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Collection/Office of Origin: Science and Technology Policy, Office of (OSTP)
Series: Bromley, D. Allan, Files
Subseries: Correspondence Files

OA/ID Number: 62022
Folder ID Number: 62022-003

Folder Title:
Executive Office of the President: White House Memoranda [3 of 9] [1992]

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TYPE: ACTION

DOCUMENT NUMBER: 9202677

ORIGINATOR: 02

STATUS I

DIRECTORATE STATUS

FROM: DAMUS, Robert G.: OMB

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 09/04/92

SUBJECT: HE IS FORWARDING A MEMORANDUM REGARDING THE PROPOSED
EXECUTIVE ORDER ENTITLED "FACILITATING FEDERAL
EMPLOYEES' PARTICIPATION IN COMMUNITY SERVICE
ACTIVITIES", FOR OSTP REVIEW.

DIRECTORATE STAFF
ASSIGNED: DIRECTOR'S OFFICE ASSIGNED:

ACTION STAFF
REQUIRED: AS APPROPRIATE ACTION:

SENDER'S DUE DATE: 09/10/92
OSTP DUE DATE: 09/10/92 STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT:

COPIES TO: D. Allan Bromley
ADMINISTRATION

WHITE HOUSE TRACKING #: CONTACT PERSON:
PHONE: EXT:
REMARKS:

OSTP RECEIVED: 09/09/92 DEPT RECEIVED:
FILE: P-EOP-WHITE HOUSE MEMORANDUM

CENTRAL FILES:



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

September 4, 1992

2677
RECEIVED

92 SEP 9 P6:16

MEMORANDUM FOR DESIGNATED AGENCY HEADS
(SEE ATTACHED DISTRIBUTION LIST)

OSTP
MAIL ROOM

FROM: Robert G. Damus *RGD*
Acting General Counsel

SUBJECT: Proposed Executive Order Entitled "Facilitating
Federal Employees' Participation in Community
Service Activities"

Attached is a proposed Executive order entitled
"Facilitating Federal Employees' Participation in Community
Service Activities."

It was prepared by the White House Office of National
Service, in accordance with the provisions of Executive Order No.
11030, as amended.

On behalf of the Director of the Office of Management and
Budget, I would appreciate receiving any comments you may have
concerning this proposal. If you have any comments or
objections, they should be received no later than close of
business Thursday, September 10, 1992. Please be advised that
agencies that do not respond by the September 10, 1992 deadline
will be recorded as not objecting to the proposal.

Comments or inquiries may be submitted by telephone to Mr.
Mac Reed or Ms. Bess Weaver of this office (Phone: 395-5601);
Fax: 395-7294).

Thank you.

Attachments - Distribution List
Proposed Executive Order

cc: Bob Grady
Kim Gibson
Janet Hale
Jim Murr
Frank Hodsoll
Bob Howard
Jim MacRae
Tom Scully

DISTRIBUTION LIST

Honorable Lawrence S. Eagleburger
Acting Secretary
Department of State

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Department of Defense

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Counsel to the President

Honorable Charles Kolb
Deputy Assistant to the President
for Domestic Policy

Honorable Michael J. Boskin
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Council of Economic Advisors

Honorable Michael R. Deland
Chairman
Council on Environmental Quality

Honorable Paul W. Bateman
Director
Office of Administration

Honorable LTG. Brent Scowcroft (Ret.)
Assistant to the President
for National Security Affairs

Honorable D. Allan Bromley
Assistant to the President for
Science and Technology and Director

William Kristol
Chief of Staff
Office of the Vice President

DRAFT

EXECUTIVE ORDER

FACILITATING FEDERAL EMPLOYEES'
PARTICIPATION IN COMMUNITY SERVICE ACTIVITIES

By the authority vested in me as President by the Constitution and laws of the United States of America, including Public Law 101-610, as amended, and in order to ensure that the Federal Government heed the call to every individual and institution in America to engage in community service and set an example for the Nation, it is hereby ordered as follows:

SECTION 1. Charge to the Cabinet and Members of the Executive Branch Departments and Agencies.

The head of each Federal department and agency should encourage agency employees to commit themselves to engage in direct and consequential community service. Particular emphasis should be placed on programs, activities and initiatives designed to address problems such as drug abuse, crime, homelessness, low-income housing, illiteracy, AIDS, teenage pregnancy, hunger and problems associated with health care and education. (Where possible, employees should be allowed to make adjustments to their normal work schedule in order to actively participate in community service.) The Office of National Service and the Commission on National and Community Service shall serve as a resource to provide guidance and support.

In addition, each Federal department and agency head (1) should designate a senior official of their department or agency to provide leadership and support to the Federal commitment to community service through employee awareness and participation within their respective departments and agencies and, (2) is encouraged to establish an Office of Community Service (where an office which could fulfill the functions listed below does not exist). The office will be responsible for:

Providing and coordinating Federal employees of the department or agency access to community service opportunities (e.g. initiate department or agency sanctioned projects on a regular basis and act as a clearinghouse for existing community service providers);

Reviewing existing domestic policies implemented by the department or agency and establish how it might be enhanced by a community service component;

Developing domestic policies which incorporate community service components;

Identifying those community service initiatives that best relate to the mission of the department or agency in order to relate the special skills and knowledge of the department or agency's staff to the needs of the community serviced by its employees engaged in community service activities.

Acting as a liaison with the White House Office of National Service and the Commission on National and Community Service.

The senior official or head of the Office of Community Service shall report to a designated senior member of their respective department or agency head's staff to ensure that the community service activities receive a high level of visibility and promotion.

SEC. 2. Administrative Provisions.

The Office of National Service and the Commission on National and Community Service shall provide such information with respect to community service programs and activities and such advice and assistance as may be required by the departments and agencies for the purpose of carrying out their functions under this order.

SEC. 3. Reporting Provisions.

The designated senior member of the department or agency head's staff shall submit an annual report on the actions of the department or agency to the Commission on National and Community Service.

THE WHITE HOUSE,

"Document Control"

TYPE: ACTION

DOCUMENT NUMBER: 9202632

ORIGINATOR: 02

STATUS I

DIRECTORATE STATUS

FROM: BUSH, George: PRESIDENT OF THE UNITED STATES

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 08/26/92

SUBJECT: A MEMORANDUM REGARDING THE ADMINISTRATIVE DISMISSAL
OF EMPLOYEES AFFECTED BY HURRICANE ANDREW.

DIRECTORATE

STAFF

ASSIGNED: DIRECTOR'S OFFICE

ASSIGNED:

ACTION

STAFF

REQUIRED: AS/IF NECESSARY

ACTION:

SENDER'S DUE DATE:

OSTP DUE DATE: 09/14/92

STAFF DUE DATE

DATE COMPLETED:

DATE COMPLETED/DEPT:

COPIES TO: D. Allan Bromley

WHITE HOUSE TRACKING #:

CONTACT PERSON:

REMARKS:

PHONE:

EXT:

OSTP RECEIVED: 09/01/92

DEPT RECEIVED:

FILE: P-EOP-WHITE HOUSE MEMORANDUM

CENTRAL FILES:

Noted.
Close mt.
↑

THE WHITE HOUSE

WASHINGTON

August 26, 1992

RECEIVED

92 SEP 1 P 5:47

OSTP
MAIL ROOM

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Administrative Dismissal of Employees Affected by
Hurricane Andrew

Our hearts go out to the thousands of Americans in South Florida and along the Gulf Coast who have suffered tragic losses at the hands of Hurricane Andrew. Many parts of the Federal Government have been mobilized to respond to this disaster and to begin a massive effort to recover from the ravages of this storm.

As part of this effort, I request heads of executive departments and agencies who have Federal civilian employees in the geographic areas designated as disaster areas because of Hurricane Andrew to use their discretion under OPM and agency regulations and where appropriate excuse from duty, without charge to leave or loss of pay, any such employee who is faced with a personal emergency because of the storm and who can be spared from his or her usual responsibilities. This policy should also be applied to any employee who is needed for emergency law enforcement, relief, or clean-up efforts authorized by Federal, State, or local officials having jurisdiction.



"Document Control"

TYPE: INFORMATION

DOCUMENT NUMBER: 9202173

ORIGINATOR: 02

STATUS C

DIRECTORATE STATUS

FROM: AL-SAMARRIE, AHMAD: EOP-OMB

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 08/03/92

SUBJECT: FRIDAY ECONOMIC AND FINANCIAL REPORT

DIRECTORATE STAFF
ASSIGNED: ASSIGNED:

ACTION STAFF
REQUIRED: ACTION:

SENDER'S DUE DATE:
OSTP DUE DATE: STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT:

COPIES TO: D. Allan Bromley

WHITE HOUSE TRACKING #: CONTACT PERSON:
REMARKS: PHONE: EXT:

OSTP RECEIVED: 08/03/92
FILE: P-EOP-WH

DEPT RECEIVED:

CENTRAL FILES:

WHITE HOUSE STAFFING MEMORANDUM

RECEIVED

DATE: August 3, 1992 ACTION/CONCURRENCE/COMMENT DUE BY: _____

92 AUG 3 P 3: 05

SUBJECT: Friday Economic and Financial Report (OMB)

OSTP
MAIL ROOM

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☒
SKINNER	☐	☒	MCBRIDE	☐	☒
SCOWCROFT	☐	☒	MOORE	☐	☒
DARMAN	☐	☒	PETERSMEYER	☐	☒
BRADY	☐	☐	PORTER	☐	☒
BROMLEY	☐	☒	PROVOST	☐	☒
CALIO	☐	☒	SMITH	☐	☒
DEMAREST	☐	☒	YEUTTER	☐	☒
FITZWATER	☐	☒		☐	☐
GRAY	☐	☒		☐	☐
HOLIDAY	☐	☒		☐	☐

REMARKS:

For Your Information.

RESPONSE: _____

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702



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

July 31, 1992

32 AUG 1 AID: 53

MEMORANDUM FOR THE DIRECTOR

FROM: Ahmad Al-Samarrie

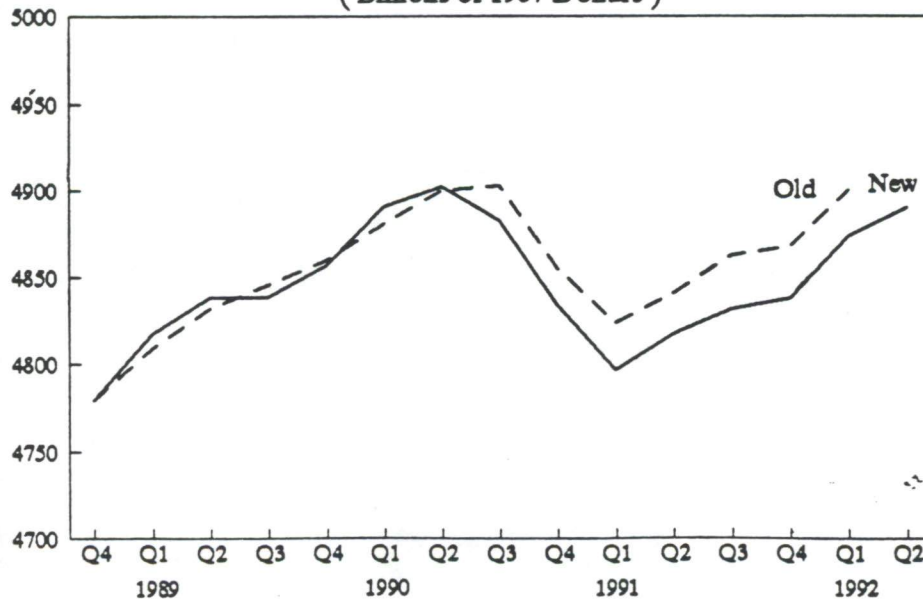
SUBJECT: Friday Economic and Financial Report

Real GDP: Past, Present and Future

Based on new GDP figures released yesterday, real growth since the end of 1988 has been revised down slightly to 0.7 percent per year on average from 0.8 percent because:

- o The recession was deeper. Real GDP now declines for three quarters (from Q3/90 through Q1/91) rather than two (from Q4/90 through Q1/91). The cumulative GDP decline is now 2.2 percent rather than 1.6 percent. According to the new figures, the recession more closely resembled the typical postwar downturn, which lasted 11 months with a 2.6 percent GDP fall. Growth during the first year of recovery through Q1/92 was unchanged from the previous estimate of 1.6 percent.
- o Real GDP growth in the second quarter was at only a 1.4 percent annual rate, down from the 2.9 percent pace of the first quarter. Earlier in the year, most forecasters had expected second quarter growth to pick up.

REAL GDP
(Billions of 1987 Dollars)



The composition of real GDP growth in the second quarter suggests little forward momentum entering the current quarter:

- o Almost all of the growth came from **inventory change** rather than final sales, which may make firms more cautious in hiring.
- o **Consumer spending**, which accounts for two-thirds of GDP, edged down as disposable personal income rose only 0.3 percent at an annual rate.
- o **Imports** rose while **exports** declined as growth in the other major market economies slowed. Growth in **residential investment** moderated.
- o **Government purchases** hardly expanded at either the Federal or State/local levels. Defense spending fell for the second consecutive quarter.
- o The sole source of strength was **producers' durable equipment**, primarily because of temporary surges in aircraft shipments and auto fleet purchases. Excluding these components and computers, there was little change in equipment spending.

