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TESTIMONY
PRESENTED BEFORE
THE SENATE BUDGET COMMITTEE
BY
WILLIAM M. DIEFENDEFER, III
DEPUTY DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET
FEBRUARY 20, 1991

Mr. Chairman, Members of the Committee, it is a pleasure to be with you today to outline the general concept and philosophy underlying the President's initiative to turn over a number of Federal programs to the States, consolidating them into a single block grant.

WHAT IT IS:

The general concept of the initiative is straightforward. We will work with State and local governments, and the Congress, to select several Federal grant programs for "turnover." We would then take the money that would have been budgeted at the Federal level for the next five years and convert it into a single block grant, thus providing the States with the ability to manage the funds more flexibly and more efficiently.

The funding for the new block grant would approximate the same distribution to the individual States as they would have received under the present program structure -- seeking to ensure that no State would be harmed by the proposal.

THE WAY IT WOULD WORK:

Some very basic principles guide the way the program would work.

First, the list of federally funded programs must be mutually agreed upon -- by the Administration, the States and localities, and the Congress.

Second, the proposal is not some sort of budgetary gimmick designed to reduce the Federal budget or specific Federal programs. The Administration is committed to funding these programs at the projected levels for the next five years.

Third, the proposal is not revenue sharing. Once the final mix of programs is decided, the States would use the funds provided in the same areas as the original programs, although not necessarily in the same proportions and same ways.

Fourth, as I have mentioned, the proposal will have neither winners nor losers. Once a list of programs has been agreed upon, and a current funding level determined, we will calculate, on a State-by-State basis, what the funding level should be, based on the current distribution of funds in the programs that would be turned over.

Finally, the list of "Potential Block Grant Programs" in the Budget is just that -- "potential." The list, in effect, provides in the 11 suggested programs illustrative examples of what might be turned over. These total more than $21 billion in Federal spending. We are already working with organizations that represent State and local governments to select at least $15 billion in programs for turn over.

WHY DO IT:

The reasons for our proposal are as follows.

- The proposal allows the States and localities to manage a pool of resources more flexibly and efficiently.

- The proposal allows those in the best position to determine the needs of their citizens to be free -- to target and focus Federal assistance in accordance with each of their circumstances and to provide for innovation, as "laboratories of democracy."

This last point is important. As the President suggested in his State of the Union address: "The Federal Government too often treats government programs as if they are of Washington, by Washington, and for Washington." The President urged a more dynamic life cycle: "Some programs should increase. Some programs should decrease. Some should be terminated. And some should be consolidated and turned over to the States."

Another reason for our proposal is the growing number of specific grants to State and local governments. In 1980, there were 428 such programs. That number was reduced to 297 following enactment of ten block grants in 1982. But, by 1990, the number had not only climbed back to where we were a decade ago, but increased even further to more than 450!

Once again, we need to reduce Federal overload. Experience with the block grants enacted in 1981 and 1982 has shown that greater efficiency can be achieved if State agencies have more flexibility in administering programs. As you may know, the General Accounting Office has historically supported the use of block grants as a way to "decongest" the Federal system and provide a clearer focal point for accountability. GAO has found

that the States reported widespread management improvements under the 1981 block grants. These focused on reduced time and effort preparing applications and reports, improved planning and budgeting practices, and better use of staff. The GAO concluded that block grants work, and work well.

Our proposal would also permit reductions in regulation and associated paperwork. The 11 candidate programs on our list are currently subject to 1,028 Federal Register pages of regulation, requiring an estimated 4.2 million hours of paperwork each year. To gauge the opportunity for simplification, one has only to look at the nine block grants established by the Omnibus Budget Reconciliation Act of 1981. The number of Federal Register pages was reduced from 905 to 31, and paperwork was reduced by 5.9 million hours, or 91 percent.

WHY THESE 11 PROGRAMS?:

Let me restate what Director Darman told members of this Committee last week. "Conceptually we are firm. With respect to specific programs, our list is strictly illustrative." Let me give you a sense of why we picked these program as illustrative.

First, in the area of education:

1) Impact aid payments to local educational agencies compensate them when Federal activities result in increased enrollments or losses of local revenue. The impacts are local; the States are in a better position to gauge the need for assistance.

2) Supplemental Educational Opportunity Grants go to post-secondary schools to supplement Pell grants and other student aid. They are "campus based" and not portable. The Budget proposes increases in the Pell grants program and an increase in school matching for the SEOG program from 15 percent to 50 percent. The States are in a better position than we to judge how these dollars might best be allocated.

3) The Chapter 2 Block Grant Program makes formula grants to States and local educational agencies (based on school-aged population) to improve the quality of elementary and secondary education in both public and private schools. Why not let the States determine the best uses of these education funds?

