

4. "A Republican foreign money-laundering scheme" resulted after Haley Barbour, then RNC chairman, set up a tax-exempt, nonpartisan research group with RNC seed money.

5. Family members and other supporters who had given the maximum to a GOP congressional candidate gave extra money to PACs that quickly gave the same amount or slightly less to that candidate.

6. House Majority Whip Tom DeLay of Texas organized Project Relief, a collection of 350 industry members and lobbyists who helped draft legislation revising business regulations. Many participants later were asked for contributions that were forwarded to more than 80 GOP challengers with a "good luck" note from DeLay.

7. House Speaker Newt Gingrich of Georgia arranged for the GOP platform to include an endorsement of a new treatment for diabetes recently developed by a firm that gave $400,000 in 1995 and 1996 to the GOP.

8. While tobacco companies were giving $4.5 million to the RNC, party chair Barbour asked GOP governors to oppose an anti-tobacco bill in Arizona and to support a pro-tobacco bill in Texas.

9. The RNC contributed $4.6 million just before the 1996 election to Americans for Tax Reform, a conservative, tax-exempt organization with parallel goals that didn't have to file campaign spending reports.

10. A record-setting $6 million in fines was assessed in October 1996 against a high-ranking volunteer fund-raiser for Bob Dole and his company for violating federal laws against evading contribution limits and concealing fund sources.

And members of Congress think they can work together to root out campaign finance abuses. Ri-i-i-ght.

❖

Associate Editor Meredith Oakley's column appears every Monday, Wednesday, Friday and Sunday.

THE PRESIDENT HAS SEEN
5-16-97

April 25, 1997

RECOMMENDED TELEPHONE CALL

'97 APR 25 PM6:50

Says he would be 67 when sworn in - too old

TO: Governor Zell Miller

DATE: ASAP

FROM: Craig T. Smith

PURPOSE: To ask Governor Miller to challenge Paul Coverdell (R) for the US Senate in 1998.

BACKGROUND: Internal polls taken in December show Coverdell's personal favorability rating was only 53%, but he has over $1 million cash-on-hand. Coverdell may be challenged in the primary by millionaire state Senator Clint Day, but this is unlikely.

Copied
Smith
COS

Michael Coles (D), the Cookie magnate, has decided not to run. Coles had been believed to be a heavily touted challenger to Coverdell.

Governor Miller cannot run for reelection because of Georgia's term limit initiative. Polling has found that Governor Miller would beat Senator Coverdell, 54% to 42%, but Miller has announced he will not run for the Senate. Recent rumors, however, have indicated that Miller may still be open to a run. While we have no indication that he will run, Senator Bob Kerry has asked that you to make this call.

CONTACT PERSON & TELEPHONE NUMBERS: Governor's Mansion -- Phone: (404) 261-1776
Saturday (12:00pm)- Sunday (6:30pm)

Please note - you may see Governor Miller at the Philadelphia Summit. If so, you should casually bring this up with him while there.

DATE OF SUBMISSION: April 25, 1997

ACTION:____

To COS

Call Mr McRae

BC

Copied
Smith
COS

THE PRESIDENT HAS SEEN
5-16-97

...men
...oars
...Labor Party win
— Page 15A

Toad Suck Daze keeps regulars jumping, amphibians hopping
— Page 1B

THE PRESIDENT HAS SEEN
5-16-97

Methodist bishop rises from tragedy to pastor Arkansans
— Page 1D

Arkansas Democrat Gazette
REGNAT POPULUS
ARKANSAS' NEWSPAPER

LITTLE ROCK, MAY 4, 1997
472 PAGES 42 SECTIONS
$1.25

Huckabee nonprofit never filed with IRS

BY JONATHAN WEIL
ARKANSAS DEMOCRAT-GAZETTE

A 3-year-old Texas corporation that lists Gov. Mike Huckabee as its president could face more than $5,000 in federal penalties because it never has filed an annual return with the Internal Revenue Service.

Action America Inc. of Texarkana, Texas, was incorporated in 1994 by Huckabee and three associates: Brenda Turner, currently the governor's chief of staff; Huckabee's top political consultant, Greg Graves of Roswell, N.M.; and Huckabee's personal accountant, William Cox of Texarkana, Texas.

Mike Huckabee

According to its articles of incorporation, Action America was established under Section 501(c)(4) of the Internal Revenue Code as a nonprofit, tax-exempt organization. Contributions to such organizations are not tax-deductible. However, Action America never has filed an annual informational return with the IRS, as required under federal tax regulations.

Huckabee referred all questions about Action America's financial activities and accounting practices to Graves and the firm's accountant, Troy Lemons of Texarkana, Texas. Both acknowledged that Action America should have filed informational returns with the IRS for 1994 and 1995 but didn't.

Under federal tax regulations, informational returns (filed on IRS Form 990) are a yearly requirement for all organizations that claim they're exempt from federal taxes and normally have more than $25,000 in annual gross receipts. According to Graves, Action America's gross receipts totaled $51,472 in 1994 and $49,422 in 1995.

Once filed, such returns must be made available for public inspection upon request. They contain disclosures about tax-exempt organizations' finances, officers and activities, among other things.

"There would be a return due for both years," Lemons said. He said Action America likely would file its Form 990 returns for 1994 and 1995 within the next month.

Added Graves: "We'll do whatever we have to do to comply. ... It was probably an oversight on Brenda's part, on his [Lemons'] part and my part for not paying more attention to it."

So what was Huckabee's role in

See HUCKABEE, Page 20A

Huckabee

• Continued from Page 1A

ensuring compliance with federal tax-code regulations? "He's overall responsible," Graves said. "He would say himself that everything that went on there he was responsible for. But he really left it up to Brenda and Troy."

The penalty for failing to file a Form 990 return on time is $10 for every day a return is late. The maximum penalty for a single late return is 5 percent of an organization's annual gross receipts or $5,000, whichever is less. On the basis of that formula, the most Action America could be penalized in connection with the two overdue returns is $5,044.

IRS REGULATIONS

Under IRS regulations, those penalties could be waived if Action America can demonstrate a reasonable cause for its failure to file on time. Lemons said he would consider asking the IRS to waive the penalties. He said he didn't yet know what circumstances Action America would cite as the cause.

In several interviews during the past four months, Huckabee said Action America's main function was to coordinate parts of his private-sector speaking schedule while he was lieutenant governor, the office to which he was elected in 1993. Action America's articles of incorporation say the firm was organized to operate and sponsor speeches, seminars, banquets and forums for citizen education. Huckabee said "Action" is an acronym for "activating citizens to impact our nation."

Huckabee still is listed as Action America's president on the corporation's most recent public information report to the Texas comptroller's office. That report, filed Feb. 1, was signed by Turner, identified as Action America's secretary and treasurer. The firm's registered address is the same as that of Turner's home in Texarkana, Texas.

The single-page report filed with Texas officials contained no other information about the corporation's activities. According to Graves and Lemons, Action America in its first two years paid Huckabee $41,500 — $23,500 in 1994, $18,000 in 1995. That's more than 40 percent of the firm's total receipts during the two-year period. The organization also paid a salary to Turner.

Huckabee said Action America was incorporated in Texas because that was where Turner and the corporation's accountants lived. As president of the corporation, Huckabee said, he ultimately may bear responsibility for Action America's failure to file any returns due the IRS. The two other nonprofit groups he helped create — Immanuel Broadcasting Corp. of Pine Bluff and Beech Street Communications Corp. of Texarkana, Ark., — have maintained their IRS filings.

Huckabee said he didn't know whether Action America owed the IRS any filings. He said neither Graves nor Lemons had told him that any were overdue. "You're asking the wrong guy on this stuff," Huckabee said. "I'm not the person who can answer what was done or why it was done."

"To my knowledge, the forms that were supposed to have been filed were filed," Huckabee said. "If they weren't, then I would certainly instruct them to be about getting them filed and doing whatever they need to do to come into compliance."