[See attachment for GDP details.]

Despite the recent weakness, the economy is likely to regain momentum as a new round of lower interest rates stimulates interest sensitive sectors, especially housing. Mortgage rates are currently at 8 percent, 60 basis points lower than in early June. The revival may already be underway: during the first three weeks of July, members of the Mortgage Bankers Association reported a 41 percent surge in loan applications from people buying a home, as well as a 2-1/2 fold jump in applications for refinancing.

The expectation that the economy will strengthen later this year is also the prevalent view of stock market investors. The preponderance of bulls over bears pushed the S&P 500 to a record high today.

Real Gross Domestic Product

	1991 Q4	1992 Q1	1992 Q2
--- percent annual rate ---			
GDP	0.6	2.9	1.4
Personal consumption	-0.3	5.1	-0.3
Nonresidential investment	-5.2	3.0	13.5
Residential investment	11.3	20.1	8.7
Federal purchases	-9.0	-3.0	3.0
National defense	-13.0	-7.7	-1.6
Nondefense	2.3	9.7	5.2
State and local purchases	1.4	5.1	-1.0
Addenda:			
Final sales	-0.9	4.7	0.3
Disposable personal income	2.2	4.0	0.3
Corporate Profits	7.1	49.8	NA
---- \$ 1987 billions ----			
Change in business inventories	7.5	-12.6	1.0
Nonfarm	11.8	-10.7	0.2
Farm	-4.2	-1.9	0.7
Net exports	-20.5	-21.5	-35.9
Exports	561.4	565.4	560.0
Imports	581.8	586.8	595.9

RECENT ECONOMIC INDICATORS JULY 31, 1992
(S.A. OR AS INDICATED)

GDP (QUARTERLY SERIES, % A.R.)																								
NOMINAL GDP																								
REAL GDP																								
IMPLICIT PRICE DEFULATOR																								
FIXED-WEIGHT PRICE INDEX																								
LEADING AND COINCIDENT INDICATORS																								
LEADING INDEX, PERCENT																								
COINCIDENT INDEX, PERCENT																								
PURCHASING MANAGERS' DIFFUSION INDEX																								
PERCENT																								
INDUSTRIAL PRODUCTION																								
PERCENT																								
CAPACITY UTIL. MFG.																								
EMPLOYMENT INDICATORS																								
CIVILIAN EMPLOYMENT, MIL.																								
NONFARM PAYROLL EMPLOYMENT, MIL.																								
CIV. UNEMPLOYMENT RATE, PERCENT																								
EMPLOYMENT/POPULATION RATIO																								
AVG. WEEKLY HOURS, MFG.																								
CONSUMER SECTOR																								
RETAIL SALES, BIL. \$																								
PERCENT																								
TOTAL AUTO SALES, MIL. UNITS, A.R.																								
DOMESTIC AUTO SALES, MIL. UNITS, A.R.																								
PERSONAL INCOME, BIL. \$, A.R.																								
PERCENT																								
DISP. PERS. INC., BIL. \$, A.R.																								
SAVINGS RATE, PERCENT																								
REAL DISP. PERS. INC., BIL. \$, A.R.																								
PERCENT																								
REAL PERS. CONSUMP. EXP., BIL. \$, A.R.																								
PERCENT																								
CONSUMER SENTIMENT INDEX, U OF MICH.																								
PERCENT																								
HOUSING SECTOR																								
HOUSING STARTS, THOU. UNITS, A.R.																								
SINGLE-FAMILY STARTS																								

BUSINESS SECTOR	Jun-91	Jul-91	Aug-91	Sep-91	Oct-91	Nov-91	Dec-91	Jan-92	Feb-92	Mar-92	Apr-92	May-92	Jun-92
NONDEF. CAP. GOODS ORDERS, BIL. \$	27.6	35.0	29.5	28.8	29.5	33.1	27.0	30.1	29.5	32.2	29.9	30.4	30.7
PERCENT	3.5	26.9	-15.8	-2.4	2.4	12.3	-18.4	11.6	-2.1	9.2	-7.0	1.7	0.9
NONRES. CONST. PUT IN PLACE BIL., \$	131.4	130.7	130.3	129.5	127.0	123.9	123.3	123.0	125.0	128.5	126.7	124.6	NA
INVENTORY CHANGE BK. VAL., BIL. \$, A.R.	-40.5	-8.6	1.3	31.9	27.3	10.0	32.1	-48.4	5.5	19.1	16.1	NA	NA
INVENTORY/SALES RATIO, TOTAL BUSINESS	1.53	1.52	1.53	1.53	1.52	1.53	1.56	1.53	1.52	1.51	1.51	NA	NA
INFLATION INDICATORS													
CPI (PERCENT)	0.3	0.1	0.3	0.4	0.2	0.4	0.2	0.1	0.3	0.5	0.2	0.1	0.3
CPI - LESS FOOD & ENERGY (PERCENT)	0.3	0.3	0.4	0.4	0.2	0.3	0.2	0.3	0.4	0.5	0.3	0.2	0.2
PPI FIN. GOODS (PERCENT)	-0.2	0.2	0.2	0.2	0.3	0.1	-0.1	-0.2	0.1	0.2	0.2	0.4	0.2
PPI - LESS FOOD & ENERGY (PERCENT)	0.0	0.2	0.2	0.3	0.2	0.2	0.2	0.5	-0.1	0.2	0.2	0.6	-0.1
GOLD, \$ PER OZ.	366.8	366.8	355.4	349.3	357.8	360.1	360.4	354.4	353.8	343.8	338.2	337.3	341.3
W. TEXAS SPOT OIL PRICE \$/BBL	20.2	21.4	21.7	21.9	23.2	22.5	19.5	18.8	19.0	18.9	20.2	20.9	22.4
MERCHANDISE TRADE BIL. \$, (S.A.A.R.)													
EXPORTS	416.6	422.3	413.6	423.4	442.1	447.2	432.6	425.6	451.9	445.0	436.6	426.0	NA
IMPORTS	472.6	489.9	492.9	501.1	512.5	496.6	500.1	495.2	491.4	512.0	520.3	514.8	NA
DEFICIT	-56.0	-67.6	-79.4	-77.7	-70.4	-49.4	-67.5	-69.6	-39.5	-67.0	-83.6	-88.8	NA
U.S. EXCHANGE RATE													
MULTILATERAL PERCENT	95.2	95.2	93.5	91.2	90.7	88.0	85.7	86.1	88.0	90.4	89.8	88.3	85.9
YEN/\$	3.1	0.0	-1.8	-2.4	-0.5	-3.0	-2.6	0.5	2.3	2.7	-0.7	-1.7	-2.7
DM/\$	139.8	137.8	136.8	134.3	130.8	129.6	128.0	125.5	127.7	132.9	133.5	130.8	126.8
\$/POUND	1.78	1.79	1.68	1.69	1.69	1.62	1.56	1.58	1.62	1.66	1.65	1.62	1.57
	1.65	1.65	1.68	1.73	1.72	1.78	1.83	1.81	1.78	1.72	1.76	1.81	1.86
MONEY AND CREDIT													
M2, BIL. \$	3411.8	3407.4	3409.5	3411.5	3417.3	3430.9	3438.9	3448.0	3475.5	3474.0	3468.2	3469.9	3458.8
PERCENT, A.R.	2.2	-1.5	0.7	0.7	2.1	4.9	2.8	3.2	10.0	-0.5	-2.0	0.6	-3.8
M3, BIL. \$	4167.7	4157.3	4156.6	4152.6	4158.7	4166.8	4170.9	4174.9	4200.6	4191.3	4177.5	4175.6	4158.0
PERCENT, A.R.	-0.8	-3.0	-0.2	-1.1	1.8	2.4	1.2	1.2	7.6	-2.6	-3.9	-0.5	-4.9
C&J LNS. + COMM. PAPER, BIL. \$ (N.S.A.)	1037.1	1025.7	1012.2	1005.7	1001.5	1001.0	999.9	993.8	988.4	994.9	1000.0	996.8	NA
PERCENT, A.R.	-0.9	-1.1	-1.3	-0.6	-0.4	-0.0	-0.1	-0.6	-0.5	0.7	0.5	-0.3	NA
C&J LOANS, BIL. \$	491.5	484.3	476.8	474.6	473.0	469.1	464.0	457.0	455.2	455.5	454.3	452.3	NA
COMMERCIAL PAPER, BIL. \$	545.6	541.4	535.4	531.1	528.5	531.9	535.9	536.8	533.2	539.4	545.7	544.5	NA
INTEREST RATES													
FED FUNDS RATE	5.9	5.8	5.7	5.5	5.2	4.8	4.4	4.0	4.1	4.0	3.7	3.8	3.8
T-BILL, 3-MO.	5.6	5.6	5.3	5.2	5.0	4.6	4.1	3.8	3.8	4.0	3.8	3.6	3.7
T-BOND, 30 YR.	8.5	8.5	8.1	8.0	7.9	7.9	7.7	7.6	7.9	8.0	8.0	7.9	7.8
CORPORATE AAA BONDS	9.0	9.0	8.8	8.6	8.6	8.5	8.3	8.3	8.3	8.4	8.3	8.3	8.2
MORTGAGE COMMITMENT RATE	9.6	9.6	9.2	9.0	8.9	8.7	8.5	8.4	8.8	8.9	8.9	8.7	8.5
STOCK MARKET													
DOW JONES 30 INDUSTRIALS	2967.7	2976.2	3006.1	3010.4	3019.7	2986.1	2958.6	3227.1	3257.3	3247.4	3294.1	3376.8	3337.8
STANDARD & POOR'S 500	378.3	380.2	388.4	387.2	386.9	385.9	388.5	416.1	412.6	407.4	407.4	414.8	408.3

"Document Control"

TYPE: INFORMATION

DOCUMENT NUMBER: 9202161

ORIGINATOR: 02

STATUS C

DIRECTORATE STATUS

FROM: BOSKIN, MICHAEL: EOP, COUNCIL OF ECONOMIC ADVISERS

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 07/30/92

SUBJECT: JUNE HOUSING SALES, COMMERCE DEPARTMENT RELEASE THIS
MORNING.

DIRECTORATE STAFF
ASSIGNED: ASSIGNED:

ACTION STAFF
REQUIRED: ACTION:

SENDER'S DUE DATE:
OSTP DUE DATE: STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT:

COPIES TO: D. Allan Bromley

WHITE HOUSE TRACKING #: CONTACT PERSON:
REMARKS: PHONE: EXT:

OSTP RECEIVED: 08/03/92
FILE: P-EOP-WH

DEPT RECEIVED:

CENTRAL FILES:

WHITE HOUSE STAFFING MEMORANDUM

DATE: 7/30/92 ACTION/CONCURRENCE/COMMENT DUE BY: -----
 CEA NUMBERS -- JUNE HOUSING SALES AND ADVANCE ESTIMATE OF
 SUBJECT: SECOND-QUARTER GDP AND ANNUAL REVISION

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☐	HORNER	☐	☒
SKINNER	☐	☐	MCBRIDE	☐	☒
SCOWCROFT	☐	☒	MOORE	☐	☒
DARMAN	☐	☐	PETERSMEYER	☐	☒
BRADY	☐	☐	PORTER	☐	☒
BROMLEY	☒	☒	PROVOST	☐	☒
CALIO	☐	☒	SMITH	☐	☒
DEMAREST	☐	☒	YEUTTER	☐	☒
FITZWATER	☐	☐		☐	☐
GRAY	☐	☒		☐	☐
HOLIDAY	☐	☒		☐	☐

REMARKS:

For your information.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702



THE CHAIRMAN

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

July 30, 1992

MEMORANDUM FOR WHITE HOUSE SENIOR STAFF

FROM: MICHAEL J. BOSKIN *mjb*

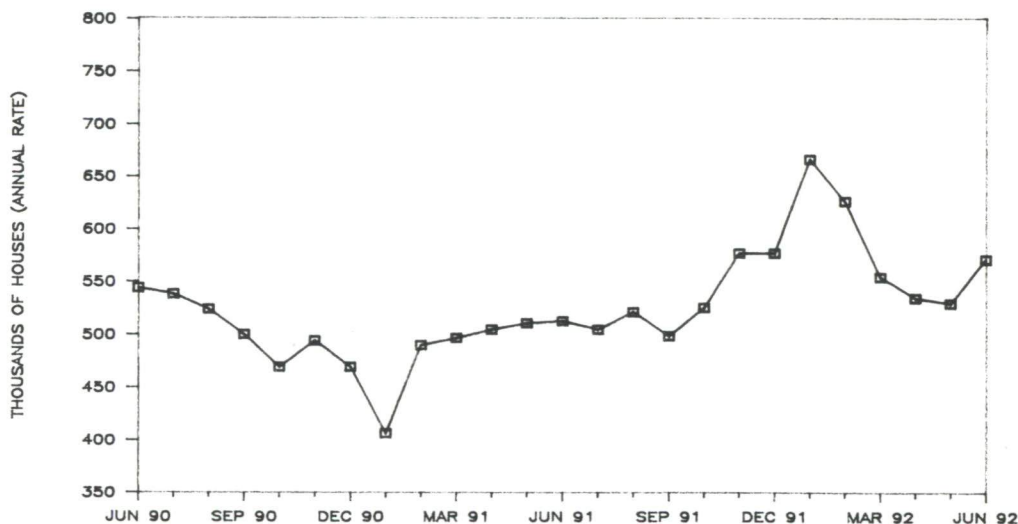
SUBJECT: June Housing Sales, Commerce Department Release,
This Morning, 8:30 a.m.