4) Public library programs help libraries; the largest of these programs consists of formula grants to States. If these programs remain Federal, the Budget proposes to limit their use to support of local library literacy

efforts. Again, why not let the States decide how best to help literacy and libraries?

Second, in the area of environmental protection:

1) EPA's construction grants program provides funds to States to build municipal and regional sewage treatment facilities. Since over 90 percent of treated sewage flow is now treated at the secondary level, Congress has proposed a phase out of this program over time. The States are in a better position to judge the remaining needs and allocations.

Third, in the area of health and human services:

1) State welfare administrative expenses are currently reimbursed at varying rates by the Federal Government in connection with the Medicaid, Aid to Families with Dependent Children, and Food Stamp programs. The block grant proposal would permit consolidation of administrative reimbursement, eliminating separate accounting by program.

2) The Social Services Block Grant provides funds to States to support a variety of social welfare programs. Inclusion of this program permits State and local governments to manage their efforts in this and other areas more flexibly.

3) The Low-Income Home Energy Assistance Program provides money to States to help poor families pay their heating bills. Consolidation of this program in the Administration's proposal will allow States to determine the best way to provide supplemental income to poor people.

Fourth, in the area of housing and community development:

1) Five public and subsidized housing programs are included in this proposal. These provide funds to Public Housing Authorities and others to assist low-income housing through rental subsidies, rehabilitation, crime and drug reduction, and management services. These are all local needs, better dealt with at the State and local, not Federal and local, levels.

2) The Community Development Block Grant Program funds housing rehabilitation, economic development, public works and social services through grants to cities and States. These again are matters over which the States will have a better sense than the Federal Government.

And finally, in the area of law enforcement:

1) The Byrne Memorial State and Local Law Enforcement Assistance Program provides formula and discretionary grants to States and local communities for various crime and antidrug programs. Consolidation of these programs would provide greater flexibility to the States in dealing with these problems.

These 11 programs were selected to serve as examples of the kind of programs that should be considered for turnover to the States. The programs all involve State and local responsibilities; most of them are already largely managed at the State and local level. By and large, we felt that these programs provided good examples of Federal activities that could be better managed closer to home.

Again, let me emphasize that the 11 programs or program groups in the Budget were listed primarily as examples of what might, or could be, consolidated. They are not a final list, but rather a starting point for discussions with the Congress, and State and local government. These discussions are under way, and we will be providing details to the Congress in the coming weeks.

CONCLUSION:

This is a serious proposal. We have given it serious thought and consideration. We know you will give it serious thought and consideration. We also know our partners in government, the States and localities, will give it serious thought and consideration.

We have been enormously encouraged by what we have heard so far. The Governors have been strongly supportive of the concept. You have heard from Governor Ashcroft (currently Vice Chairman of the National Governors' Association). State legislators are also supportive. We have received letters from the National Conference of State Legislatures and the American Legislative Exchange Council. We have also heard, among others, from the President of the Louisiana Senate, Samuel Nunez; the former Speaker Pro Tem of the Colorado House, Paul Schauer; and the Minority Leader of the Illinois House, Lee Daniels.

At the same time, we understand the problems presented to us last week by various representatives of local governments regarding the Community Development Block Grant Program. We have asked them to provide us with a proposal in this area that would meet their concerns. We have also heard from mayors who support the full and open discussion of Federal programs that can be administrated at the State and local levels. Among them are the

mayors of Madison, Wisconsin; Modesto, California; and North Charleston, South Carolina.

But, most important, I would urge each of you to attempt to focus the debate on the concept. Then, let's decide where we can agree on specific programs, and move forward to construct a list of programs for turnover that is mutually agreeable and beneficial to all.

One last point. The President's target of at least $15 billion seems a reasonable minimum. It requires a substantial sum to test a new concept. We propose to select the programs, with the advice of the States and localities, and we propose to commit to fund them fully over at least a five year period. Some have suggested that these programs will be vulnerable once lumped into a block grant. I would suggest they will be equally vulnerable if they remain separate in the appropriations process.

We are not proposing to turn over programs of our choosing, and we are not proposing to turn over programs with built-in growth potential down the road and no funding commitment. In this proposal, you get the money when you get the program.

Thank you for allowing me the opportunity to clarify and amplify the Administration's goals and objectives with regard to this "turn-over" initiative.

I will now be happy to take your questions.

STATEMENT OF

GOVERNOR JOHN ASHCROFT

STATE OF MISSOURI

BEFORE THE

BUDGET COMMITTEE

U.S. SENATE

HEARING ON BLOCK GRANTS

FEBRUARY 20, 1991

Mr. Chairman, I am happy to be here today to discuss the block grant proposal submitted in the President's budget. The major points of my statement are as follows:

- First, the nation's governors support the block grant concept and we appreciate the willingness of Congress and the administration' to include us in the design of the block grant.