Asked who was responsible for complying with the IRS rules for organizations claiming tax-exempt status, Huckabee replied: "I would say the people who were hired to do it. I would think that the people who are being paid to handle such things. That's why they go to law school or accounting school or whatever and get their licenses to do what they do."

Lemons — a partner with Action America incorporator William Cox in their Texarkana, Texas, accounting firm — said his firm never was asked to prepare any Form 990 returns for Action America. He said that Action America in early 1995 asked his firm to prepare payroll-tax returns and that later in 1995 his firm was asked to provide information about the application process for gaining IRS recognition as a tax-exempt organization.

NEVER APPLIED

Action America never has applied to the IRS for recognition as a tax-exempt organization. Officials with the IRS' exempt-organizations division said they have no records for Action America. Lemons said the application process was delayed because one of Action America's bank statements temporarily could not be located. The bank statement later was found. Lemons said he wasn't sure when Action America would file its application.

Just because the IRS hasn't recognized it as tax-exempt doesn't necessarily mean that Action America is not tax-exempt. In fact, the IRS may later recognize it as such. However, until the IRS does so, Action America runs the risk that the IRS may later find it is not tax-exempt and then seek to collect back taxes, according to Lemons.

Lemons said his firm did everything Action America officials asked it to do. "The professional services requested of our firm by Action America Inc. were thoroughly competent, professional services," Lemons said. "Our CPA firm gave no incorrect professional advice. ... Our firm has not failed in any way to perform the requested professional duties and responsibilities to our client in a thorough, competent, ethical and professional manner."

IRS officials declined to comment specifically about Action America or its failure to file annual returns for 1994 and 1995. However, they discussed, in general terms, the requirements for organizations claiming to be exempt from federal income taxes.

"They have to be consistent with what they're claiming to be," said Richie Heidenreich, a exempt-organizations specialist at the IRS' regional office in Dallas. "If they claim to be tax-exempt, they would need to file the 990 when it was required."

Asked to explain why the IRS requires informational returns from tax-exempt organizations, Heidenreich said: "They are for public purposes. So the public should be allowed to see what's going on with those organizations."

Cox declined to comment about Action America, saying he never performed any services for the firm after it was incorporated in 1994.

Action America experienced a separate problem with authorities last year. According to government documents, the Texas secretary of state's office in August 1996 revoked Action America's certificate of authority to do business after the firm was eight months late in filing a franchise-tax return.

Lemons said Action America's income for 1995 was low enough that it didn't owe any franchise taxes in Texas. Nonetheless, Lemons explained, Action America still was required to file a franchise-tax return, which it did in January. Action America's officers revived the corporation in January, and today it's listed as active and in good standing with the state of Texas.

There are other details about Action America that Huckabee, Graves and Lemons would not discuss. Graves said the $51,472 that Action America raised in 1994 came from nine "contributions or grants." The $49,422 it raised in 1995 came from 10 contributions or grants, Graves said.

NO REQUIREMENT

There is no requirement to publicly disclose the names of contributors, but the *Arkansas Democrat-Gazette* requested the names. Huckabee disclosed two — Turner and Graves. But Huckabee, Graves and Lemons would not name Action America's other contributors.

"I don't think we could do that," Huckabee said. "First of all, I don't think it would be a fair thing to contributors who gave to a nonprofit organization. ... It would be a matter of their privacy."

Neither would Huckabee or Graves disclose the names of the organizations to which Huckabee spoke as an Action America representative, with one exception. Huckabee said one speech was to a group called the Oklahoma Taxpayers Union. Graves did release an accounting ledger that shows the cities where Huckabee spoke in 1994. The ledger said Action America paid Huckabee to speak to audiences in Jackson, Tenn.; Chattanooga, Tenn.; Tulsa; St. Louis; Atlanta; and Omaha, Neb.

His typical speaking fee was $2,000 per event, according to the ledger. In some cases, event organizers would pay Action America for Huckabee to speak. Other times Action America wouldn't charge a speaking fee, Huckabee said. Action America also paid Huckabee a $1,500 monthly re-

Huckabee campaign guru shuns l

BY JONATHAN WEIL
ARKANSAS DEMOCRAT-GAZETTE

You've probably never heard of Greg Graves. He'd prefer it stay that way.

Yet arguably, Graves is among the most influential Republican political strategists in Arkansas. A former Arkansan, he now lives in Roswell, N.M.

As a campaign consultant, he has advised Gov. Mike Huckabee in two campaigns. And last year he also helped engineer Tim Hutchinson's successful bid to become the state's first Republican U.S. senator since Reconstruction as a member of Hutchinson's team of media consultants. He operates his firm, Santa Fe Associates, from his home. He has no employees. And he says he travels to Arkansas frequently, sometimes monthly, to meet with Huckabee.

Graves, 48, said he first met Huckabee about a year before the Texarkana minister's 1992 U.S. Senate bid.

"I called him on the phone and said 'Hi, I'm Greg Graves. I'm a political consultant. I'd like to come talk to you about your race,'" Graves recalled in a telephone interview.

After the call, Graves drove from Sarasota, Fla., where he then was living, to meet with Huckabee. Thus began a lasting relationship.

Huckabee lost the 1992 race to Democrat Dale Bumpers, but not before his campaign paid more than $37,500 to Graves. Huckabee's 1996 Senate campaign — which Huckabee dropped after Gov. Jim Guy Tucker's conviction on fraud and conspiracy charges — netted Graves more than $31,000 in consulting fees, according to Federal Election Commission records.

Despite his role, Graves generally has remained in the background. He rarely is quoted by media outlets, a fact in which he takes pride.

"My job is not for me to build a reputation or my name," Graves says. "My job is to help my candidate win elections. There are a lot of consultants who do it [seek personal publicity], but I don't think it's wise. If I wanted to be in the press every day, I'd become a candidate."

Huckabee retained Dick Morris (the one-time political guru now better known for trysts with a Washington prostitute) as a consultant for his 1993 and 1994 lieutenant governor races. But with Morris preoccupied crafting President Clinton's re-election strategy last year, Huckabee turned, instead, to Graves as his chief campaign consultant for his 1996 Senate race.

Graves said he last came to Little Rock in December for a Huckabee campaign fund-raiser. During their visit, Graves said, he and Huckabee mostly devised campaign strategy. Huckabee has said he plans to run for governor in 1998, though some Republicans continue to speculate he may declare his candidacy for the U.S. Senate seat that still is occupied by Bumpers. Graves said he expects Huckabee will run for four more years as governor.

Graves, who went to elementary school in Batesville, said he does not advise Huckabee on policy and that he played no role in crafting Huckabee's 1997 legislative agenda. He also emphasized that he's not a pollster.

Huckabee said he and Graves became very close friends during Huckabee's 1992 Senate race.

"Greg was a Christian, which was unusual for political consultants. Well, it really is. I mean, you tell me. It's basically a gallery of rogues," Huckabee said.

limelight

Graves said he has been advising candidates since 1977. He was a member of Ronald Reagan's 1980 presidential-campaign team and also worked in Jack Kemp's unsuccessful 1988 bid for the GOP presidential nomination.

During the 1980s, he worked stints as an aide to the National Republican Senatorial Committee and the National Republican Congressional Committee. Other former clients include U.S. Rep. Steve Shiff, R-N.M., now in his fifth term, and former U.S. Rep. Beau Boulter, R-Texas.

Unlike Morris, Graves has never worked for a Democrat. He proclaims his political philosophy succinctly: "Less government. Less taxes. More entrepreneurship."

"I've never met a Democrat that I philosophically agreed with, although there are probably some out there," said Graves, who also performs consulting work for corporate clients. "I think that government screws up more than it makes right. Mike is not quite as anti-government as I am. ... Mike is a little bit different — more conservative on social issues than I am, but not much."

tainer from May 1994 until September 1994, according to the ledger.

In her January interview, Turner said she coordinated all of Huckabee's Action America appearances. According to documents filed with the U.S. Senate in November 1995, Huckabee in 1994 also collected honoraria for 71 separate public-speaking engagements that he booked himself — as opposed to those appearances arranged by Action America.