Sales of new single-family houses rose 7.9 percent in June, to 572,000 units at an annual rate. The rate of sales in May was revised up significantly to show only a 0.9 percent decline from April instead of the 5.6 percent decline reported last month. Private analysts had expected a 523,000 rate of sales in June.

In June, sales of new single-family houses rose strongly in the Northeast and the West, but fell slightly in the Midwest and the South. The average sales price of a new house in June was \$144,000, down from \$145,900 in June 1991.

The graph below shows that the increase in sales in June partly reverses the decline in sales over the previous 4 months. The recent decline in mortgage rates and the accompanying surge in mortgage applications point to an increase in sales in coming months.

NEW ONE-FAMILY HOUSES SOLD





EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

July 30, 1992

THE CHAIRMAN

MEMORANDUM FOR WHITE HOUSE SENIOR STAFF

FROM: MICHAEL J. BOSKIN *MB*

SUBJECT: Advance Estimate of Second-Quarter GDP and Annual Revision, Commerce Department, This Morning, 8:30 a.m.

Real GDP rose 1.4 percent at an annual rate in the second quarter of 1992, according to the advance estimate released by the Department of Commerce. Private analysts expected a 1.8 percent increase. Real GDP increased at a 2.9 percent rate in the first quarter.

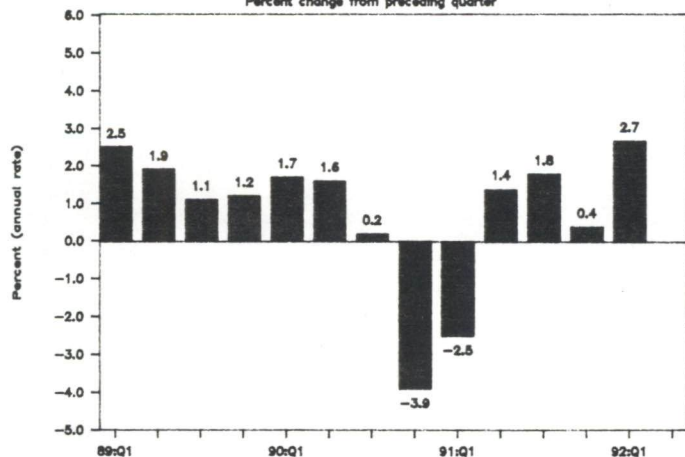
An increase in investment more than accounted for the increase in GDP in the second quarter; consumption spending and net exports declined, and government spending was about flat.

Inflation, as measured by the fixed-weight price index, was 1.6 percent at an annual rate in the second quarter, down from 3.6 percent in the first quarter. The implicit price deflator increased at a 2.4 percent rate in the second quarter.

The release also contained revised estimates of GDP for the first quarter of 1989 through the first quarter of 1992. Real growth during that period was revised down by 0.2 percent at an annual rate. The first graph below shows the previous estimates of real GDP growth and the second graph shows the revised estimates. The revision in the third quarter of 1990 from 0.2 percent to -1.6 percent is noteworthy. Real GDP is now estimated to have declined for three consecutive quarters instead of two. Also, the decline in real GDP during the recession was 2.2 percent instead of the previously estimated 1.6 percent.

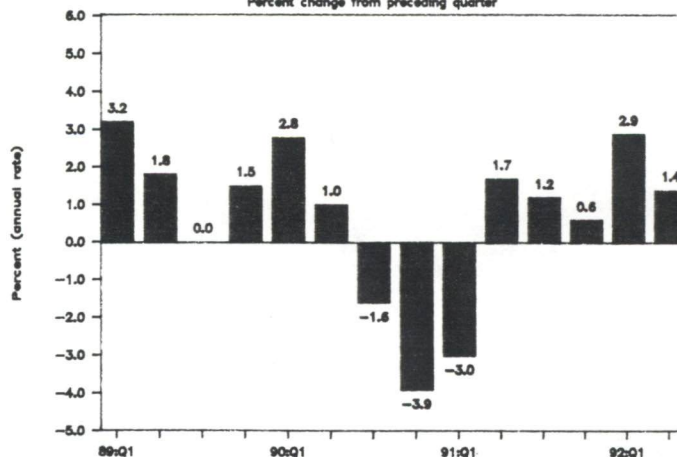
Real GDP--Previously Published

Percent change from preceding quarter



Real GDP--Revised

Percent change from preceding quarter



PLEASE NOTE EMBARGO RESTRICTIONS

ECONOMIC SNAPSHOT FOR THE WEEK OF JULY 27--31

July 30, 1992

Today the Department of Commerce reported that real GDP rose 1.4 percent in the second quarter, a lower rate of growth than the 2.9 percent rate of the first quarter. Commerce also released revised estimates of GDP for the past 3 years; real growth during that period was revised down. The decline in real GDP during the recession was deeper than previously thought. Real GDP fell for three consecutive quarters, for a total decline of 2.2 percent; the previous estimates had shown a 1.6 percent decline over two consecutive quarters. Separately, Commerce reported that sales of new single-family houses rose nearly 8 percent in May--a stronger increase than had been expected.

Earlier in the week, the Department of Labor reported that the employment cost index--a measure of wage and salary and benefits costs--rose 0.8 percent for civilian workers during the second quarter. For private workers, the increase was 0.6 percent. Over the past year, labor costs have outstripped inflation.

On Friday, Commerce will release data on personal income and spending for June. Private analysts expect that income was unchanged in June from May; consumer spending is expected to have increased 0.5 percent.

DATA RELEASED THIS WEEK:

Real GDP rose 1.4 percent at an annual rate in the second quarter of 1992, according to the advance estimate released by the Department of Commerce. Private analysts expected a 1.8 percent increase. Real GDP increased at a 2.9 percent rate in the first quarter. The release also contained revised estimates of GDP for the first quarter of 1989 through the first quarter of 1992. The decline in real GDP during the recession was 2.2 percent instead of the previously estimated 1.6 percent. **(Embargoed until 8:30 a.m., 7-30-92)**

Sales of new single-family houses rose 7.9 percent in June, to 572,000 units at an annual rate. **(Embargoed until 8:30 a.m., 7-30-92)**

The employment cost index for civilian workers rose 0.8 percent during the second quarter.

TO BE RELEASED THIS WEEK:

Release

Personal Income & Spending (June)
(released 7-31-92)

Income

Personal Consumption Expenditures

Median Market Expectation

unchanged

up 0.5 percent

"Document Control for Division of Life Sciences"

TYPE: PRESIDENTIAL PRIORITY DOCUMENT NUMBER: 9202452
ORIGINATOR: 04 STATUS DIRECTORATE STATUS C

FROM: PHILLIP D. BRADY ASSISTANT TO THE PRESIDENT AND STAFF SECRETARY

TO: D. ALLAN BROMLEY

DATE OF
CORRESPONDENCE: 08/22/92

SUBJECT: S.544 -- ANIMAL ENTERPRISE PROTECTION ACT OF 1992

DIRECTORATE STAFF
ASSIGNED: ASSIGNED: D.A. Henderson

ACTION STAFF
REQUIRED: ACTION: FOR YOUR INFORMATION, ONLY

SENDER'S DUE DATE: 08/24/92
OSTP DUE DATE: STAFF DUE DATE 08/24/92
DATE COMPLETED: DATE COMPLETED/DEPT: 08/24/92

COPIES TO:

WHITE HOUSE TRACKING #: 345159 CONTACT PERSON: RICHARD DARMAN
PHONE: EXT:
REMARKS: input by dic

OSTP RECEIVED: DEPT RECEIVED: 08/24/92
FILE: WHITE HOUSE STAFFING MEMORANDUM
CENTRAL FILES:



9262452

Document No. 345159

WHITE HOUSE STAFFING MEMORANDUM

DATE: 08/22/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON Monday 08/24

SUBJECT: S. 544 -- ANIMAL ENTERPRISE PROTECTION ACT OF 1992

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	MOORE	☐	☐
BAKER	☐	☒	MULLINS	☐	☐
SCOWCROFT	☒	☐	PETERSMEYER	☐	☐
DARMAN	☐	☒	PORTER	☒	☐
BRADY	☐	☒	PROVOST	☐	☐
BROMLEY	☐	☒	ROSS	☒	☐
CALIO	☒	☐	SMITH	☐	☐
DEMAREST	☒	☐	TUTWILER	☒	☐
FITZWATER	☐	☒	ZOELLICK	☐	☒
GRAY	☒	☐	CLERK	☐	☒
HOLIDAY	☒	☐		☐	☐
HORNER	☐	☐		☐	☐
MCBRIDE	☐	☐		☐	☐

REMARKS: Please provide any comments directly to this office no later than NOON on Monday, 08/24. Thanks.

RESPONSE:

This is FYI only
No comment.

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

August 21, 1992

2 AUG 21 P5:31

THE DIRECTOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 544 - Animal Enterprise Protection
Act of 1992
Sponsors - Sen. Heflin (D) AL and 33 others

Last Day for Action

August 26, 1992 - Wednesday

Purpose

Establishes Federal penalties for persons who commit certain acts against enterprises using animals, including research facilities, academic and commercial organizations, and competitive or entertainment events.

Agency Recommendations

Office of Management and Budget	Approval
Department of Justice	Approval
Department of Health and Human Services	Approval
Department of Veterans Affairs	Approval
Office of Science and Technology Policy	Approval
National Science Foundation	Approval
Department of Defense	Approval
	(Informally)
Department of Agriculture	No objection
	(Informally)

Discussion

S. 544 is compromise legislation, reflecting four years of negotiations among various committees of Congress and the Administration. Consistent with Administration policy, the bill focuses on organized, major criminal activities and would not displace State and local jurisdiction over less serious crimes.

S. 544 would establish Federal penalties, including fines, for intentionally stealing, damaging, or causing the loss of any property, including animals and records, used by an animal enterprise. An animal enterprise is defined to include: (1) a commercial or academic enterprise using animals for food or fiber production, agriculture, research, or testing; (2) a zoo, aquarium, or circus; and (3) a fair to advance agriculture.

S. 544 would apply to acts that cause economic damage exceeding \$10,000 and to persons crossing State or national boundaries or using the mail or interstate or foreign commerce to commit such acts. Penalties could range from a fine and/or one-year imprisonment for damaging property to life imprisonment if someone is killed. In addition, the bill would provide for restitution to the affected facility "for the reasonable cost of repeating any experimentation that was interrupted or invalidated as a result of the offense"

The enrolled bill would also direct the Departments of Justice and Agriculture to conduct jointly "a study on the extent and effects of domestic and international terrorism on enterprises using animals for food or fiber production, agriculture, research, or testing."

Scoring for the Purpose of Pay-As-You-Go

S. 544 could affect receipts due to a provision of the bill that would impose monetary penalties. Therefore, the bill is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. This Office estimates that the pay-as-you-go effect of the bill is zero.

Agency Views

The Department of Health and Human Services (HHS) recommends approval of S. 544. HHS states that "S. 544 would give the Federal Government needed legal tools to deal with the serious problem of criminal activities directed against animal research facilities, facilities that are largely supported by Federal funds."

The Department of Justice states that "[t]his bill is a substantial improvement over earlier draft versions of the legislation." Therefore, it recommends approval of S. 544.

Conclusion and Recommendations

We join the Departments of HHS and Justice and other interested agencies in recommending approval of S. 544, which passed both Houses of Congress by voice vote.



Richard Darman
Director

Enclosures



U.S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

17 AUG 1992

Honorable Richard G. Darman
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Darman:

In compliance with your request, I have examined a facsimile of the enrolled bill S.544, the "Animal Enterprise Protection Act of 1992." This bill is intended to provide protection to various kinds of "animal enterprises."

The enrolled bill would create Federal criminal sanctions for stealing, damaging, or otherwise causing the loss of property resulting in more than \$10,000 in economic damage to animal enterprises, including research facilities, academic and commercial organizations, and competitive or entertainment events. Greater sanctions would be established for such conduct that results in serious bodily injury or death. The bill also mandates a joint study by the Departments of Justice and Agriculture of the effect of terrorism on enterprises using animals for food or fiber production, agriculture, testing, or research.

This bill is a substantial improvement over earlier versions of the legislation. The Department of Justice therefore recommends Executive approval of the enrolled bill.

Sincerely,

Carl W. Haney, for

W. Lee Rawls
Assistant Attorney General



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

August 19, 1992

The Honorable Richard G. Darman
Director, Office of Management
and Budget
Washington, DC 20503

Dear Mr. Darman:

This is in response to your request for a report on S. 544, an enrolled bill "To protect animal enterprises."

We recommend that the President approve the enrolled bill, because S. 544 would give the Federal Government needed legal tools to deal with the serious problem of criminal activities directed against animal research facilities, facilities that are largely supported by Federal funds.