-Flexibility
-Integrate programs to best advantage in States

- Second, the states have ten years of successful experience administering block grants created from the Omnibus Reconciliation Act of 1981. So we are not embarking on a risky or untried course in working together to fashion yet another.

Uses figures from our testimony on paperwork/regs.

- Third, the National Governors' Association will be ready by the second week of March to recommend programs to be included in the block.

-Administration List illustrative
-Work jointly with NCSL

Gov's. -Not interested in local portion of CBDG
· Need common theme
Priority to eliminating mandates
Programs to be turned over should be national in scope, not just special States

- Fourth, we are anxious to go beyond the block grant concept to build a stronger federal-state partnership.

-Moratorium on mandates

The National Governors' Association has responded positively to President Bush's concept of turning over at least $15 billion in federal programs in a block grant. We believe this would represent another important step in improving the partnership between the federal and state governments. If enacted, a block grant should provide for more effective and efficient program delivery at the state level. My fellow governors and I are particularly pleased that Congress and the

Moratorium on mandates.
Look forward to work with Congress.

administration have reached out to us to build an improved federal-state partnership. Our citizens cannot help but benefit when we work together. In addition to this Senate Budget Committee hearing, members of the House leadership have also indicated there seems to be a desire to work closely with us.

The BLOCK GRANT CONCEPT

This concept is "another important step" in an improved federal-state partnership because it is not the first step and we hope it will not be the last. In the Omnibus Budget Reconciliation Act (OBRA) of 1981, Congress eliminated 59 grant programs and consolidated nearly 80 narrowly focused categorical grant programs into nine broad-based block grants. In the process, more than 600 pages of federal regulations were reduced to less than a dozen. The states now have more than ten years of successful block grant administration. Congress knew then what it recognizes today with the block grant proposal -- that moving decisionmaking closer to the citizens can improve service delivery.

Not only have the previous block grants been successful, but because there is a new premium on integration of services a new block grant would be even more effective today. Problems do not respect agency or program lines. Reducing infant mortality, improving school performance, strengthening families, reducing teenage pregnancy, and improving the quality of our work force all require a range of services that cut across current agency lines. While states recognize the need to better integrate and coordinate services, such efforts are often complicated by the eligibility and programmatic limitations of narrow categorical programs.

There is, for example, a clear consensus that preventing dropouts requires significant changes in school curriculum. However, it may also require programs such as day care for teenage mothers, health and social service programs to reduce teen pregnancy, child protective services to deal with the problems of an abusive parent, drug or alcohol treatment, or part-time employment or some other program to facilitate the transition from school to work. Under current federal grants each of these services is separately authorized, and several of the individual services may be funded from more than one categorical grant. Some are limited by the type of service that can be provided. Others are limited by geographic area, financial eligibility criteria, or the agency that can receive or administer the money.

This fragmentation often means that people do not receive the combination of services they need to overcome their problems. Investments in one area may be largely ineffective due to the lack of critical support from another program or agency. This is a result both of different eligibility criteria, and the barriers that both recipients and service providers must face.

DEVELOPING THE GOVERNORS' RECOMMENDATION

The National Governors' Association plans to submit a block grant proposal to both the Congress and the administration by the second week in March. We plan to work jointly with the National Conference of

State Legislatures to develop the proposal. The Governors' recommendation will follow a set of guidelines that will maximize program efficiency as follows:

- The programs selected should have some degree of commonality in purpose, type of services to be funded, or type of clientele who are eligible for services.

- Programs should be either categorical grants to state governments or project/competitive grant programs where states currently receive the majority of the funds awarded; the Governors are not interested in including grants that are currently targeted to local government.

- Priority should be given to those grants that currently have unduly limiting mandates and overly detailed administrative regulations.

- Programs selected should generally be national in scope and not those that primarily benefit selected states.

There are currently over 475 categorical grants to state and local government - 76 in elementary, secondary and vocational education, 69 in social services and 61 in health care. Clearly there are considerable opportunities to consolidate many of these to increase services to our citizens.

While most Governors respond positively to the concept of a block grant there is also some concern that the grant may be cut over time. If this is the intent then Governors would not support final enactment.

MEDICAID - A FEDERAL STATE PARTNERSHIP

I have shared with you the nation's governors' support for the block grant concept, the successful experiences states have in administering federal block grants, and the timetable for response from the National Governors' Association on a proposed block grant. My last point addresses the Governors' desire to go beyond the block grant concept to improve the federal-state partnership.