Action America officials did not release a similar ledger for 1995. Graves and Huckabee said Action America ceased most of its activities in late 1995, when Huckabee began his 1996 campaign for the U.S. Senate; Huckabee withdrew from that race last year to become governor. He succeeded former Gov. Jim Guy Tucker, who resigned in July after being convicted in May of fraud and conspiracy.

But Huckabee continued to receive income from the organization last year, according to documents he filed in January with the Arkansas secretary of state's office. In his annual "statement of financial interest," Huckabee reported that Action America paid him between $1,000 and $12,500 in 1996. In an interview, he said he did not recall precisely how much the corporation paid him last year.

Huckabee said Action America did not espouse any political agenda, but instead encouraged citizens to become politically involved in their communities. Huckabee said the organization often served as a conduit through which citizens could be matched with organizations looking for members, including right-to-life groups, taxpayer-rights groups and the National Rifle Association.

"The idea was we wanted to go into churches and to civic organizations," Huckabee said. "We'd go to a community, maybe, and we would try to get representatives from a whole host of civic and private organizations to come, and challenge them to become active and make a difference in their community — in the spiritual realm, in the education realm, in the political realm.

"The key constituency was always church groups, evangelical groups. ... It was not intended to be a religious organization, but to get people from the church to realize that a component of their faith was citizenship, or a component of their citizenship was faith."

NEEDED MONEY

Asked why he formed the organization, Huckabee said he needed money at the time. Between commuting expenses, college tuition for his son and residences both in Little Rock and Texarkana, Ark., he said his $25,452 annual salary as lieutenant governor was insufficient.

"It was costing me money to be lieutenant governor," Huckabee said.

Despite the fact that Action America in February told the Texas comptroller's office that Huckabee was still its president, the governor said he disassociated himself from Action America last July. He did acknowledge attending a December 1996 board-of-directors meeting for the organization with Graves and Turner. Aside from that, however, he said he has turned over control of the corporation to Graves. Graves said he thought he became Action America's president in January, despite the report filed in February with Texas officials.

Asked if he believed he still was president of Action America, Huckabee replied: "I don't think I am. But you know if I am, technically — I mean I honestly felt like I had pretty much disassociated myself from it, mainly because I didn't have any opportunity to do any activities."

"You've got to understand that, I mean, the whole universe for me started changing dramatically last year," Huckabee said. "And so this has just not even been on my radar screen. Just hadn't."

5/16/97
From the trip / Betty Currie
Send to Dorskind?
Yes ✓
No ____
C

President
William Clinton
white House
Wasington DC

'97 MAY 14 PM5:02

22

Claudia Luna Escayola

Guaymas 827-22

Tracc. Quintas de San Jeronimo

Metepec Edo México

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Jeffrey Michael Satfield

202 Tarragona Way

Daytona Beach Florida

Z.P. 32114-4030

Phone (904) 258-5937

U.S.A

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001. letter	[Personally Identifiable Information] [partial] (1 page)	05/03/1997	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Todd Stern
OA/Box Number: 9358

FOLDER TITLE:
Chron Files: Friday, May 16, 1997

2019-0774-S
rs3360

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Presidnt William Clinton

White House

Washington DC

May 3, 1997

Dear Mr. President

My name is Claudia Luna Escayola. (b)(6)
My father sent me to the United States to learn English and to obtain a better education. I was in the United States for five years.

Last year on October 23, 1996 I had the great opportunity to met you in Daytona Beach Florida at a toy store, " Dunn Toys and Hobbies". (Enclosed there is a picture of us in the store). Meeting you was a wonderful and pleasant experience.

During the five years I lived in the United States I started my major in special education and did volunteer work in different facilities for children with special needs. There, I met and fell in love deeply with Jeffrey Michael Satfield, from Rockledge Florida, who is an American citizen. We were planning to get married in May 1997.

In the five years I lived in the United States I always came back to Mexico to renew my student visa (F1). I was always legal in the United States. In December of 1996 I came to Mexico to spend Christmas with my family and share my news of engagement. During this time I went to renew my visa (F1), as usual, and it was denied for no apparent reason. I tried again two days later and again it was denied. I was registered to start classes on January 6th of 1997.

I had asked for any other type of legal visa and they told me there was none accessible to me. They had never mentioned a Fiancee visa and I had informed them of my engagement and school registration.

I became desperate. I had made many inquires to other people and was advised to attempt to cross the border without any papers.

When I tried this it failed miserably. I panicked and made the biggest mistake of my life. I lied to immigration and told them I was an American. Immediately after I realized I had made a grave error and admitted the truth and told them my entire story. They felt no sympathy. They went ahead and filed a report in the system about my lie even after I begged them not to.

One of the officials told me I will have to apply for a Fiancee visa and it would take a few months. I returned to file the papers. In three months they called and said my papers were ready and I could now proceed in obtaining my visa. When I went to pick up my visa they then informed me that I was once again denied, because of the incident at the border. They then also informed me that I had exhausted my last resort of obtaining a legal visa and that my only hope was you. I would need to get a pardon for my mistake and permission from you directly to enter the country again.

After this information was given to me, my fiancee decided to come to Mexico and get married anyway in the hopes of not loosing our relationship. We were not able to have a legal wedding, but we had a religious ceremony in the church, enclosed are pictures.

We were married in the eyes of God and our families, but not in the eyes of the law.

My husband is a student of environmental engineering at the University of Central Florida in Orlando. He works full time as an assistant manger at the Finish Line Co. Jeffrey is a hard working, wonderful husband. He is an outstanding citizen and we are very much in love. We want our lives together. He wants to finish his education and be a husband. I want to finish my school as well and be a good wife. At this time we can not.

Mr. President, I know I made a grave error in judgment and I can not express to you my sorrow of my behavior. My stupidity has not only ruined my life, but that of my husbands as well. I also have jeopardized both of our education. I was legally in the United States for 5 years and did nothing to deserve being denied the first time. Jeffrey has been trying to solve our problem, but to no avail. He is willing to move here if I am not able to return, however this will force him to quit his schooling and we will not be able to have a life as educated people here in this country. We refuse to be separated any longer and will do anything we have to, but we both would like to finish our education in the states and live our lives there together as husband and wife.

We beg you to forgive us and help us if your able. Please Mr. President, hear our call for help. Hear Jeffrey's call as an American Citizen.

Enclosed are copies of all documentation and pictures. Thank you, in advance, for listening and for any help you may give us.

Sincerely :

Claudia Luna Escayola

Claudia Luna Escayola

Claudia Luna Escayola
Guaymas 827-22
Fracc. Quintas de San Jeronimo
Metepec, Edo. de Mexico
Mexico. C.P. 52170
Phone: (52) 72-11-86-37 or Fax
(52) 72-75-15-30 Phone

Jeffrey Micheal Satfield
202 Tarragona Way
Datona Beach, Florida 32114 - 4030
Phone : (904) 258- 5937

5-16-97

From the trip / Betty Currie

Send to Doris Kind?

Yes ✓

No

Jim -
NSC
might be
able to get
your address
at school

C.