S. 544 would make it a Federal criminal offense to intentionally cause (or conspire to cause) physical disruption to the functioning of research (and other) enterprises that utilize animals. The enrolled bill would prohibit stealing, damaging, or causing the loss of, any property. The amount of damage would have to exceed \$10,000, but this would include the cost of repeating any interrupted or invalidated experiments. Punishment would include fines and imprisonment for up to one year, increased to up to ten years if there were serious bodily injury, and possible life imprisonment if there were a death. Convicted individuals could be required to pay for any experiments that had to be repeated.

The Federal Government supports biomedical research with over \$9 billion annually and therefore has a major stake in preventing attacks on research facilities. Furthermore, biomedical research cannot be carried out effectively without animals. More importantly, major breakthroughs in vaccine development and treatments for disease could not be achieved without research on animals.

Critical animal research facilities have in recent years become the target of a systematic and organized program of threats, intimidation, and destruction. We have reports of over 75 incidents involving criminal acts, including theft, firebombing, and arson, committed during the past ten years against facilities that use animals. The most serious and far-reaching cost of this activity is the loss of research information in our fight against cancer, heart disease, and other

Page 2 - The Honorable Richard G. Darman

afflictions. Moreover, the potential significant loss of professionals in the biomedical research field due to intimidation is a grave concern.

Some States have passed laws seeking to address this problem. But this is a national problem, involving crucial research funded primarily by Federal, not State, dollars. The Federal Government must have the legal tools to take action in appropriate cases when a major Federal mission is placed in jeopardy.

We therefore recommend that the President sign the enrolled bill.

Sincerely,

A handwritten signature in dark ink, reading "Louis W. Sullivan". The signature is written in a cursive, flowing style with a large initial "L".

Louis W. Sullivan, M.D.



THE SECRETARY OF VETERANS AFFAIRS

WASHINGTON

AUG 14 1992

The Honorable Richard G. Darman
Director, Office of Management
and Budget
Attention: Assistant Director
for Legislative Reference
Washington, D.C. 20503

Dear Mr. Darman:

I am pleased to respond to the request of the Assistant Director for Legislative Reference for the views of the Department of Veterans Affairs (VA) on the enrolled enactment of S. 544, 102nd Congress, the "Animal Enterprise Protection Act of 1992." We support this bill and recommend that the President sign it into law.

S. 544 would add a new section 43 to title 18, United States Code, to make it a criminal offense for an individual to physically disrupt the operation of an animal enterprise causing damages exceeding \$10,000. It would also make it an offense to travel in interstate or foreign commerce, or use the mail, for the purpose of physically disrupting such an enterprise. The bill would provide penalties including both fines and imprisonment, and would authorize orders of restitution. An animal enterprise is defined in the bill to include commercial and academic enterprises using animals for food or fiber production, agriculture, research and testing. It also includes zoos, circuses, fairs, and similar enterprises. Finally, the bill would direct the Attorney General and the Secretary of Agriculture to jointly conduct a study of the effects of domestic and international terrorism on animal enterprises.

The Department of Veterans Affairs conducts research activities in its medical centers throughout the United States. Approximately ninety of those centers contain animal research facilities. Additionally, VA conducts research using animal facilities at many of the universities affiliated with VA medical centers. The Department has experienced incidents involving damage to its animal facilities caused by individuals seeking to disrupt the research efforts. It is our view that this bill would help protect valuable VA assets by deterring such activities.

Sincerely yours,


Edward A. Derwinski

EJD/rrr

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
WASHINGTON, D.C. 20506

August 14, 1992

MEMORANDUM FOR BERNARD H. MARTIN
ASSISTANT DIRECTOR FOR LEGISLATIVE REFERENCE,
OMB

FROM: WILLIAM F. RAUB *William F. Raub*
SUBJECT: **ENROLLED BILL S544:**
ANIMAL RESEARCH FACILITIES PROTECTION

The OSTP endorses both the spirit and letter of this legislation. It addresses a long-standing problem of considerable importance to both biomedical research and the farming industry. This action against terrorism in the name of animal rights merits the support of the Executive Branch.

NATIONAL SCIENCE FOUNDATION

WASHINGTON, D.C. 20550



OFFICE OF THE
DIRECTOR

August 14, 1992

Honorable Richard G. Darman
Director
Office of Management and Budget
Washington DC 20503

Delivered to:
Mr. Robert Pellicci
Legislative Analyst
NEOB Room 7208
(202) 395-7362

Dear Mr. Darman:

This is in response to the request of your agency for the views of the National Science Foundation on S. 544, the "Animal Enterprise Protection Act of 1992." The National Science Foundation strongly supports S. 544 because the enrolled bill will help enable scientists to carry out legitimate basic research using animal models without fear of intimidation and violence. The National Science Foundation recommends that the President sign the enrolled bill.

Thank you for the opportunity to comment on this enrolled bill.

Sincerely,

A handwritten signature in cursive script that reads "Walter E. Massey".
Walter E. Massey
Director

"Document Control"

TYPE: WHITE HOUSE MEMO DOCUMENT NUMBER: 9200482
ORIGINATOR: 02 STATUS I DIRECTORATE STATUS C

FROM: BRADY, Phillip: ASSISTANT TO THE PRESIDENT AND STAFF SECRETARY

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 02/18/92

SUBJECT: RE: PRESIDENT BUSH'S ANSWERS TO THE INDOOR AIR
REVIEW.

DIRECTORATE STAFF
ASSIGNED: ENVIRONMENT ASSIGNED: Nancy Maynard

ACTION STAFF
REQUIRED: REVIEW/COMMENT ACTION: Comment

SENDER'S DUE DATE: 02/20/92
OSTP DUE DATE: 02/20/92 STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT: 02/19/92

COPIES TO: D. Allan Bromley
Damar Hawkins

WHITE HOUSE TRACKING #: CONTACT PERSON:
PHONE: EXT:
REMARKS: PLEASE NOTE: PROVIDE COMMENTS DIRECTLY TO RON KAUFMAN, RM. 130
BY NOON ON 02/20/92. Per NM - OSTP has No Comment; Hard copy
sent to Ron Kauffman & Called in on 2/19/92; Incoming in Files
in Administrative Office; Enviro Files X-REF File 4-A-3; File 5

OSTP RECEIVED: 02/19/92 DEPT RECEIVED: 02/19/92
FILE: P-EOP-WHITE HOUSE MEMO

CENTRAL FILES:



WHITE HOUSE STAFFING MEMORANDUM

DATE: 2/18/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, THURS., FEB. 20

PRESIDENT BUSH'S ANSWERS TO THE INDOOR AIR REVIEW

SUBJECT: OSTP MAIL ROOM

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCBRIDE	☐	☐
SCOWCROFT	☐	☐	MOORE	☐	☒
DARMAN	☒	☐	PETERSMEYER	☒	☐
BRADY	☐	☒	PORTER	☒	☐
BROMLEY	☒	☐	ROGICH	☒	☐
CALIO	☒	☐	ROLLINS	☒	☐
DEMAREST	☒	☐	SMITH	☒	☐
FITZWATER	☐	☒	FINDLAY	☐	☒
GRAY	☒	☐	KAUFMAN	☐	☒
HOLIDAY	☒	☐	DELAND	☒	☐

REMARKS:

Please provide comments on the attached directly to Ron Kaufman, Rm. 130, x6510, with a copy to this office NO LATER THAN NOON, THURSDAY, FEBRUARY 20.
Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

President Bush's Answers To The Indoor Air Review

due 2/24

32 FEB 18 AIO: 35

Question: "Three to five paragraphs from the candidate. . . covering a comprehensive overview of his feelings with regard to indoor air quality."

President Bush's Answer: The condition of our land, water, and air affects the quality of life for each and every one of us. When I took office, I promised to enhance environmental stewardship of our natural resources and to balance environmental protection with the need to sustain jobs and encourage economic growth. The result has been a reinvigorated Environmental Protection Agency, a new Clean Air Act, and the initiation of a number of new programs, such as "Green lights" and the toxic reduction program, to cut pollution levels. And to ensure that environmental issues continue to receive priority from future administrations, I have proposed that Congress create a Department of the Environment to replace the EPA.

I appreciate what the pollution of indoor air can mean in terms of medical costs for people whose health is affected, lost productivity from absence due to illness, and decreased efficiency on the job. The Environmental Protection Agency has determined that exposure to indoor air pollutants can be reduced significantly by implementing sound operation and maintenance practices in office buildings and reducing emissions of volatile organic compounds sometimes released from carpets and floor coverings. Accordingly, I have directed EPA Administrator Reilly to set a high priority on improving the way office buildings are operated. EPA is also continuing its study of the effects of passive tobacco smoke on workers.

But EPA is not the only federal agency I have directed to focus on the indoor air quality issue. The Occupational Safety and Health Administration has established permissible exposure limits for more than 600 air contaminants, including chlorine, carbon monoxide, and nitrogen oxide, which are prominent indoor air contaminants. OSHA Acting Administrator Dottie Strunk and her staff are now reviewing comments received in response to a September 20th OSHA Federal Register notice to determine whether regulatory action is called for to control potential health problems arising from indoor air pollutants. The Consumer Product Safety Commission, the National Institute for Occupational Safety and Health, and the U.S. Department of Energy are also involved in monitoring indoor air quality issues.

The causes and effects of environmental problems are diverse and complex. My administration will continue to work towards finding solutions to problems that threaten our most important resources -- the working men and women of our nation. (Sources: 4/18/91 Bush Message to Congress on Environmental Quality; EPA Indoor Air Facts Background Paper, 12/91; OSHA Information Office background information; answer approved for Manchester Union-Leader.)

on wp file indoocrai

"Document Control"

TYPE: WHITE HOUSE MEMO DOCUMENT NUMBER: 9200481
ORIGINATOR: 02 STATUS I DIRECTORATE STATUS C

FROM: BRADY, Phillip D.: ASSISTANT TO THE PRESIDENT

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 02/18/92

SUBJECT: DRAFT FACT SHEETS ON CLEAN AIR, ENVIRONMENTAL
ENFORCEMENT, FEDERAL FACILITIES MANAGEMENT, AND
MERCHANT MARINE.

DIRECTORATE STAFF
ASSIGNED: ENVIRONMENT ASSIGNED:

ACTION STAFF
REQUIRED: REVIEW/COMMENT ACTION: Comments to Ron Kauffman

SENDER'S DUE DATE: 02/19/92
OSTP DUE DATE: 02/19/92 STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT: 02/19/92

COPIES TO: D. Allan Bromley
Damar Hawkins

WHITE HOUSE TRACKING #: CONTACT PERSON:
PHONE: EXT:
REMARKS: NM- OSTP has No Comment; Forwarded Hard copy to Ron Kauffman On
2/29/92' Incoming in Administrative Files; Enviro: X-REF File 5

OSTP RECEIVED: 02/19/92 DEPT RECEIVED:
FILE: P-EOP-WHITE HOUSE MEMO

CENTRAL FILES:



RECEIVED

WHITE HOUSE STAFFING MEMORANDUM

14 0481

DATE: 2/18/92

ACTION/CONCURRENCE/COMMENT DUE BY: 2/19/92 COB

SUBJECT: DRAFT FACT SHEETS ON CLEAN AIR, ENVIRONMENTAL ENFORCEMENT,
FEDERAL FACILITIES MANAGEMENT, AND MERCHANT MARINEOSTP
MAIL ROOM

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☒	☐
SKINNER	☐	☒	MCBRIDE	☐	☐
SCOWCROFT	☒	☐	MOORE	☒	☐
DARMAN	☒	☐	PETERSMEYER	☒	☐
BRADY	☐	☒	PORTER	☒	☐
BROMLEY	☒	☐	ROGICH	☒	☐
CALIO	☒	☐	ROLLINS	☒	☐
DEMAREST	☒	☐	SMITH	☒	☐
FITZWATER	☐	☒	BOSKIN	☒	☐
GRAY	☒	☐	FINDLAY	☒	☐
HOLIDAY	☒	☐	DELAND	☐	☒

REMARKS:

Please forward your comments directly to this office no later than COB, Wednesday, February 19. Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

The Bush Record on

CLEAN AIR

"I support a reauthorization, correction, and strengthening of our clean air laws--with realistic timetables and tools to get the job done."

-- George Bush

August 31, 1988

President Bush's Clean Air Act proposal of July 1989 provided the leadership to break a 13-year legislative stalemate on clean air amendments. In particular, the President's innovative, market-based approaches were the key to overcoming regional disagreements and enacting a bill addressing urban air quality, auto emissions, acid rain, air toxics, and ozone layer protection--all in a manner that is consistent with long-term economic growth.

Acid Rain

The Bush acid rain plan creates incentives to achieve the desired level of emission reductions at least cost. Each emission source will receive a limited quantity of "allowances" for sulfur dioxide emissions. Sources that emit less than they are allowed can save excess allowances for future use, or they can sell them to others. Since utilities are free to choose compliance strategies, they can be expected to choose the least cost approach. In many cases, a cost-effective emission reduction strategy will mean investments in more efficient technology and conservation, restraining emissions while providing needed supplies of energy at least cost.

Overall, by the year 2000, the program will reduce sulfur dioxide emissions by about 10 million tons below 1980 levels. An overall permanent cap on utility emissions of sulfur dioxides ensures that environmental benefits are not eroded over time.