In the summer 1989, the National Governors' Association passed a resolution calling for a two-year moratorium on new federal Medicaid mandates. Despite the Governors' united plea, Congress continued to mandate Medicaid expansions. In fiscal year 1990 alone, Medicaid spending by all states increased by 18.4 percent to $61.4 billion and consumed 12 percent of the state budgets. That placed Medicaid second only to education as the biggest expenditures in state budgets. For this year Medicaid is now projected to be up about 25 percent.

The Missouri experience is common to most states. While our general revenue collections have increased an estimated 55 percent in the last six years, Missouri general revenue spending for Medicaid has increased 131 percent in the same time period. Medicaid mandates are outstripping the growth in state revenues. Since the plea to Congress in 1989 for no more new Medicaid mandates so we could implement the

expansions already passed, fourteen more Medicaid mandates have been enacted. The added Medicaid mandates in Fiscal Years 1991 and 1992 alone will require an $111.1 million increase in Missouri general revenue.

While many of these expansion have worthwhile goals, the major and cumulative expense to both state and federal governments poses a significant opportunity cost for states and the nation. There is simple less revenue to spend on education, children, and other state services as health care costs spiral upward. Some of the mandated changes merely shift Medicaid costs to states without providing any additional services.

States are facing the toughest fiscal situation since the 1982 recession. More than 30 states will have deficits if they are not able to reduce spending or increase revenues before the end of fiscal 1991. The National Governors' Association adopted a policy at their meeting in Washington two weeks ago that the governors "should be full partners" in developing national domestic policy to address the nation's immediate concerns and develop blueprints for renewed economic growth and a better quality of life. We think a block grant proposal is one important step in that partnership. An equally important step is a moratorium on any new federal mandates, increases in state matching ratios, and shifting of costs to your already over-burdened partners in the state capitals.

I would be happy to answer questions.

AMERICAN LEGISLATIVE EXCHANGE COUNCIL

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AMERICAN LEGISLATIVE EXCHANGE COUNCIL

"ALEC - Bringing the States and the Nation Together"

The American Legislative Exchange Council (ALEC) was founded in 1973 by a small group of Democratic and Republican state legislators who shared a common commitment to an agenda based on the ***Jeffersonian principles of free markets, limited representative government, individual liberty, and traditional family values.*** More than ever, these precepts remain the central tenet of the American Legislative Exchange Council.

Today, ALEC is the nation's largest bipartisan, voluntary membership organization of state legislators, with more than 2,400 members, representing the 50 states, Puerto Rico and Guam. More than one third of ALEC members hold leadership positions in their legislatures.

ALEC brings the States and the Nation together through conferences meetings, seminars, and publications. It provides a unique opportunity for legislators to communicate across state lines, share experiences and ideas, and work in unison with corporate leaders to create effective public policies. ALEC currently has fifteen standing Task Forces, with members representing both state legislatures and the private sector, addressing issues such as tax and fiscal policy, financial services, energy, education, health care, transportation and the environment.

ALEC's credo is that business can, should, and must be an ally of legislators. To this end, ALEC affords the private sector with an unparalleled opportunity to have their voices heard, their perspectives appreciated, and their interests put before more than 2,400 pro-free enterprise state legislators. The cornerstone of the ALEC program is the forum it provides for the private sector to work in a one-on-one relationship with state legislators to develop public policies that are pro-growth, pro-business, and pro-freedom.

The aim of this synergetic partnership is the development of model legislation which promotes free-enterprise, economic growth and individual liberty. The result is the creation of public policies which will ensure a strong business climate, thus improving American competitiveness in the global marketplace, thereby enhancing freedom and economic independence for all Americans.

ALEC's goal is to ensure that our legislative members are fully prepared and well armed to advance the pro-freedom agenda. To help them achieve their goals, the ALEC Resource Center is available to answer research and information needs. Our expert staff has access to the Resource Center library of over 3,000 reference volumes, periodicals, trade publications, and state capital newsletters, as well as sophisticated electronic data systems (STATE-NET, WESTLAW, Western Union InfoMaster) and ALEC's exclusive network of legislative, private sector, and academic experts.

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

THE DIRECTOR

FOR IMMEDIATE RELEASE
FEBRUARY 4, 1991

Attached are excerpts from the President's State of the Union Message and Budget concerning the proposed turn-over of selected programs to the States.