'97 MAY 14 PM5:02

mono
cara blanca

Mr. Clinton,

Because you will only be in Costa Rica a few days, and will not see [illegible] to share them with you.

the Students of Escuela Rafael [illegible] Araya Sitio Mata, Turrialba Costa Rica

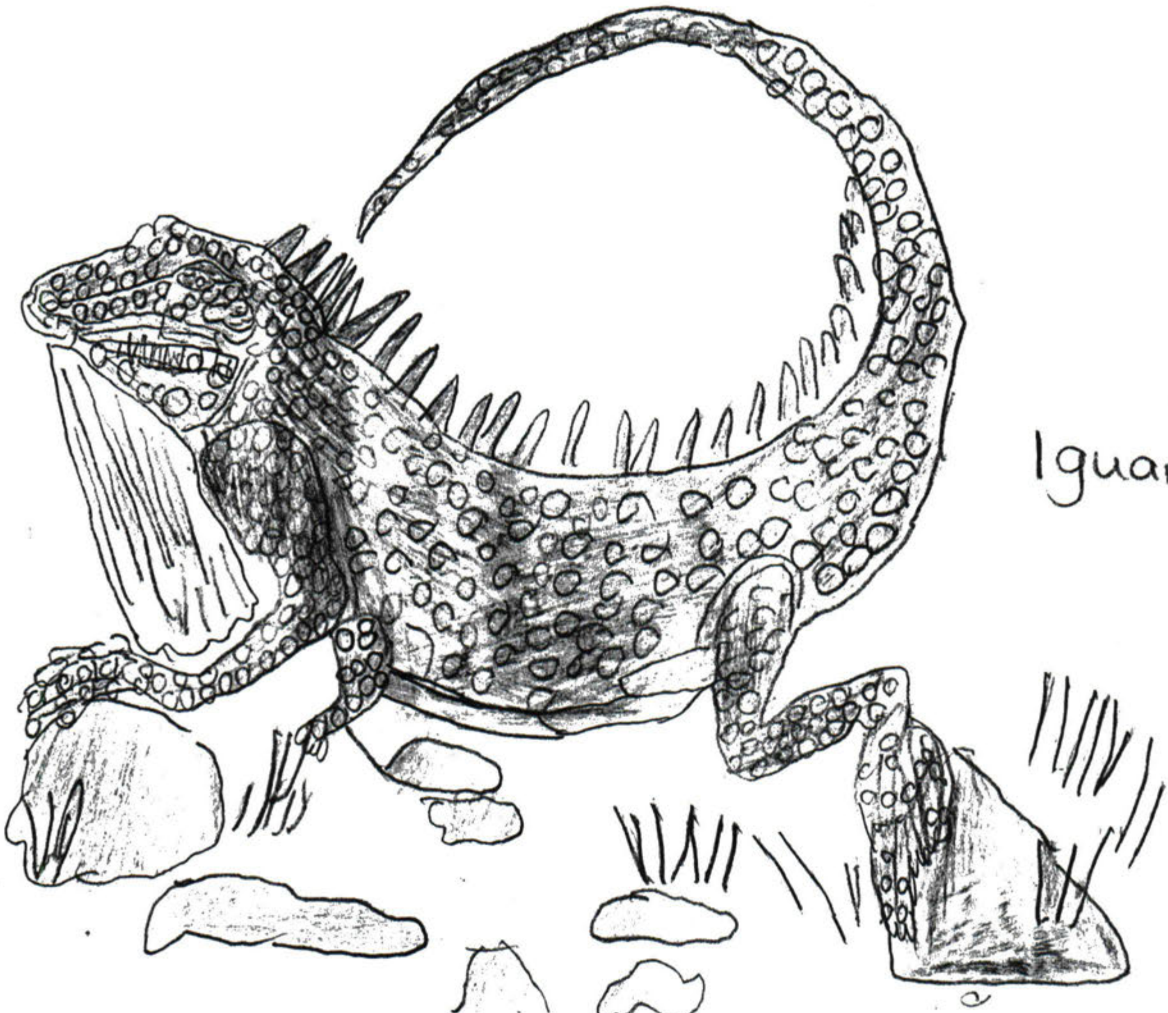
WELCOME

MR.
BILL
CLINTON

una lapa roja

Mr. Bill Clinton

Bienvenidos a Costa Rica



Iguana

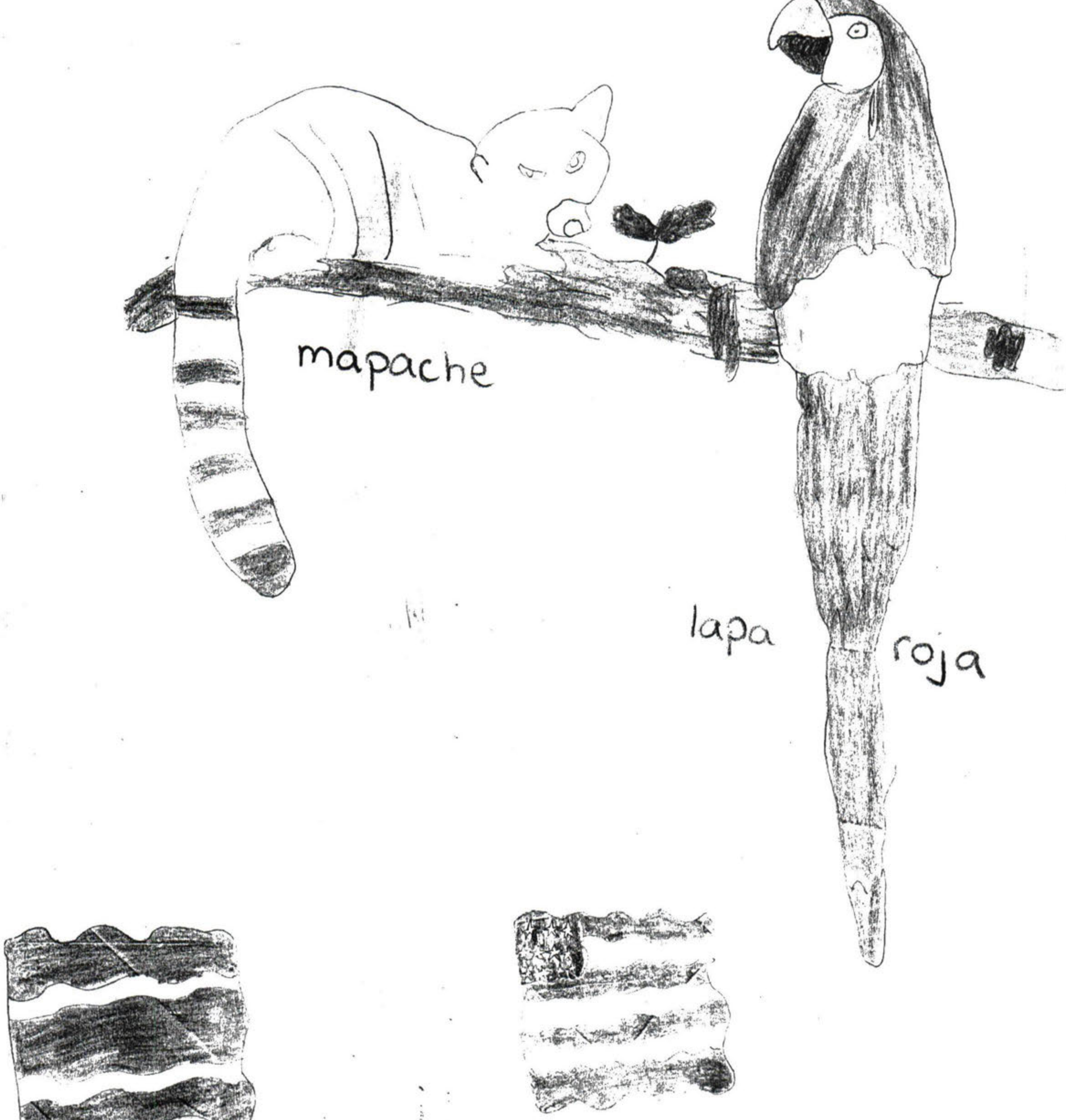
Este animal es de Costa Rica.
Estoy muy contento porque nos vino a bisitar,
Espero que le valla muy bien en su viaje.