Urban Air Quality

Almost all major U.S. cities have yet to meet national health-based standards (called NAAQS) for at least one of six key pollutants. The most widespread and intractable pollutant is ozone smog, formed when volatile organic compounds (VOCs) and nitrogen oxides (NOx) react in the presence of sunlight.

For ozone, the Act sorts urban areas into categories according to the severity of their ozone problem. Deadlines for meeting the ozone NAAQS range from 3 years for "marginal" areas to 20 years for "extreme" areas such as Los Angeles. The more severe the air quality problems, the more control measures a nonattainment area is required to implement. State or local governments are responsible for identifying and implementing

additional control measures if the mandated measures do not result in sufficient progress.

Besides the control measures mandated for specific categories, the bill requires EPA to promulgate nationwide regulations designed to reduce emissions of VOCs. In parallel with its ozone provisions, the bill established similar provisions to address carbon monoxide and particulates problems.

Automobile Emissions

The Clean Air Act requires tighter tailpipe standards for all vehicular pollutants beginning with model year 1994, tighter requirements for emissions from gasoline evaporation, and more stringent standards for heavy-duty trucks and buses. Improved inspection and maintenance programs are mandated in the nation's worst smog areas. The bill also calls for improved fuels, requiring cleaner, "reformulated" gasoline in cities with the worst ozone problems, and oxygenated fuels in the winter months in cities with carbon monoxide problems.

In response to the Bush proposal to promote cleaner fuels such as methanol and electricity, the Act requires a clean fuel pilot program in California and the use of clean fuels in large vehicle fleets in 21 of the most polluted areas.

Air Toxics

New regulatory tools address routine and accidental releases of toxic air pollutants--those known or suspected of causing or contributing to serious health problems. The Act lists 189 toxic air pollutants and requires EPA to issue rules over the next ten years covering all major sources. To encourage early emission reductions through pollution prevention programs, the President proposed and Congress approved a provision that allows companies that voluntarily and permanently reduce air toxics in advance of the legislated deadline to postpone installation of costly maximum available control technology.

Ozone Layer Protection

Through the Act, the United States was the first nation to legislate reductions in ozone depleting substances. In February 1992, President Bush unilaterally accelerated the U.S. phaseout deadline to the end of 1995, four years ahead of the deadlines established by the Clean Air Act and international agreements.

Other Provisions

The Act increases the sanctions available for enforcement; authorizes further research on air pollutants, alternative energy sources, and the costs and benefits of the Act's implementation; and it establishes a program to provide temporary income payments, training, and employment services to workers who are terminated or laid off as a result of the Act's implementation.

The Bush Record on

ENVIROMENTAL LAW ENFORCEMENT

"...We will continue to enforce environmental laws firmly and fairly. Our record and our message in this regard is absolutely clear: polluters must pay."

-- President George Bush
April 18, 1991

1991 was the third consecutive record-breaking year for environmental law enforcement. Recent trends include increases in criminal indictments, convictions, fines, and prison sentences (a cost which cannot be passed on to consumers) as well as civil recoveries in terms of penalties, settlements, cost recoveries, and injunctive relief. In parallel, the Administration has taken actions to encourage market-based regulations and voluntary self-auditing and pollution prevention.

Enforcement Record

Each year of the Bush Administration has set new records for environmental enforcement. The enforcement budget in EPA has increased by 72 percent since President Bush took office. Each year since 1989, the Federal government has collected over \$1 billion in administrative, and judicial enforcement actions. Environmental criminals have spent almost twice as much time in prison since 1989 than was spent by all such criminals before 1989. And more than 40 percent of all civil environmental penalties collected in EPA's history were collected since 1989.

At the same time, because of the vast number of potential prosecutions, the Administration issued a policy in 1991 to encourage the voluntary use of environmental audits by companies and to encourage self-monitoring and self-correcting activity by the regulated community. Increased use of market-based environmental rules will also reduce potential prosecutions while achieving maximum environmental benefit at least cost.

Market Incentives

Since 1989, the Administration has established market incentives to cut emissions of sulfur dioxide, ozone depleting substances, and toxic air pollutants. Such mechanisms as tradable pollution allowances and production fees have resulted, for example, in U.S. output of ozone depleting substances being more than 40 percent below the levels allowed by the Clean Air Act and international agreements. These techniques stimulate continuous, cost-effective, innovative environmental protection far more effectively than politically-driven government regulations.

Multimedia Enforcement and Geographic Initiatives

Historically, most enforcement has been "media-specific," focusing on air or land or water in a specific location. Increasingly, the Bush Administration has linked enforcement actions to address emissions sources that adversely impact entire geographic regions. For example, in 1991, the Administration filed 36 judicial and administrative enforcement actions under six different statutes against major sources of lead emissions. In 1990, the Administration charged 26 facilities in the Chesapeake Bay watershed with violations of the Clean Water Act.

Natural Resource Damage Recoveries

A growing enforcement priority is the recovery of natural resource damages for environmental harm. For example, the Exxon Valdez criminal and civil settlement is by far the largest natural resource damages recovery in U.S. history, totaling over \$1 billion. In a PCB contamination case, two companies agreed to reimburse the United States and Massachusetts \$12.6 million for the cleanup of New Bedford Harbor and the resulting natural resource damages.

Superfund

In part due to an emphasis on enforcement, the Administration has tripled the rate of cleanup of Superfund hazardous waste sites and shifted budgetary resources from support activities to actual cleanup. And while the Administration has requested increased funds for this program four years in a row, Congress has cut the President's request each year and has yet to match the President's original request for \$1.74 billion for FY 1990.

International Efforts

An international enforcement strategy is emerging in response to the transboundary nature of environmental issues. In 1991, the United States brought the first criminal prosecutions in the world for violating international rules on the transport of hazardous waste. The Administration also brought the first prosecutions for violation of international agreements to protect the ozone layer. The United States and Mexico have responded to environmental problems along their border by increasing the training of investigative personnel, establishing a compliance tracking system, and forming a working group to focus on enforcement in the region.

The Bush Record on

FEDERAL FACILITIES MANAGEMENT

President Bush is committed to ensuring that the Federal Government and its facilities live up to the same environmental standards that apply to the private sector. Since coming to office, he has signed Executive Orders directing Federal departments and agencies to increase energy efficiency, recycling, and waste reduction. He has tripled funding for the cleanup of wastes at Federal facilities and for bringing them into compliance with applicable environmental laws and regulations.

Energy Management

In April 1991, President Bush signed an Executive Order on Federal Energy management with three elements:

- o Energy use in Federal buildings must be reduced 20 percent below 1985 levels by 2000;
- o Gasoline and diesel use in Federal fleets of 300 or more vehicles must be reduced 10 percent below 1991 levels by 1995;
- o All Federal agencies must procure the maximum practicable number of alternative-fuel vehicles by the end of 1995. The government plans to bring 3,125 alternative-fuel vehicles into its fleet in FY 92 and over 5,000 such vehicles by the end of FY 93.

The goals of the Executive Order go well beyond the requirements of existing laws and will save American taxpayers up to \$800 million in annual energy costs. Federal energy consumption will be cut by the equivalent of up to 100,000 barrels of oil per day.

Waste Reduction and Recycling

In October 1991, President Bush signed an Executive Order requiring each Federal agency to initiate a program to promote cost-effective waste reduction and recycling of reusable materials in its operations and facilities. In accordance with the Resource Conservation and Recovery Act, the Order requires Federal agencies to procure more items made from recycled materials. The Order also establishes a Council on Federal Recycling and Procurement Policy to develop guidelines and help coordinate agency waste reduction and recycling efforts.

Since 1990, the General Services Administration (GSA) has conducted a Federal Recycling Program to harmonize Federal

efforts in source reduction, procurement, and marketing practices.

Department of Energy Facilities

For forty years, the agencies conducting the atomic weapons production activities of the government were not adequately aware or attentive to the environmental consequences of their activities. Whatever the causes, the Bush Administration is determined to reverse this record. In June 1989 the Secretary of Energy issued a 10-point directive resetting priorities so that environment, safety, and health objectives now take precedence over production objectives. The President's budget requests would more than triple DOE cleanup operations from \$1.76 billion in FY 89, to \$4.40 billion in FY 92, to a proposed \$5.53 billion budget for FY 93. DOE has signed compliance agreements with the States and EPA at dozens of sites around the country, and the President's FY 93 request will enable DOE to meet of its legal requirements.

Department of Defense Facilities

The Defense Department continues to make progress in environmental cleanup and compliance. Since 1990, significant advances have been made in planning, compliance, pollution prevention, and restoration. In 1990, the Secretary of Defense issued a directive making environmental protection an essential part of DOD's mission. The President's budgets have increased DOD environmental programs from \$1.15 billion in FY 89 to \$2.76 billion in FY 92, with an additional 35 percent increase sought for FY 93. Activities include efforts to come into compliance with all Federal, State, and local environmental laws, reduce hazardous and solid wastes, improve training, and improve land management on DOD's 25 million acres of land.

Other Facilities

The President's FY 93 budget also includes substantial increases to clean up pollution problems at various facilities owned by the Departments of Defense, Agriculture, Interior, Transportation, and Commerce, and by the National Aeronautics and Space Administration (NASA)

THE BUSH ADMINISTRATION ON THE MERCHANT MARINE

"Sealift is essential both to executing this country's forward defense strategy and to maintaining a wartime economy. The United States' national sealift objective is to ensure that sufficient military and civil maritime resources will be available to meet defense deployment and essential economic requirements in support of our national security strategy."

President Bush
October 5, 1989

"Members of the American merchant marine carry on a long and distinguished tradition of service to our country. In addition to promoting the economic development of the United States through trade and commerce, our merchant seafarers have also provided vital support to our Armed Forces during times of conflict."

President Bush
May 17, 1991

During President Bush's first term, the Administration for the first time successfully activated the Ready Reserve Force in an actual military crisis, underscoring the importance of the U.S.- flag merchant fleet in implementing national sealift policy. In addition, the Administration has eliminated barriers to U.S. carriers in international markets, and encouraged intermodalism between maritime services and other transportation modes. The Bush Administration continues to support the Jones Act which requires that our domestic commerce be carried on U.S. ships crewed by U.S. citizens and built in U.S. shipyards, and to promote adherence to existing cargo preference laws to ensure that American ships transport their fair share of government cargoes.

Maritime and U.S. Economy

The Bush Administration has worked to make certain that the American economy derives the greatest possible benefit from the U.S. merchant marine, by increasing the commercial opportunities available to U.S. operators both domestically and internationally, and by working to ensure that port and intermodal transportation infrastructure are conducive to efficient U.S. waterborne commerce.

OPENING MARKETS

The Bush Administration has aggressively and successfully sought to eliminate barriers to U.S. carriers operating in major shipping markets, including China, Taiwan, Korea, Japan, Brazil and Venezuela. Specific accomplishments have included negotiating an agreement with the People's Republic of China to end restrictions

-2-

on U.S. carriers' offices in China; signing a new equal access agreement with Brazil that will further reduce Brazilian government control of bilateral liner cargo; and obtaining South Korean government commitment to allow U.S.-flag carriers greater access to the South Korean market.

The Administration has worked to strengthen the position of U.S. liner operators by encouraging joint services in the international liner trades through regulatory flexibility. In addition, the Administration has continued to work for the elimination of subsidies and other distortions in the international shipbuilding market through multilateral negotiations.

SEALIFT POLICY

On October 5, 1989, President Bush signed the National Security Sealift Policy, emphasizing the importance of sealift to the country's defense strategy. The policy calls for reliance on the U.S.-owned commercial ocean carrier industry, to the extent it is capable, to provide sealift. This capability will be augmented by reserve fleets comprised of ships with national defense features that are not available in sufficient numbers or types in the U.S.-owned industry. The statement emphasizes that sufficient U.S.-owned resources must be available to meet unilateral requirements in areas not covered by alliance commitments.

OPERATIONS DESERT SHIELD/DESERT STORM/DESERT SORTIE

The Bush Administration relied on the U.S. commercial fleet and other sealift assets in its conduct of the Persian Gulf war. Of the total cargo needed to support Allied forces, approximately 95 percent went by sea. The coalition victory reconfirmed the importance of the American merchant marine in maintaining an adequate and reliable sealift lifeline to support deployed forces.

In the first-ever test in an actual military crisis, the Maritime Administration activated 79 of the 96 ships in the Ready Reserve Force during Operations DESERT SHIELD/DESERT STORM/DESERT SORTIE, demonstrating the effectiveness of the RRF program as a means of meeting surge shipping requirements. Significantly, U.S.-flag vessels carried over 81 percent of the warfighting material and resupply cargoes shipped by sea to the Persian Gulf region through March 10, 1991.

-3-

IMPROVED INTERMODAL CONNECTIONS

It is the Bush Administration's transportation policy to facilitate intermodalism. The Administration and Congress have recognized ports as key access points for the proposed National Highway System. Guidelines are being developed to improve land transportation access to ports. Programs to provide training to local and state departments of transportation are being established to promote improved intermodal connections. The Intermodal Surface Transportation Efficiency Act of 1991, signed by President Bush in December 1991, will help to provide the infrastructure necessary to carry out the policy.