SINGLE CONSOLIDATED GRANT FOR THE STATES

The President's statement in the State of the Union Address (January 29,1991):

> "The federal government too often treats government programs as if they are of Washington, by Washington, and for Washington. Once established, federal programs seem to become immortal.
>
> "It's time for a more dynamic program life cycle: Some programs should increase. Some should decrease. Some should be terminated. And some should be consolidated and turned over to the states.
>
> "My budget includes a list of programs for potential turnover totalling more than $20 billion. Working with Congress and the governors, I propose we select at least $15 billion in such programs and turn them over to the states in a single consolidated grant -- fully funded -- for flexible management by the states.
>
> "The value of this turnover approach is straightforward. It allows the federal government to reduce overhead. It allows states to manage more flexibly and more efficiently. It moves power and decision-making closer to the people. And it reinforces a theme of this administration: appreciation and encouragement of the innovative powers of 'States as Laboratories.'"

The Director's Introduction to the Budget (February 4, 1991):

> "Some programs should be consolidated and turned over to the States -- funded in more flexible form. Programs appropriate for such turnover may be selected from two broad categories: those whose purposes are judged by States to be of continuing value, but whose relative funding priority at the Federal level is declining; and those which seem, in any case, to be appropriate for flexible management by the States.
>
> "The President has established a target of $15 billion in program turnovers for the States. A list of possible turnover candidates totaling over $20 billion is at Table II-10. The actual selection of programs for turnover would have to be authorized by the Congress -- in consultation with the Administration and the Governors. (After the actual selection is determined, the current distribution of such programs by State would be calculated. The Administration would then propose to replace these programs with a single consolidated block grant to the States. The formula for this new block grant would approximate the same distribution to the individual States as they would receive under the present program structure -- seeking to assure that no State would be harmed by the move to a new, consolidated block grant.) . . .

"The American Federal system has within it an enormous power for innovation: the natural variation and experimentation among the States. For too long, this potential has been under-appreciated at the Federal level. Nonetheless, the reality is that some of the most interesting examples of innovation are being set by the States -- in areas ranging from educational choice, to enterprise zones, to health cost control, welfare reform, and transportation finance.

"The Administration seeks to reenforce this natural power of the States -- and to help build upon it."

Program candidates for potential turn-over (fully funded):

See Table II-10 in the President's Budget for a list of programs that seem to be appropriate candidates for turn-over to the States. This list is provided to start the discussion with the Governors and the Congress. It is understood and expected that Governors and members of Congress may propose a different list. The Administration intends to be flexible in trying to develop a mutually agreeable set of programs for turn-over. The President's target of at least $15 billion of such programs seems a reasonable minimum, however.

NOTE: The set of programs listed at Table II-10 is currently subject to 1,028 Federal Register pages of federal regulation, requiring an estimated 4.2 million hours of paperwork each year.

Table II–10. POTENTIAL BLOCK GRANT PROGRAMS
(In millions of dollars)

Department/Programs	Enacted		Proposed									
	1991		1992		1993		1994		1995		1996	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Education:												
Impact aid payments	781	815	620	695	620	651	620	624	620	620	620	620
Supplemental education opportunity grants	520	404	347	498	347	352	347	347	347	347	347	347
Chapter 2 block grant	449	533	449	465	449	445	449	449	449	449	449	449
Public library services programs	143	155	35	115	35	71	35	35	35	35	35	35
Environmental Protection Agency:												
Construction grants	2,083	2,345	1,900	2,195	1,200	2,062	600	1,883	—	1,482	—	1,025
Health and Human Services:												
State welfare administrative expenses for Medicaid, AFDC, and Food Stamps	5,178	5,167	5,878	5,867	6,453	6,440	7,062	7,048	7,701	7,686	8,366	8,349
Social services block grant	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Low-income home energy assistance program	1,610	1,669	1,025	991	875	796	625	552	475	393	375	287
Housing and Urban Development:												
Selected public and subsidized housing programs	5,512	3,185	4,789	3,805	4,837	4,484	4,897	4,685	4,961	5,036	5,026	4,968
Community development block grants	3,200	3,073	2,920	3,097	2,920	3,061	2,920	2,906	2,920	2,914	2,920	2,915
Justice:												
Byrne Memorial State and local law enforcement assistance program	490	342	490	421	490	475	490	481	490	484	490	491
Total	22,766	20,488	21,253	20,949	21,026	21,657	20,845	21,810	20,798	22,246	21,428	22,286

THE WHITE HOUSE

WASHINGTON

STATE LEGISLATORS SERVING IN THE PERSIAN GULF

(As of 2/19/91)

STATE	LEGISLATOR	SOURCE
✓ Colorado	Rep. Mike Coffman (R)	State Legislators Magazine - Feb. '91
✓ Connecticut	Rep. Chris Burnham (R)	CT Minority Leader's Office/Assoc. Press
✓ Louisiana	Rep. Hunt Downer (D) (At Ft. Polk, LA)	State Government News - Feb. '91
✓ Nevada	Rep. Jim Gibbons (R)	State Government News - Feb. '91
NO Pennsylvania	Rep. Paul McHale (D)	State Legislators Magazine - Feb. '91
✓ South Carolina	Rep. James H. Harrison (R)	SC House Minority Office
NO South Carolina	Sen. Phil Leventis (D)	SC House Minority Office
✓ South Carolina	Sen. Mike Mullinax (D) Stationed at Ft. Jackson	SC House Minority Office
NO Wisconsin	Rep. Stephen Nass (R)	State Government News - Feb. '91

= ALEC Members (Per Me.)