Nombre= Jorge Luis Núñez Gamboa

Grasias

por

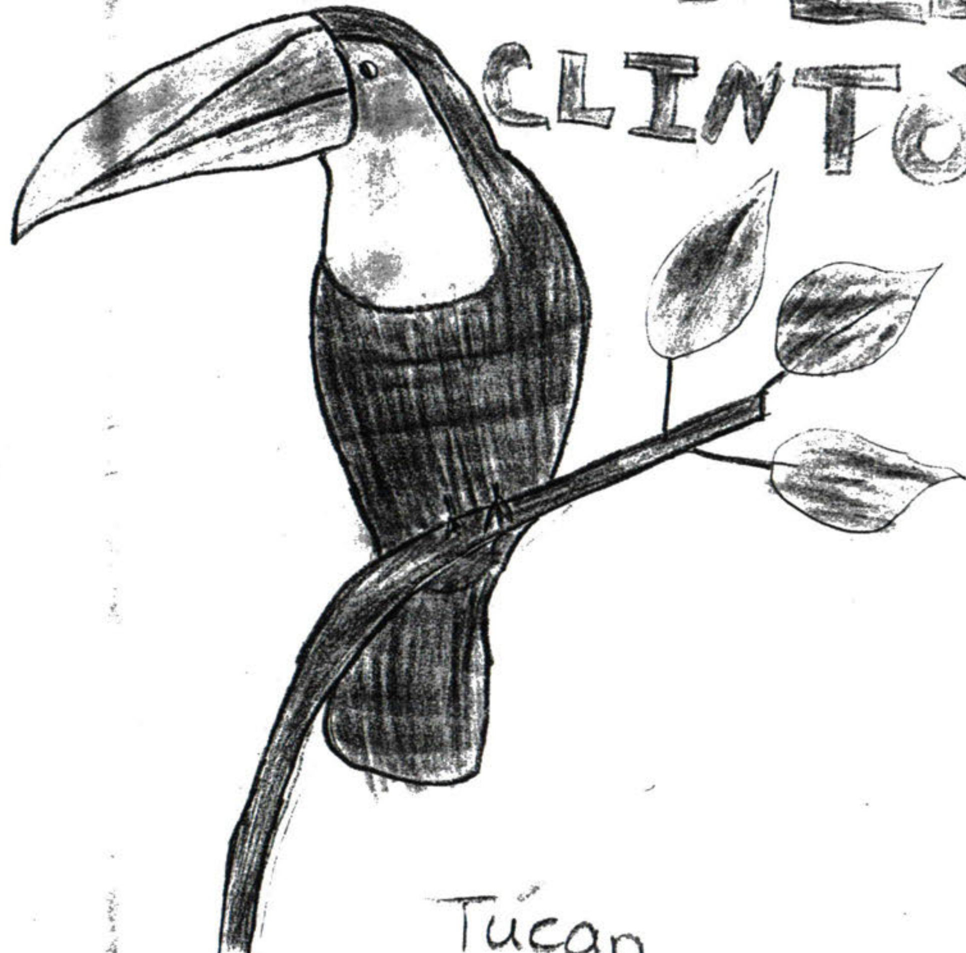
venir



Ismael Roberto Sanchez Diaz

BIENVENIDO (WELCOME) MR BILL CLINTON

Quetzal



Tucan

Solo quiero decirte que
estomos muy contentos
deque estes en nuestro
País y espero quete
guste

y Tambien
Decirte que
lo Disfrutes
y quete
vaya
bien

Para: Mr.
De: Bill
Nela. Clinton

Sitio
Mata
turrialba.