"Document Control"

TYPE: Action Item

DOCUMENT NUMBER: 9200101

ORIGINATOR: 02

STATUS I

DIRECTORATE STATUS I

FROM: ALBRECHT, Mark: NATIONAL SPACE COUNCIL

TO: DAB

DATE OF
CORRESPONDENCE: 01/14/92

SUBJECT: Review draft of Landsat Remote Sensing Strategy.

DIRECTORATE

STAFF

ASSIGNED: PHYSICAL SCIENCES

ASSIGNED:

ACTION

STAFF

REQUIRED: AS NECESSARY

ACTION:

SENDER'S DUE DATE: 01/16/92

OSTP DUE DATE:

STAFF DUE DATE

DATE COMPLETED:

DATE COMPLETED/DEPT: 1/17/92

COPIES TO: Karl Erb

WHITE HOUSE TRACKING #:

CONTACT PERSON:

PHONE:

EXT:

REMARKS:

Allen - Doug + I received approval.
We helped develop the document
called + "emerged" 1/17/92. Karl

OSTP RECEIVED: 01/14/92

DEPT RECEIVED: 01/14/92

FILE: PHYSICAL SCIENCES--SPACE-NSPC-LANDSAT

CENTRAL FILES: *PHYSICAL SCIENCES*



WHITE HOUSE STAFFING MEMORANDUM

DATE 1/14/92 ACTION/CONCURRENCE/COMMENT DUE BY: THURSDAY, 1/16/92 COB

SUBJECT: SPACE POLICY DIRECTIVE - LANDSAT

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCCLURE	☒	☐
SCOWCROFT	☒	☐	PETERSMEYER	☐	☐
DARMAN	☒	☐	PORTER	☒	☐
BRADY	☐	☒	ROGICH	☐	☐
BROMLEY	☒	☐	SMITH	☐	☐
CARD	☐	☒	ALBRECHT	☐	☒
DEMAREST	☒	☐		☐	☐
FITZWATER	☐	☒		☐	☐
GRAY	☒	☐		☐	☐
HOLIDAY	☒	☐		☐	☐

REMARKS:

Please forward your comments directly to Mark Albrecht, Rm. 423, x6175, no later than COB, THURSDAY, JANUARY 16, with a copy to this office. Thank you.

RESPONSE:

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

THE WHITE HOUSE

WASHINGTON

NATIONAL SPACE POLICY DIRECTIVE 5

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE SECRETARY OF DEFENSE
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF ENERGY
CHIEF OF STAFF TO THE PRESIDENT
DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET
THE ASSISTANT TO THE PRESIDENT FOR NATIONAL
SECURITY AFFAIRS
THE ASSISTANT TO THE PRESIDENT FOR SCIENCE
AND TECHNOLOGY POLICY
THE DIRECTOR OF CENTRAL INTELLIGENCE
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION

SUBJECT: Landsat Remote Sensing Strategy

I. Policy Goals

A remote sensing capability such as is currently being provided by Landsat satellites 4 and 5 benefits the civil and national security interests of the United States and makes contributions to the private sector which are in the public interest. For these reasons, the United States government will seek to maintain continuity of Landsat-type data. The U.S. government will:

(a) Provide data which are sufficiently consistent in terms of acquisition geometry, coverage characteristics, and spectral characteristics with previous Landsat data to allow comparisons for change detection and characterization;

(b) Make Landsat data available to meet the needs of national security, global change research, and other federal users; and,

(c) Promote and not preclude private sector commercial opportunities in landsat-type remote sensing.

NATIONAL SPACE COUNCIL
EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20500

January 13, 1992
JAN 13 P4:14

MEMORANDUM FOR PHILLIP D. BRADY

FROM:

MARK J. ALBRECHT

SUBJECT:

Space Policy Directive - Landsat

The National Space Council has completed a review of the Landsat program and prepared a draft directive for consideration by the President. The directive establishes a strategy and assigns agency responsibilities for meeting the President's previously stated objective of maintaining continuity of Landsat-type data. It fully supports national security, global change research, and other federal government needs, while promoting private sector commercial opportunities in landsat-type remote sensing.

All affected agencies (Defense, NASA, Commerce, State, Interior, Agriculture, Transportation, Energy, DCI, JCS, and OMB) have cleared on the proposed directive and it is consistent with the Administration's FY 1993 budget request. The Vice President intends to forward this directive to the President after it has been coordinated within the White House.

1 Attachment

Tab A

Draft Policy Directive

II. Landsat Strategy

a. The Landsat strategy is composed of the following elements:

(1) Ensuring that Landsat satellites 4 and 5 continue to provide data as long as they are technically capable of doing so, or until Landsat 6 becomes operational.

(2) Acquiring a Landsat 7 satellite with the goal of maintaining continuity of Landsat-type data beyond the projected Landsat 6 end-of-life.

(3) Fostering the development of advanced remote sensing technologies, with the goal of reducing the cost and increasing the performance of future and Landsat-type satellites to meet U.S. government needs, and potentially, enabling substantially greater opportunities for commercialization.

(4) Seeking to minimize the cost of Landsat-type data for U.S. government agencies and to provide data for use in global change research in a manner consistent with the Administration's Data Management for Global Change Research Policy Statements.

(5) Limiting U.S. government regulations affecting private sector remote sensing activities to only those required in the interest of national security, foreign policy, and public safety.

(6) Maintaining an archive, within the United States, of existing and future Landsat-type data.

(7) Considering alternatives for maintaining continuity of data beyond Landsat 7.

b. These strategy elements will be implemented within the overall resource and policy guidance provided by the President.

III. Implementing Guidelines

a. The Department of Commerce will:

(1) Complete and launch Landsat 6.

(2) In coordination with OMB, arrange for the continued operation of Landsat satellites 4 and 5 until Landsat 6 becomes operational.

b. The Department of Defense and the National Aeronautics and Space Administration will:

(1) Develop and launch a Landsat 7 satellite of at least equivalent performance to replace Landsat 6 and define alternatives for maintaining data continuity beyond Landsat 7.

(2) Prepare a plan by March 1, 1992, which addresses management and funding responsibilities, operations, data archiving and dissemination, and commercial considerations associated with the Landsat program. This plan will be coordinated with other U.S. government agencies, as appropriate, and reviewed by the National Space Council.

(3) With the support of the Department of Energy and other appropriate agencies, prepare a coordinated technology plan that has as its goals improving the performance and reducing the cost for future Landsat-type remote sensing systems.

c. The Department of the Interior will continue to maintain a national archive of Landsat-type remote sensing data.

d. Affected agencies will identify funds necessary to implement this strategy and include them in agency budgets for fiscal year 1993 and future years.

IV. Reporting Requirements

U.S. government agencies affected by these strategy guidelines are directed to report by March 15, 1992, to the National Space Council on the implementation of this strategy.

"Document Control"

TYPE: WHITE HOUSE STAFFING MEMO DOCUMENT NUMBER: 9200200
ORIGINATOR: 02 STATUS DIRECTORATE STATUS C

FROM: PHILLIP D. BRADY, WH STAFF SECRETARY

TO: D. ALLAN BROMLEY

DATE OF
CORRESPONDENCE: 01/15/92

SUBJECT: PROVIDE COMMENTS ON QS & AS FOR PRESIDENT PREPARED
BY BUSH-QUAYLE '92 CAMPAIGN FOR TRADE MAGAZINES

DIRECTORATE STAFF
ASSIGNED: ASSIGNED: Dr. Wong

ACTION STAFF
REQUIRED: ACTION: C

SENDER'S DUE DATE: 01/15/92
OSTP DUE DATE: STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT: 01/15/92

COPIES TO:

WHITE HOUSE TRACKING #: 299177SS CONTACT PERSON: Dave Carney
PHONE: EXT: 6623
REMARKS: QS & AS FAXED TO DR. WONG IN SAN DIEGO. DR. WONG VETTED HIS
COMMENTS W/KARL ERB. SALLY SHERMAN PUT IN FINAL FORM AND WALKED
ORIGINAL TO DAVE CARNEY W/INFO. COPY TO DAMAR HAWKINS AND PHIL
BRADY. COMMENTS DUE BY COB 01/15/92; OSTP COMMENTS DELIVERED
6:30 PM.

OSTP RECEIVED:
FILE: P-EOP-WH MEMO

DEPT RECEIVED: 01/15/92

CENTRAL FILES:





IT'S NOT MY JOB.
THIS LITTLE SUCKER'S ALL YOURS.

SS
Pls fax to Gene W
& have him fax
suggested edits to
us by the due date -
noon tomorrow.

Thanks
DHT
619 558
1131 (Fax)
558 1500



Document Originally
Attached to
Following Page

WHITE HOUSE STAFFING MEMORANDUM

DATE: 1/15/92 ACTION/CONCURRENCE/COMMENT DUE BY: NOON, THURS., JAN. 16SUBJECT: QUESTIONS FOR TRADE MAGAZINES

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	☐	☒	HORNER	☐	☐
SKINNER	☐	☒	MCCLURE	☐	☐
SCOWCROFT	☒	☐	PETERSMEYER	☐	☐
DARMAN	☒	☐	PORTER	☒	☐
BRADY	☐	☒	ROGICH	☒	☐
BROMLEY	☒	☐	SMITH	☐	☐
CARD	☒	☐	KAUFMAN	☐	☒
DEMAREST	☒	☐	CARNEY	☐	☒
FITZWATER	☐	☒	BOSKIN	☒	☐
GRAY	☒	☐		☐	☐
HOLIDAY	☒	☐		☐	☐

REMARKS:

Please provide comments on the attached directly to Dave Carney, Rm. 170, x6623, with a copy to this office NO LATER THAN NOON, THURSDAY, JANUARY 16.
Thank you.

RESPONSE:

Please see Dr. Bromley's comments, attached.

PHILLIP D. BRADY
Assistant to the President
and Staff Secretary
Ext. 2702

THE WHITE HOUSE

WASHINGTON

January 14, 1992 02 JAN 14 P7:32

MEMORANDUM FOR PHILLIP BRADY

THROUGH: RONALD C. KAUFMAN *RC*
DEPUTY ASSISTANT TO THE PRESIDENT FOR POLITICAL
AFFAIRS

FROM: DAVID M. CARNEY
SPECIAL ASSISTANT TO THE PRESIDENT AND DIRECTOR,
OFFICE OF POLITICAL AFFAIRS

SUBJECT: QUESTIONS FOR TRADE MAGAZINES

Phil, Sig Rogich worked out a compromise to get the questions in writing from the Trade weeklies for tomorrow.

The Bush-Quayle '92 campaign has prepared these answers using talking points from the Office of the Secretary of Commerce.

We would like to get these cleared and forwarded to the trip prior to 1:00 pm tomorrow.

Thank you for your assistance with this matter.

Questions for President Bush at Cabletron, 1/15/92

From "Communications Weekly":

(1) Much of today's commerce is transacted via networks of computers through the public telephone system - today's equivalent of the interstate highway system. What is the proper role of the federal government, if any, in building and maintaining the public telephone network infrastructure?

How do you tell the difference between a wasteful special interest government expense and a vital long-term infrastructure investment?

A: America still has the best telecommunications infrastructure in the world, but in the past government regulations impaired this country's ability to take advantage of new technologies or respond to competitive challenges from abroad. I have directed the Department of Justice to vigorously advocate pro-competitive positions in court actions involving telecommunications. I also support opening up more domestic markets to the regional Bell Operating Companies. Generally speaking, wherever this country has pursued policies that encourage more competition with minimal regulation, the results have been very successful. In long-distance communication and customer premises equipment, for example, we have seen rapid technological innovation coupled with strong competition on price. What I want to do next is to extend those same kinds of policies to the local telecommunications marketplace.

INSERT 2ND PARAGRAPH HERE FOR RESPONSE TO QUESTION (1) (see below):

(2) Millions of people have lost telephone service in the last year or so due to public telephone outages. Such outages have the potential to substantially disrupt commerce. Some congressmen have accused the Federal Communications Commission of being lax in its oversight of telephone companies regarding network reliability. What are your views of the FCC's responsibility in this matter? In other words, where does the government's responsibility to safeguard network reliability stop and the private sector's responsibility begin?

A: The FCC has made a good beginning in addressing those very serious problems. As a general matter, the extent of government's involvement should depend on the alternatives available to customers. In the long-distance sector, for example, the competitive marketplace will punish companies that don't provide adequate reliability to their customers, and customers with a need for ultra-reliable service that can obtain redundant circuits and the like. For local telecommunications, on the other hand, individuals and small businesses may have no viable alternatives to the local telephone company. In this case, it is up to our state and local public service commissions to balance the customers' needs for reliability against the increase in costs that backup systems and other built-in redundancies create. (Source: Commerce, Campaign)

Also, through the Presidential initiative on High Performance Computing and Communications (HPCC), my Administration is fostering the development of pre-competitive, generic technologies needed for the nation's future communications infrastructure.

From "LAN Times":

(1) In 1984, 7 of the top 10 worldwide semiconductor manufacturers were U.S. vendors. Because of illegal dumping of memory chips into the U.S. market in the late '80s by the Japanese, only 2 of the top 10 worldwide semiconductor manufacturers are American companies. This trend has spawned a rash of protectionist measures against Japanese semiconductor manufacturers. Currently, U.S. companies hold a significant lead in the computer networking business. How can the Bush Administration work with foreign governments such as the Japanese to avoid similar protectionist backlash actions from U.S. computer networking vendors?