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Moreover, the discoloration of Laczynski's face indicates "the heart was beating" when the terry-cloth ligature was applied, Carver said. Blood trapped in her left hand indicates she was alive when her hands were bound as well, according to Carver.

Evidence from the body also indicates that Laczynski was manually strangled before the terrycloth ligature was applied, Carver added under questioning by prosecutor John Malone.

Her killer also wrapped a black vinyl belt around her neck, but that was loosely placed, Carver said.

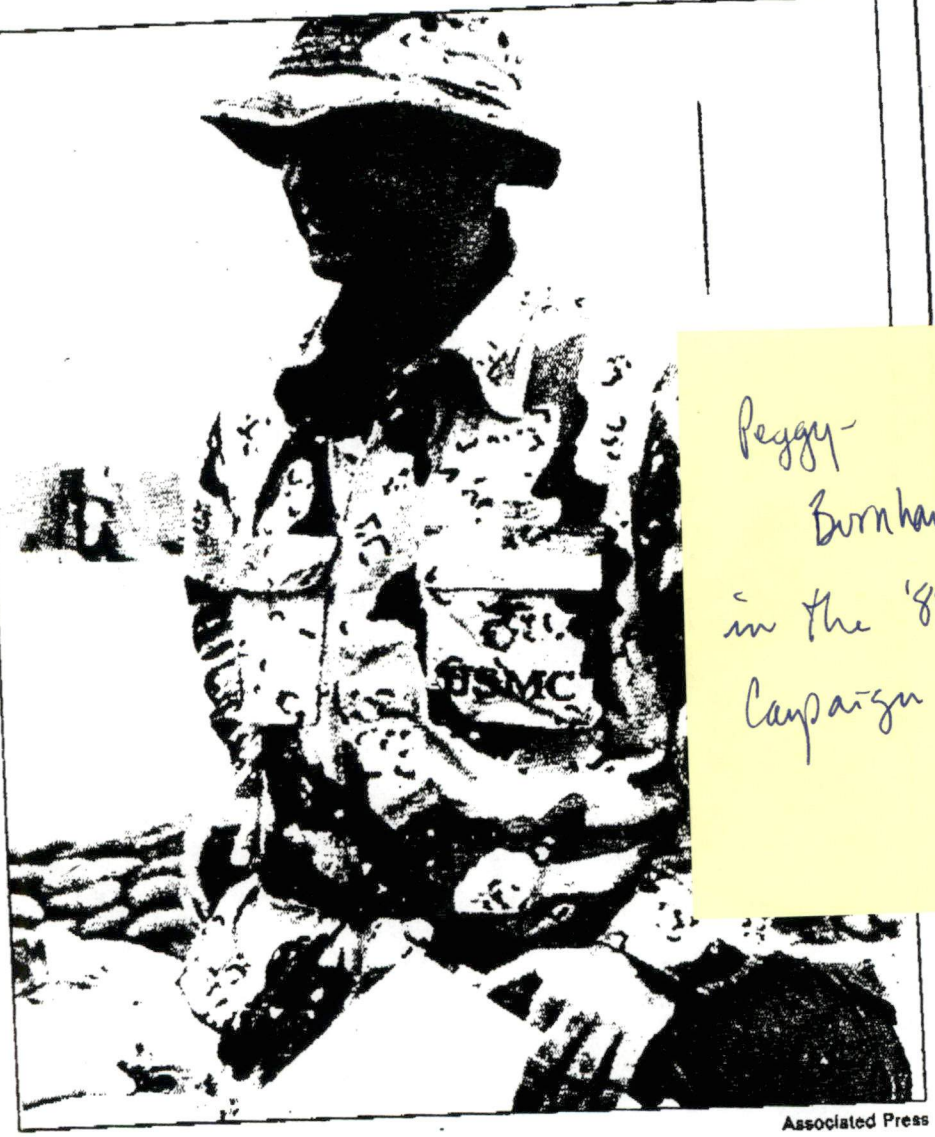
He added that his examination showed no signs of a sexual assault.