Tambien
Decirte que
Enjuy your
trip here

Son los
deseos
de
Maria Nela Leandro Loaiza

Bienvenido A Costa Rica

Mr Bill Clinton

Disfruta la VIDA porque es lo mas Precioso

VIVE LA VIDA Y Dejala vivir

Riete de la vida y no dejes que ella se ria de tí

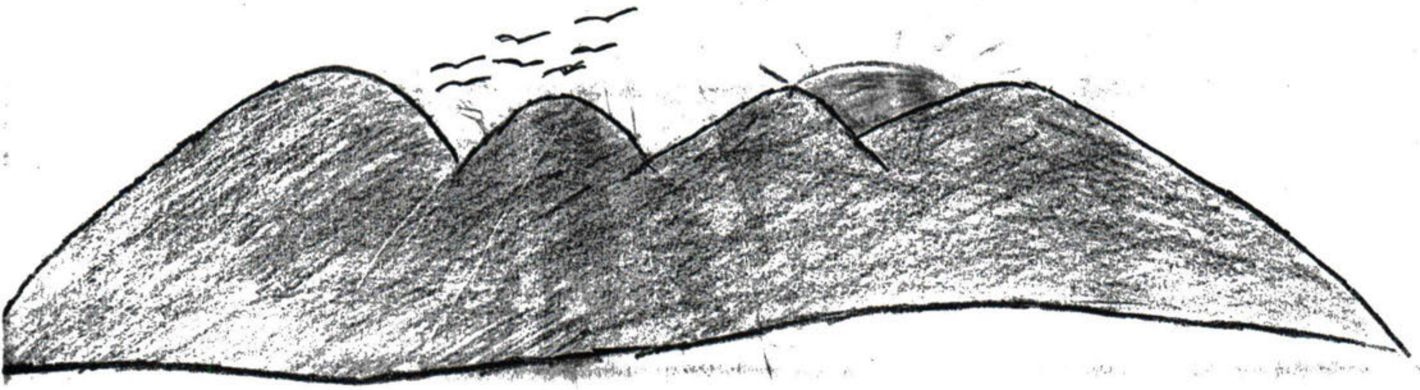
LETICIA R. Solano Gamboa

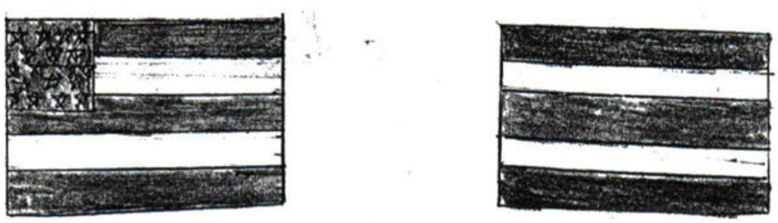
Seccion 6-1 Año 1997

Turrialba

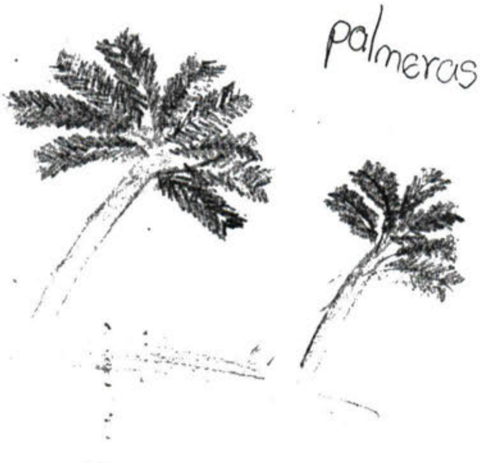
Diego Armando Quirós Loaiza

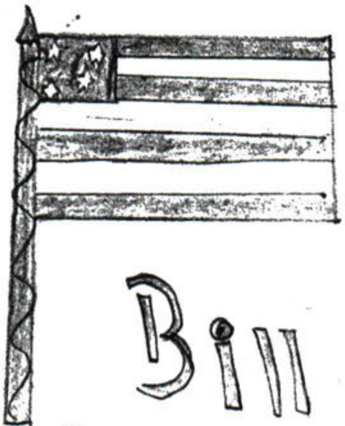
The Sunrise in Costa Rica



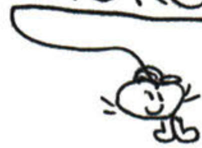


palmeras



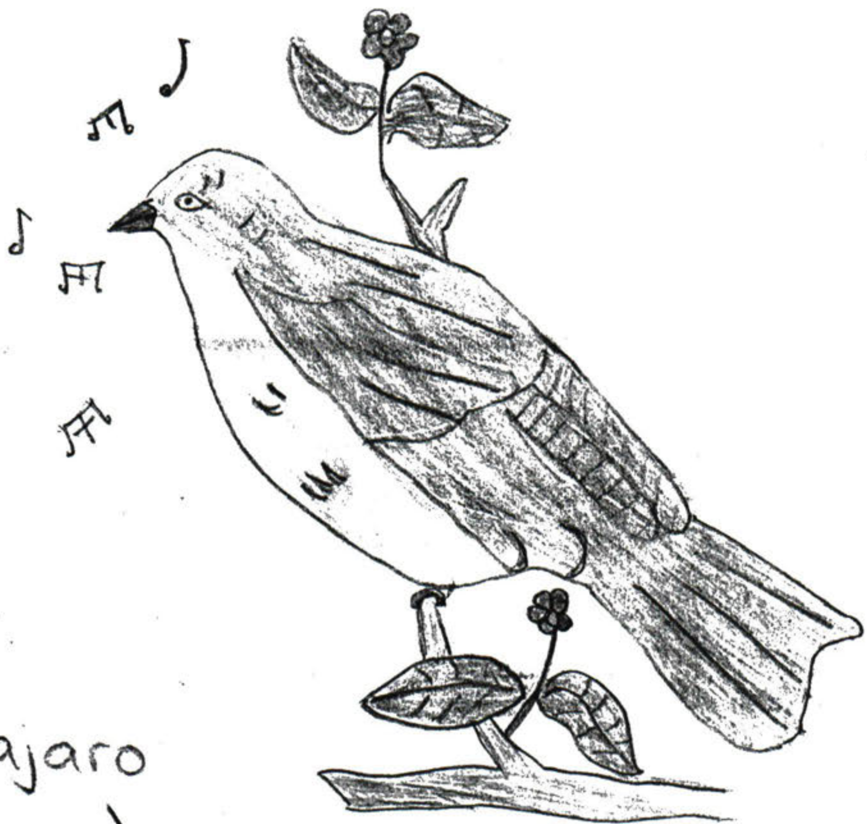


JACKelin



Thank You

Bill Clinton

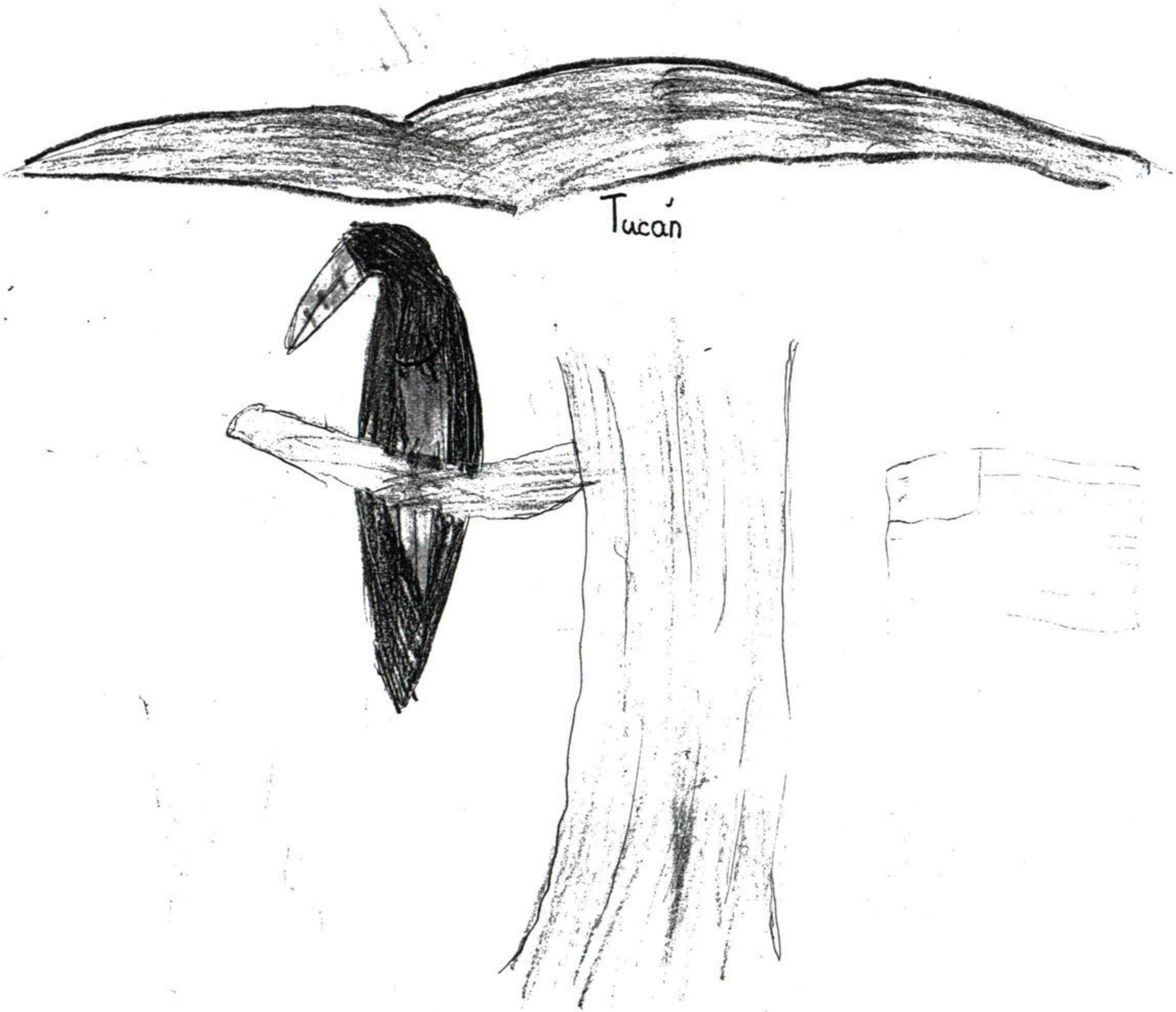


Jilguero
(nuestro pajaro naciónal)