(A) I met recently with the prime ministers of Singapore, Australia and Japan and the president of South Korea, all important U.S. trading partners. As a result of my negotiations with the Japanese prime minister, I reached an agreement that increases access by U.S. computer suppliers to the Japanese government. I remain committed to ensuring that all U.S. companies which offer competitive products worldwide will have a free and fair trading environment in which to do business. I also believe in enforcing trade laws that prohibit unfair trade and that government should foster a healthy growth of the U.S. infrastructure through the judicious use of macroeconomic tools such as fiscal and tax policies. I support making research and development tax credits permanent and reducing capital gains taxes. But any trade partnership involving the United States must not only be open, but fair. That's the message I conveyed to those leaders. Open discussions - and not protectionism or threatening a trade war - is the right path to improved trade. (Source: Campaign, Commerce)

(2) At the same time, in terms of keeping manufacturing and assembly plants in the U.S., what can the government do to encourage other high-tech companies to achieve the same success as Cabletron?

(A) I believe that the appropriate role for the U.S. government is to foster the healthy growth of the U.S. infrastructure - again, through the judicious use of macroeconomic tools such as fiscal and tax policies. For example, I have proposed a business tax credit for research & development expenses. I also have proposed a reduction in the capital gains tax. Unfortunately, a few powerful members of Congress have kept these important initiatives from becoming law. I plan to continue pressing Congress to act on these initiatives and hope that they will pass this year. These initiatives will help to ensure that U.S. business has a strong domestic base from which to launch its export efforts to the rest of the world. I have directed Ambassador Carla Hills, the U.S. Trade Representative, to work with our trading partners to reduce trade barriers and open foreign markets; this is an equally important part of our effort. (Source: Commerce, Campaign)

Are the references to tax credits for R&D identical? If so, the language should be made consistent. Currently, they read like two different tax credits.

(3) What role, if any, can the U.S. government play to ensure that foreign governments in Europe and Asia abide by software copyright laws - saving millions of dollars?

(A) America is one of the primary producers of software and other intellectual property. The U.S. government must take the lead in negotiating bilateral and multilateral agreements that afford American firms protection against piracy and other forms of theft of this property. At my direction, U.S. trade negotiators have insisted that the protection of software copyrights owned by American firms be included in any new GATT agreement. I am pleased to report that, in the most recent draft of the proposed agreement, software would be granted the highest form of copyright protection. My trade negotiators also are pursuing the protection of software copyrights in the current North American Free Trade Agreement negotiations with Canada and Mexico. And in 1990, as part of our bilateral trade negotiations with Czechoslovakia, Poland and what was then the Soviet Union, my negotiators won concessions that will afford American firms trading with those countries significantly greater protection for their software. There is a lesson here: The U.S. cannot withdraw from the world as some suggest we should do. Rather, we must stay actively engaged in order to promote the best interests of American firms and help thus create more jobs for our citizens. (Source: Campaign)

From "PC Week":

(1) Major US computer companies, including IBM, Apple and Tandy, are threatening to move laptop production offshore because of a 63 percent tariff imposed on active matrix flat panel displays from Japan. What can the Bush Administration do to prevent U.S. manufacturers from moving such jobs offshore?

(A) I am not in the business of intervening in the decisions of individual firms. But I am most certainly in the business of ensuring that firms operating in the U.S. enjoy a healthy economic climate free of excessive regulation. Vice President Quayle's Competitiveness Council has made major strides in eliminating rules and regulations that unnecessarily burden American business. I repeatedly have urged Congress to cut the capital gains tax so that productive investment is rewarded. And in my State of the Union Address I set forth a number of initiatives that will spur the economy and help ensure an economic climate conducive to further growth and investment by American firms. (Source: Campaign)

(2) COCOM has eased some trade restrictions on computer technology But the Department of Defense is pushing to limit the export of RISC technology to former Eastern bloc countries. How far should trade restrictions on computer technology go and what is the Bush Administration doing to encourage trade in Eastern Europe?

(A) The changes taking place in the former Eastern bloc countries

have allowed us to ease restrictions on the export of militarily-significant goods. As these changes take root and our confidence in the fact that they are indeed irreversible grows, I expect to see controls on the export of computer equipment relaxed even more.

It is my belief that U.S. trade and investment can play a major role in supporting political and economic reforms in Eastern Europe. In 1991, I approved a \$45 million, 2-year project carried out by AID, the Commerce Department, the Overseas Private Investment Corporation and the U.S. Trade and Development Program to help those nations get back on their feet. American businesses are teaching their Eastern European counterparts how to compete in such realms as telecommunications, agriculture and energy. And I support this, because it follows the American tradition of helping those who share our goals of freedom and decency. (Presidential Docs)

(3) What steps is the administration planning to take in the future to help U.S. computer and semiconductor makers better compete in Japan and world markets?

INSERT: and encouraging private sector investment in R&D

(A) The same steps I have taken since assuming office: vigorous advocacy of a free and open world trade system. This advocacy takes a variety of forms. In multilateral fora such as GATT and the current negotiations with Mexico and Canada it means staking out positions on intellectual property that ensures American property rights in copyrights and patents is respected by our trading partners. In other cases, such as my recent trip to Japan, it translates into tough one-on-one bargaining to open up markets to U.S. firms. Some have suggested that the U.S. should disengage from the rest of the world. But a Fortress America policy would serve no one's interest - least of all those U.S. computer and semiconductor firms that depend on foreign markets to generate jobs here in the U.S. (Campaign)

ADD NEW PARAGRAPH HERE (see below):

From "Computerworld"

(1) The foundation of American business and culture is becoming increasingly anchored in the electronics medium. To what extent is it appropriate for the federal government to involve itself in policy making to protect the sensitive on-line information companies or individuals and to rule on what constitutes invasion of privacy?

(A) The government has a role to play both in protecting American firms and individuals from electronic spying and in ensuring that in the computer age individuals continue to enjoy a right to privacy. At my direction our intelligence and law enforcement agencies are putting more of their resources into combating electronic spying by foreign governments and foreign competitors of American firms. At home we need to be sure that, unless the circumstances provide a good argument to the contrary, individuals should be told what information is being collected on them, how it is being collected, and to whom it is being disclosed. People

To serve national needs, such as defense, my Administration will continue to invest in basic research and pre-competitive technology development. Such investments will play an important role in strengthening the competitive position of U.S. industry in the world market.

should generally be able to see and obtain copies of records being maintained on them, and they should have an opportunity to correct any misinformation being spread about them, or at least to register their side of the story. Government must balance those concerns against the legitimate needs of law enforcement and the need for business efficiency. Obviously, for example, it wouldn't make sense for the FBI to notify a drug kingpin when preparing to put a tap on his telephone line. (Commerce, Campaign)

(2) Do you see deregulation of the local telephone companies as appropriate for promoting innovative network services that could help the U.S. regain its position as the worldwide telecommunications leader? What are other federal government priorities for beefing up the national telecommunications infrastructure?

(A) I support policies that promote competition between local telephone companies and favor the removal of regulations that unnecessarily restrict the telephone companies' flexibility to meet customer needs. This combination of promoting competition and reducing regulation can provide a potent means of improving our national telecommunications industry. Now government sets rigid rules that limit competition among communications companies and reduces investment in the communications infrastructure. Telephone companies are prohibited from providing cable television service, while cable companies are prohibited from providing telephone service. The largest telephone companies cannot manufacture or even perform research and development that would lead to product improvements, and there are many restrictions limiting the activities of companies involved in various parts of the broadcast television and radio business. I support the removal of such restrictions. (Commerce, Campaign)

"Document Control"

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ORIGINATOR: 02 STATUS C DIRECTORATE STATUS

FROM: SKINNER, Samuel K.: WHITE HOUSE CHIEF OF STAFF

TO: DR. D.A. BROMLEY

DATE OF
CORRESPONDENCE: 01/13/92

SUBJECT: MEMORANDUM REGARDING POLITICAL ACTIVITY.

DIRECTORATE STAFF
ASSIGNED: ASSIGNED:

ACTION STAFF
REQUIRED: ACTION:

SENDER'S DUE DATE:
OSTP DUE DATE: STAFF DUE DATE
DATE COMPLETED: DATE COMPLETED/DEPT:

COPIES TO: D. Allan Bromley
ADMINISTRATION
ALL ASSOCIATE DIRECTORS

WHITE HOUSE TRACKING #: CONTACT PERSON:
REMARKS: PHONE: EXT:

OSTP RECEIVED: 01/14/92 DEPT RECEIVED:
FILE: P-EOP-WHITE HOUSE MEMO
CENTRAL FILES:



THE WHITE HOUSE
WASHINGTON

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January 13, 1992

OSTP
MAIL ROOM

MEMORANDUM FOR ALL COMMISSIONED OFFICERS
PRESIDENTIAL APPOINTEES IN THE EXECUTIVE
OFFICE OF THE PRESIDENT
SENIOR OFFICIALS IN THE OFFICE OF THE
VICE-PRESIDENT

FROM: SAMUEL K. SKINNER *SK*
SUBJECT: Political Activity Memorandum

Most of you already received a copy of the attached memorandum when it was issued in November, but I thought that it would be useful if you had a chance to review it before tomorrow's briefing on political activity during the 1992 campaign.

THE WHITE HOUSE

WASHINGTON

November 27, 1991

MEMORANDUM FOR ALL WHITE HOUSE STAFF

FROM: C. BOYDEN GRAY *mg*
COUNSEL TO THE PRESIDENT

SUBJECT: Political Activity

On October 11, the President authorized the formation of a campaign committee to work on behalf of his re-election. The purpose of this memorandum is to advise you of the legal and policy limitations on your individual political activity on behalf of Bush-Quayle '92.

First, only those employees in the White House who are paid from the appropriations for the White House Office or the Office of the Vice President may engage in political activity. You should check with your supervising officer to ascertain whether you are paid from appropriations of the White House Office or the Office of the Vice President; do not assume that because you have a White House pass you are paid from White House Office appropriations. If you are not paid from appropriations for the White House Office, or the Office of the Vice President, you are subject to the provisions of the Hatch Act and may not engage in any partisan political activities. A general list of permissible and impermissible activities for "hatched" employees is attached to this memorandum. You will be expected to adhere strictly to these guidelines.

Second, you should be aware that Federal law (18 U.S.C. § 603) prohibits any employee of the White House from contributing to the authorized campaign committee of the President, i.e., Bush/Quayle '92.

Finally, the following pages set forth, of necessity, general guidance. The simplest rule to follow, however, is the common-sense instruction that anything that is obviously campaign-related should not be done here, whether or not one could "legally" justify doing it here.

I. HATCH ACT

All Hatch Act prohibitions, discussed below and found at 5 U.S.C. §§ 7321-7327, cover all EOP employees, with exceptions principally for employees:

- (a) paid from the appropriations for the WHO, or from the EOP appropriation item for Special Assistance to the President in Connection with specially Assigned Functions¹ or the Senate appropriation for the Office of the Vice President; or
- (b) appointed to their current positions by the President by and with the advice and consent of the Senate (provided that such officials have nationwide or foreign relations responsibilities, as do all such officials within the EOP); or
- (c) serving as the head or assistant head of an executive or military department.

These exceptions do not extend to other EOP employees. Other employees including Office of Management and Budget (OMB) staff, Office of Policy Development (OPD) staff, and all Schedule Cs and detailees should abide by all by Hatch Act prohibitions.

The restrictions of the Hatch Act are applicable to employees 24 hours a day, seven days a week, regardless of whether they are on annual or sick leave or leave without pay. As long as a covered individual is on the employment rolls of the Government, he or she is subject to the restrictions of the Hatch Act.

Because the limitations of the Hatch Act apply 24 hours a day, a "hatched" employee may not participate in political activity, either on the job or off. That means, for example, that a "hatched" employee may not draft a political speech. Although it is possible for a "hatched" employee to draft a speech concerning Administration issues that may be presented in a political setting, the "hatched" employee may not prepare any material containing statements of political advocacy, nor any materials that will be used exclusively for a political purpose.

Similarly, "hatched" employees may not type or transcribe political speeches; rather, the resources of a political organization should support political undertakings. Very limited ministerial activities, such as the typing of a brief political endorsement in a speech that otherwise deals with official matters or collating the brief political portion with the remainder of the speech are not objectionable under the Hatch Act. Additionally, "hatched" employees may write briefing materials on official Administration activities for use by Administration officials, even when such materials will be included in partisan political statements; however, such

¹ This is the line item for the Vice President's Executive Branch payroll.

employees may not write or prepare any materials that will be used only for political purposes (e.g., materials for the platform of the Republican Party), nor may they prepare any materials that contain statements of political advocacy.

Administration officials should be particularly sensitive to the limitations on "hatched" employees in instances of mixed political and official travel. Where a "hatched" employee accompanies an exempted official on a trip, it remains essential that no political activities be performed by the employee.² The "hatched" support staff of an exempted Administration official may perform their normal clerical and ministerial functions in connection with the political travel and appearances or activities of their principal, provided that the functions they perform are related to their official responsibilities.