Defense lawyer Joseph Moniz was to begin his cross-examination of Carver today.

testified Wednesday, recalling for jurors what she saw in Laczynski's ransacked apartment. She was the first police officer to arrive at the scene.

The apartment appeared "very dark" when she first entered at about 12:30 p.m. on Oct. 5, Rivera testified. A living area's light was off, although the bathroom light was on, Rivera testified. The living area's blinds were shut, she added.

Doreen Hood, the co-worker who found Laczynski's body, testified Monday that Laczynski's apartment lights were on around 6:30 a.m. on Oct. 5. Hood, who lived in the building next to Laczynski's, noticed the lights when she opened the blinds in her own apartment.



Associated Press

On the front line

U.S. Marine Capt. Chris Burnham of Stamford, holds papers certifying that he is a Connecticut State Representative after taking the oath of office for a third term at his station in eastern Saudi Arabia. "I think that this is a call to honor," said the 34-year-old combat reservist, who left his job as a New York investment banker to take part in Operation Desert Shield. "My first oath of office is to the United States, and as such, I'm serving now at the pleasure of the president." Burnham has been in Saudi Arabia just over a week. His commanding officer administered his legislative oath in a brief ceremony Wednesday, the same day other members of the General Assembly were sworn in during ceremonies in Hartford.

hearts, and South played low. [illegible] next led the jack of hearts — obviously with an air of total honesty, since South played low again.

East couldn't stifle a horselaugh as he took four more hearts, and South turned crimson as he went down four.

WRONG PLAY

No reader would be so impolite as to laugh at poor South; still, his play was not merely unlucky, but wrong.

If West has A-x-x of hearts, South must lose three hearts, a diamond and the ace of clubs. If West has A-x of hearts and East has the ace of clubs, South's play looks right at first glance.

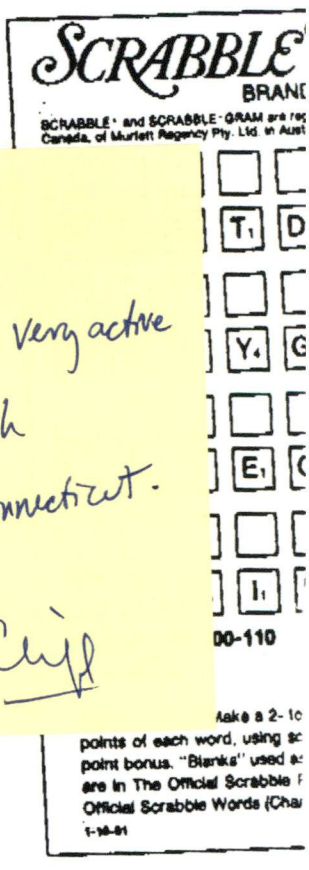
But if West had A-x of hearts and no other high card, he'd surely overtake the first heart with the ace and return his other heart to get out of his partner's way.

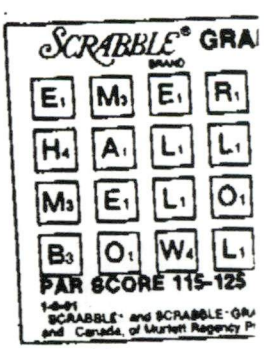
South must therefore courageously play the king of hearts at Trick Four.

Peggy-

Burnham was very active in the '88 Bush Campaign in Connecticut.

Cliff





Active duty for state legislators

State capitols are not immune to the massive call-up of military forces in response to Iraq's invasion of Kuwait.

The mobilization has hit executive and legislative staff in almost every state, and in some instances has reached into the legislative chambers themselves.

Among those called to active duty are Louisiana Speaker Pro Tem H.B. "Hunt" Downer, Nevada Rep. Jim Gibbons and Wisconsin Assemblyman Stephen L. Nass.

Downer, a 15-year veteran of the Louisiana House and an attorney, also is a major with the 256th Infantry Brigade of the Louisiana National Guard and serves with the Judge Advocate General's Office. The unit was called to active duty in December and quartered at Fort Polk near Baton Rouge to await further orders.

While preparing to go on active duty, Downer found time to draft a military service relief act for Louisiana to clarify the legal and employment rights for reservists called up and their families.

Nass was elected to his first term in the Wisconsin House in November. Nass took his oath of office at a special ceremony two weeks ahead of other newly-elected legislators before shipping out to the Persian Gulf.

Nass, a Republican from Whitewater, is a staff sergeant with the 128th Air Refueling Group of the Wisconsin Air National Guard.

Another air national guardsman who has been sent overseas is Rep. Gibbons, a Republican from Reno, Nev. A pilot with Delta Airlines, Lt. Col. Gibbons also serves with the 152nd Tactical Reconnaissance Squadron of the Nevada Air National Guard.