Bienvenido

Fabian Mata Ardon

Para Bill clinton



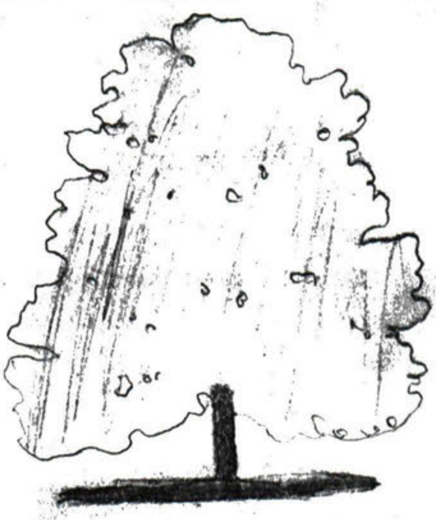
Welcome Bill Clinton

Thank you

I hope you Have a great presidency and luck in your trip to Costa Rica

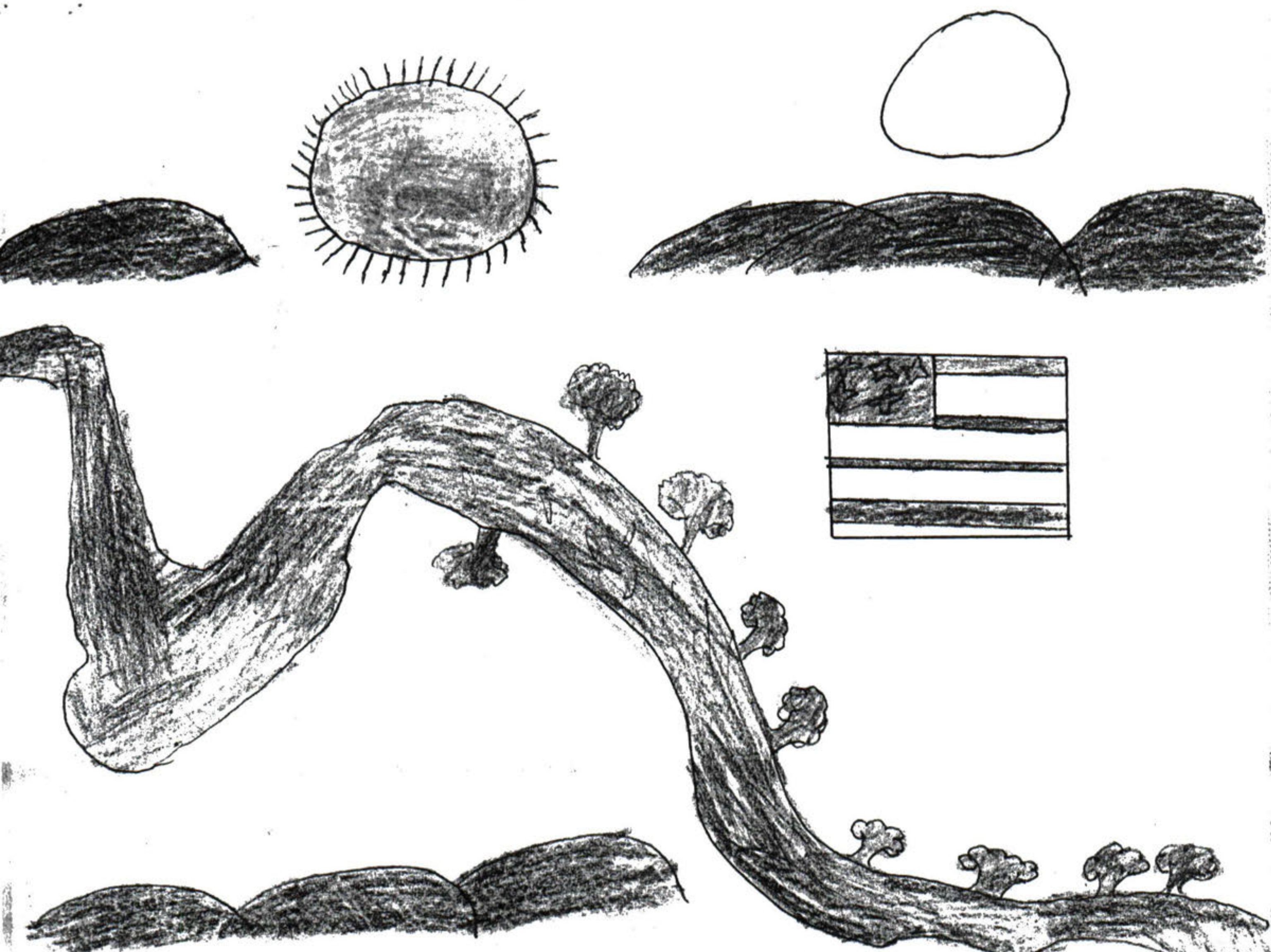
ENJOY YOY TriP here

Rabbit yn Costa Rica



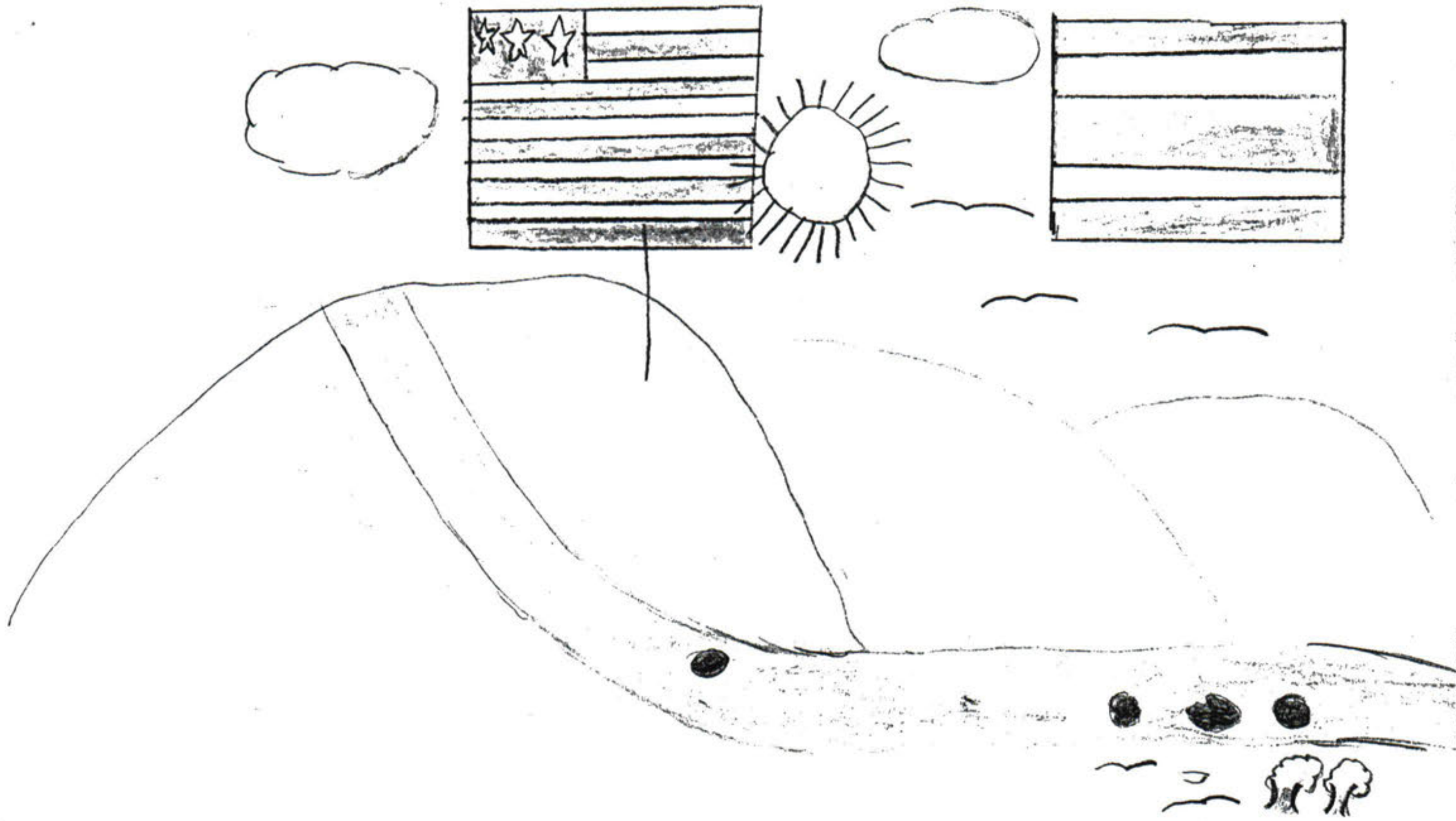
Tree yn Costa Rica

: Luis Gerardo Araya Brenes



gracias por so llegada y que le
valla vien.

Thank you for coming, I hope your trip goes well.