"Hatched" employees, however, may not perform tasks that are purely political in nature or which relate solely to their principal's political activities. Logistical arrangements for an exempted official's purely political travel or appearances should be made where possible by the appropriate political organization, but a "hatched" employee customarily involved in such ministerial activities may make limited scheduling arrangements for his or her principal's political travel or appearances. Under no circumstances may a "hatched" employee engage in any of the "management" activities of a political event or work on the activities of a committee (such as the Platform or Rules Committees of a political convention).

For reference purposes, we have attached a practical guide to permissible and impermissible activities under the Hatch Act. However, if you have any questions with respect to these matters, please call the White House Counsel's Office before you act. In addition, you should be aware that the White House Office of Political Affairs (OPA) serves as the official liaison to the political community, including party officials, candidates, and campaign officials and staff. White House staff members exempt from the Hatch Act who desire (as an entirely voluntary matter) to participate in political activities should coordinate their activities with OPA.

II. LIMITS ON POLITICAL ACTIVITIES OF EXEMPT PERSONNEL

Even staff members who are exempted from the Hatch Act's prohibitions on partisan political activities are subject to certain restrictions. For example, the Hatch Act prohibits all Federal employees from using their official authority or

² Because the discharge of official duties is the only basis for a "hatched" employee to be accompanying his or her principal on a political trip, the travel expenses of such an employee must be paid from appropriated funds.

influence for the purpose of interfering with, or affecting, the results of an election. Similarly, appropriations law principles prohibit the use of appropriated funds and government resources for "political purposes."³

We have set forth below guidelines to help ensure that political activities undertaken by exempt personnel are within the limits prescribed by law and White House policy. As the campaign nears, we will provide additional guidance to exempt personnel who have responsibility for developing Administration policies and programs, to help further clarify the bounds of appropriate official and political activity.

USE OF LEAVE

(1) Certain White House staff members are entitled to specific amounts of annual leave. As discussed below, such leave may be used for political purposes; however, one cannot take an "advance" on annual leave to engage in political activities. Those White House staff members not entitled to annual leave (e.g., commissioned officers) may use a ceiling of 15 days per year of compensatory leave (i.e., the equivalent of vacation time) for political purposes.

(2) Non-"hatched" White House staff members must perform their official duties for a minimum of 40 hours per week or 80 hours per two week pay period in order to receive their full Federal salary. If a staff member does not complete 40 hours of official duty in any week, the difference between the number of hours completed and 40 hours must be covered by annual leave, leave without pay, official holidays or made up in the second week of that pay period. The difference cannot be made up in a subsequent pay period.

(3) Those non-"hatched" White House staff members who complete a minimum of 40 hours of official duty during any full week (Monday-Sunday) may be absent from their official duty station for no more than one weekday (Monday-Friday) for the purpose of engaging in political activity without taking annual leave or leave without pay. If a staff member desires to be absent for political purposes for more than one weekday in any week, each additional weekday must be covered by annual leave or leave without pay, regardless of the number of official hours

³ It is important to understand that for purposes of this section, the official responsibilities that customarily have been performed by the Office of Political Affairs constitute "official" and not "political" activities, and the restraints cited here therefore do not in general affect activities and office maintenance or other costs undertaken or incurred in the discharge of such responsibilities.

worked during that week. In other words, it is not permissible for a staff member to put in 40 hours of official duty in the first three days of the week and then take the remaining two weekdays off for campaigning without using annual leave or leave without pay.

(4) Sick leave may not be used to cover an absence from official duty for the purpose of engaging in political activity.

(5) Any White House staff member not subject to the Hatch Act is permitted to take leave without pay to cover absence from official duties for the purpose of engaging in political activity.

(6) When annual leave, compensatory leave or leave without pay is used for political purposes:

(a) Staff members must submit a request for leave, in advance of the leave period, to their White House unit supervisor. Following approval by the supervisor, the request should be forwarded to the White House Personnel Office.

(b) Supervisors must forward to the White House Personnel Office, in advance of a leave period, a report of their intended use of leave for political purposes.

(7) Staff members may only use eight hours of compensatory leave for political activity during any 7-day period without approval of the White House Personnel Office.

USE OF VEHICLES AND MESSENGERS

White House vehicles may not be used for political purposes. This means that White House cars may not be used to transport staff members or materials to or from any political committee office or event. Nor may White House vehicles be used to transport staff members or political materials to airports or any other location if the purpose of the trip is primarily political.

Because of the special requirements surrounding departures and arrivals from Andrews Air Force Base, White House vehicles may be used to transport White House staff members there when they are accompanying the President, Vice President or First Lady on a political trip. Additionally, where the President is participating in a political event in the Washington, D.C. area or other location where White House cars are available for official purposes, White House cars may be used for the Presidential motorcade to the extent essential to the security and support of the President.

White House messengers should not be used to deliver or pick up materials from the RNC, Bush-Quayle '92 or any other political committee.

USE OF COMMUNICATIONS SYSTEMS AND COPYING MACHINES

(1) In those limited circumstances in which Government communication systems (telephone, telegraph, teletype, telecopy or radio) are used for campaign-related purposes, appropriate reimbursement or payment at the "usual and normal charge," 15 C.F.R. § 100.7(a)(1)(B), must be made by a proper political campaign committee.

(2) Because of the need for liaison between a limited number of White House staff members and a political committee, telephones may be used for local calls. However, White House telephones must not be used, even locally, for regular campaign activities such as recruiting volunteers or fundraising.

(3) Government credit cards must not be used for campaign-related or other political calls, whether made from within or without the White House.

(4) Government operators should not be used to place campaign-related or other political long distance calls.

(5) Campaign-related or political long distance telephone calls made from the White House may be made only if charged to a credit card issued by the proper campaign or political committee or on telephones installed and maintained by a political committee for exclusive use in dealing with campaign or political matters.

(6) The incoming WATS System (800 #) should not be used to call into the White House on campaign or political matters.

(7) White House Communications Agency (WHCA) facilities provided outside the White House in connection with travel may continue to be used during mixed and wholly political trips. These facilities must be used exclusively for communications relating to trip planning and arrangements and not for direct political purposes such as campaign fundraising and crowd-building.

(8) Government copying machines may not be used to reproduce materials for transmittal to a campaign or political committee except in those limited instances where there is an official purpose for doing so.

TRAVEL

Government funds must not be used for the political travel of staff members. Principles governing the allocation of travel expenses are set forth elsewhere.

Any political or "mixed" official and political travel by White House staff must be approved in advance by the Deputy Assistant to the President and Director of White House Operations, by the Office of Political Affairs and by the appropriate political committee. No reimbursements will be made for non-approved travel expenses.

MEETINGS IN GOVERNMENT BUILDINGS

(1) Government buildings, including White House offices and meeting rooms, should not be used for meetings or events organized by a campaign or political committee. Informal meetings involving small numbers of campaign or political officials and White House staff members may occasionally be held in a White House staff member's office or, if it is a luncheon or breakfast meeting, in the White House Mess, provided that such meetings do not interfere with the conduct of Government business.

(2) Campaign fundraising activities of any kind are prohibited in or from Government buildings.

(3) Campaign-sponsored or other political activities (receptions, dinners, meetings, but not fundraisers) may be held in the Executive Residence at the White House, provided that either the President, Mrs. Bush, or some other family member attends the event. Campaign or other political events (other than fundraisers) may also be held at the Vice President's Residence so long as the Vice President, Mrs. Quayle, or some other family member attends the event. The cost of campaign or political events at either residence must be paid for by the proper campaign or political committee in accordance with the guidelines that have been established for the use of these residences for nonofficial purposes.

USE OF PHOTOGRAPHS

(1) White House photographers may continue to photograph all Presidential, First Lady, and Vice Presidential activities for the purpose of creating an archival record of this Administration. However, as a general rule, photographs taken by White House photographers at political events may not be used for distribution to individuals attending those events or for any other political or campaign purpose.

(2) Photographs taken at events in the Executive Residence (other than political-sponsored events), at West Wing and East Wing meetings, and at non-political events outside the White House may be distributed as in the past.

(3) A campaign or political committee will be expected to provide a photographer at all campaign and political events for which it desires to distribute photographs to the participants. White House photographers will not photograph receiving lines or greetings at campaign or political events, except to the extent necessary for archival purposes.

(4) A campaign or political committee may purchase for its use photographs taken by White House photographers in those limited circumstances where those photographs provide the only source for a particular picture. All photograph purchase requests from the campaign or political committee must be directed to the Director of the White House Photo Office. A record of all campaign photo requests will be maintained by the Director of the White House Photo Office, who will be responsible for billing the campaign or political committee for all photo orders on a monthly basis at the normal rate and according to the procedures established by the Government for the purchase of pictures.

CORRESPONDENCE

(1) Campaign and political correspondence must not be produced at the White House, nor can White House stationery, stamps or related supplies be used in the preparation of such correspondence at another location.

(2) Federal law prohibits the receipt of campaign contributions in Federal buildings. Occasionally, contributions intended for a campaign committee may be addressed to the White House and delivered with other mail. Such contributions should be handled as they have been handled in the past, by returning the contributions to the sender with an explanation of the applicable Federal law and a statement of the appropriate recipient's address. (Appropriate language may be obtained from the White House Counsel's Office.) There should be no acknowledgement of receipt of a contribution from the White House to the contributor. If the contribution is accompanied by a letter that deals primarily with governmental issues, a response dealing with those issues may be prepared and sent from the White House; however, there must be no reference to the contribution.

CRIMINAL STATUTES

A number of criminal statutes prohibit the use of Federal programs, property, or employment for political purposes. Violation of these criminal statutes is punishable by

imprisonment and/or the payment of a substantial fine. Certain staff members may also be subject to investigation and possible prosecution by an Independent Counsel in connection with alleged violations of these statutes.

Solicitation of Campaign Contributions: Solicitation of campaign contributions from Federal employees is prohibited, as is the solicitation or receipt of contributions in Federal buildings or on Federal property. Unless specifically approved by the White House Counsel's Office and the Office of Political Affairs, no White House staff member shall sign a fundraising letter on behalf of any Federal candidate.

Use of Official Authority: Criminal statutes prohibit any Federal employee, whether or not "hatched," from using his or her "official authority for the purpose of interfering with, or affecting, the nomination or the election of any candidate." While there is no definitive statement by a court or other body of what activities constitute such improper interference with election results, the following types of activities are clearly prohibited:

- One Federal employee directly or indirectly soliciting money from another Federal employee for a campaign contribution, or making a contribution to the official responsible for his or her employment.

- Soliciting or receiving campaign contributions on Federal property or in Federal buildings. This means that fundraising events may not be held in the White House; that no fundraising phone calls or mail may emanate from the White House or any other Federal buildings; and that no campaign contributions may be received at the White House or any other Federal building.

- Soliciting or accepting a campaign contribution or campaign support in exchange for a promise to appoint someone to a Federal job.

- Promising or withholding Federal benefits (jobs, grants, contracts, etc.) based on political support or nonsupport.

- Favoring or penalizing employees or withholding employment in order to induce someone to make a political contribution or otherwise participate in political activity.

Violations of these statutes can of course have serious consequences. If you have any questions about the legality or propriety of a proposed action, I urge you to consult the White House Counsel's Office.

DO'S AND DON'TS ON POLITICAL ACTIVITY FOR STAFF
COVERED BY THE HATCH ACT

DO'S

You may register and vote as you choose in any election. (You may also run for local office in certain exempted communities.)

You may assist in voter registration drives.

You may express your opinion about candidates and issues, privately and publicly, as long as you do not take an active part in partisan political campaigns.

You may participate in campaigns where none of the candidates represents a political party.

You may contribute money to a political organization or attend a political fundraising function.

NOTE: WHETHER OR NOT YOU ARE COVERED BY THE HATCH ACT, YOU MAY NOT CONTRIBUTE TO BUSH-QUAYLE '92 IF THE PRESIDENT OR VICE PRESIDENT IS YOUR "EMPLOYER." CONSULT WITH YOUR GENERAL COUNSEL TO DETERMINE IF THIS RULE APPLIES TO YOU.

You may wear or display political badges, buttons or stickers.

You may attend political rallies and meetings and participate by, for example, waving banners, cheering and demonstrating as a member of the crowd.

DON'TS

You may not campaign for partisan political candidates or political parties or be a candidate for nomination or election to a national or state office.

You may not work to register voters for only one party.

You may not make campaign speeches or engage in other similar activity to elect a partisan candidate.

You may not be a candidate or work in a campaign if any candidate represents a national or state political party.

You may not collect contributions or sell tickets to political fundraising functions or otherwise actively promote such activities as political dinners.

You may not distribute campaign material in a partisan election.

You may not organize, manage or lead political rallies or meetings.

You may attend a political convention (but not as a delegate).

You may join a political club or party.

You may sign petitions, including nominating petitions, but may not initiate them or canvass for signatures, if they are nominating petitions for candidates in partisan elections.

You may campaign for or against referendum questions, constitutional amendments, municipal ordinances, etc., and you may write your Representatives and Senators to say how you think they should vote on a particular issue.

You may not organize or participate in the program of a political convention.

You may not hold office in a political club or party.

You may not circulate nominating petitions.

You may not campaign for or against a candidate or slate of candidates in a partisan election.