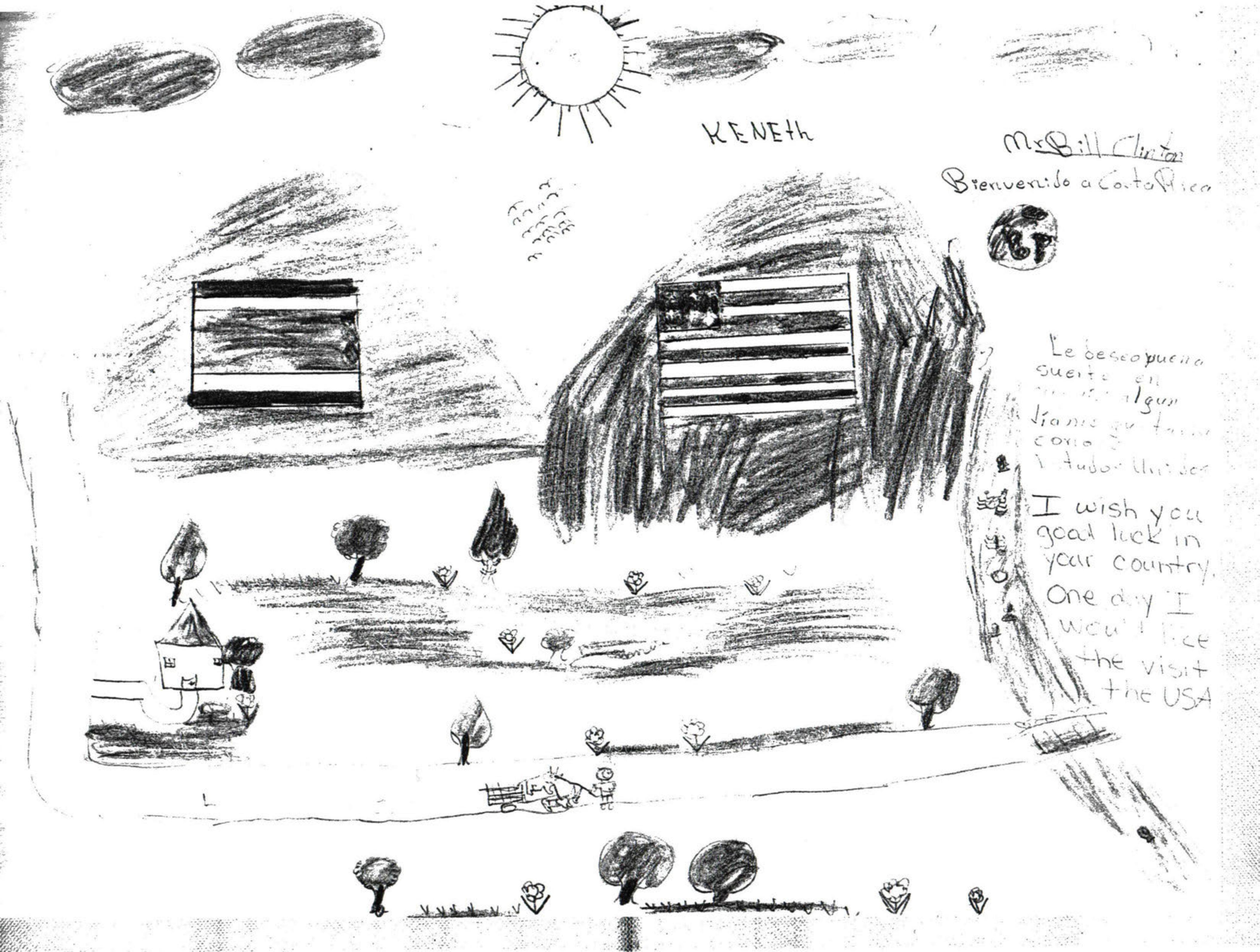


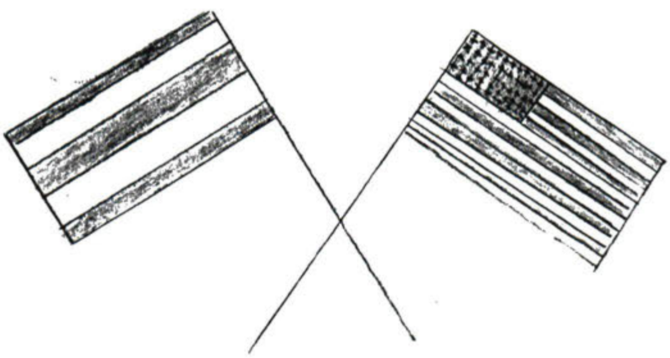
Dear Mr. Clinton,

I hope you like my drawing. I hope you enjoy Costa Rica and come back soon. We are proud to have you here.

Thank You

Walter Romero Orozco.
De la Eschool Sitio
Mata Rafael Araya
Segura. Ten


KENEth
Mr Bill Clinton
Bienvenido a Costa Rica
Le beseo buena
suerte en
algun
I wish you
goad luck in
your country.
One day I
the visit
the USA



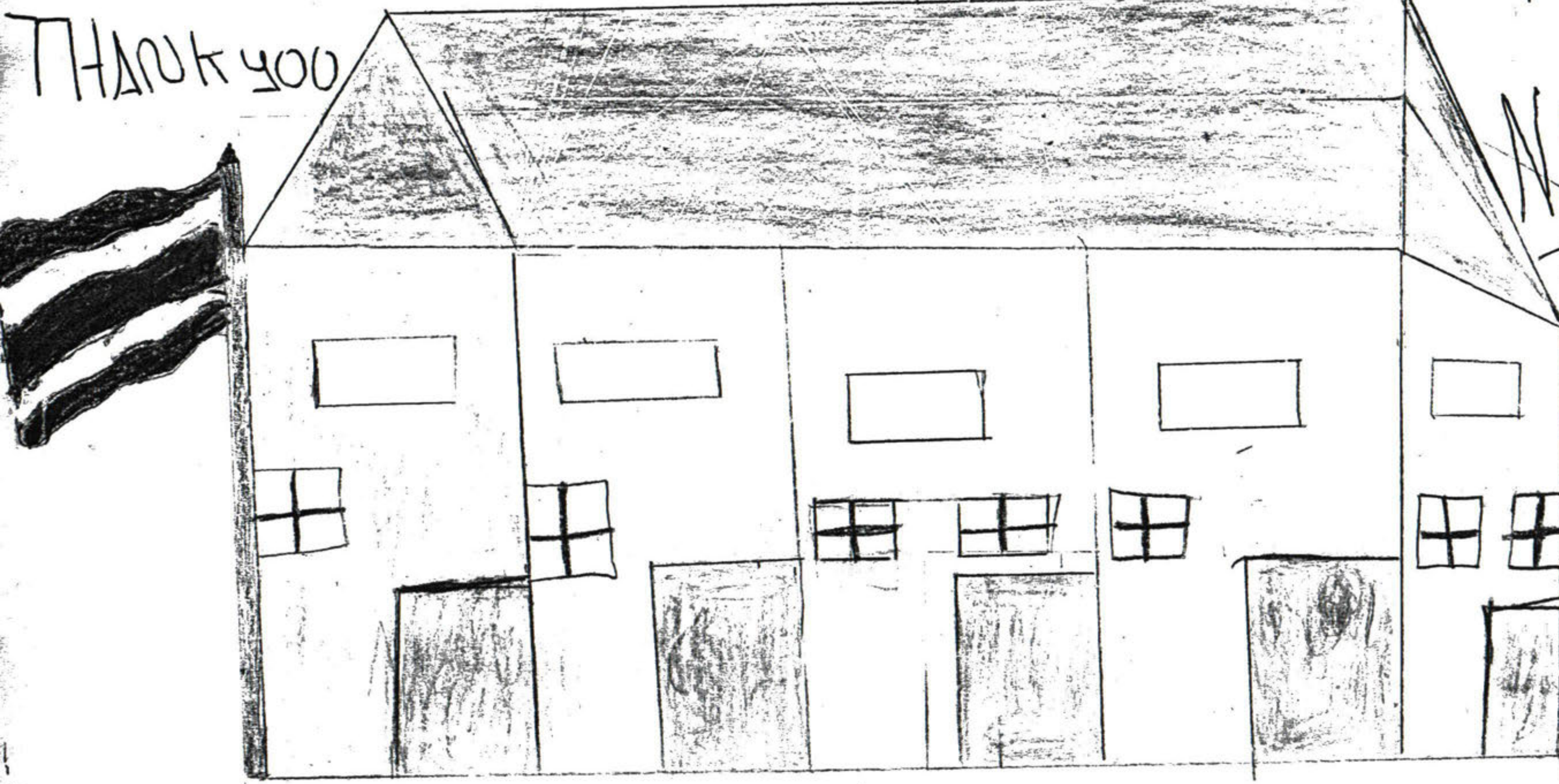
ENJOY YOUR TRIP HERE muchas Gracias por la ayuda que nos abrindado

Mr. Bill Clinton.

PARA MR
BILL CLINTON.

WELCOME
A COSTA RICA

THANK YOU



NAME
IS:
LUCIA
ARAYA N
TURRIALBA
PAVONES,
SITIO MÁTA,

ENJOY YOUR TRIP
HERE

Bienevenida a CR Bill Clintan

Best wishes from all of us in Sitio Mata and our teacher Libby Killinger la voluntaria de Cuerpo de Paz