State officials are among those who have been called to active duty. Shown is a sentry on the USS Columbus. Photo courtesy of the US. Navy

Getting tough on deadlines

California lawmakers seeking to ensure that the Legislature approves the next state budget on time — avoiding a repeat of last summer's month-long delay — have proposed changes to prod their colleagues toward that end.

Assemblywoman Jackie Speier introduced legislation in December that would force lawmakers to forfeit $112 in per diem expenses for each day the budget has not passed.

"We had a job to do and we did not do it on time," said Speier. "In a corporate environment we would have lost our jobs. Instead we were paid."

Another proposal by Sen. Quentin Kopp would take away salaries and expenses from the governor and the legislators for every day they fail to meet the budget deadline.

Kopp said in an interview in the Jan. 1 issue of *Cal-Tax News* that the Legislature has been late an average of three weeks during 14 of the last 19 years.

Sen. Alfred Alquist, chair of the Joint Legislative Budget Committee, wants to establish a constitutional revision commission to reform the budgetary approval process.

Alquist said he planned to place the issue before the voters in 1992.

Said Kopp, "Budget problems will worsen until we address the underlying structural constraints that we have placed in the process."

Bills Aim at Fakers Mouthing It on Stage

Legislators in five states – Massachusetts, Michigan, New York, New Jersey and California – have written bills to require concert promoters to advertise conspicuously the fact that a musical artist or group uses recorded vocal tracks during a live show.

The bills appeared just days after the Grammy-award-winning duo Milli Vanilli was forced to surrender their gold prize after news stories reported they did not sing on their album *Girl You Know It's True.*

The five bills are similar; each makes it mandatory for promoters to make clear before a consumer buys a ticket that an act will be lip-synching.

Massachusetts Representatives William Vernon and Kevin Poirier come from districts that house the state's two biggest performing arts venues, Foxboro Stadium and Great Woods Performing Arts Center.

"We thought it appropriate to file legislation to protect consumer rights," says Vernon. "These people shell out substantial sums of money for a ticket. It's really a matter of truth in advertising."

The Massachusetts bill would fine both ticket agents (up to $5,000) and promoters (up to $50,000) who don't tell consumers what's in the act ahead of time. Representative Vernon says he is confident the measure will pass.

New York lip-synch bill sponsor Assemblyman Jerrold Nadler agrees that legislation in his state was necessary.

"Concertgoers spend millions of dollars annually to hear the same music they could listen to at home. This is at the very least fraud, very possibly larceny," he says.

Michigan Senator George Hart agrees: "It's a consumer issue. You pay for a live concert [and wonder if] they are actually singing. There's an aspect of misrepresentation to it."

Cambridge, Mass. concert promoter Don Law thinks the so-called lip-synch bills are unwarranted.

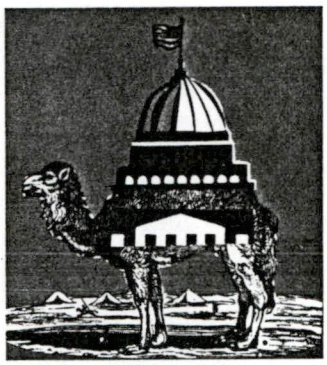
"The marketplace takes care of itself," says the New England buyer of the biggest musical acts on tour. He is opposed to any such legislation mostly because he says the issue is between a legislator and the artist, not the promoter.

"We have no foreknowledge of what the exact act will be before it goes on. It's the artist that's in every case 100 percent, not 90 percent, not 95 percent but 100 percent in control of what he does," Law says.

"You will not find one buyer in America who has any right to adjust a show in any way. You either buy it (the show) or you don't."

Law says his office has received no complaints or refund requests that he knows of from disgruntled consumers. He suggests that legislators who receive complaints should plan to catch the artist for ticket refunds the next time he or she is booked in the area.

Desert Duty Replaces Capitol Duty



Some state legislatures – like police departments, hospitals, bakeries and others – will be operating shorthanded until the crisis in the Persian Gulf is resolved or members who serve in the National Guard are rotated home. The handful of legislators who are in the Gulf should keep an eye on how long their stay is, for if they remain on active duty for more than 180 days, the military may require them to resign their legislative seats.

Representative Paul McHale of West Bethlehem, Pa. is one of a small number of state legislators who are currently stationed in the Saudi Arabian desert rather than in the state capitol. McHale is a major in the Marine Corps reserves and is part of a front line infantry unit. McHale volunteered for Gulf duty in December saying, "I felt that, in light of world events, the proper place for me was on active duty in the Marine Corps."

The Pennsylvania House of Representatives has granted McHale an extended excused absence from the legislature, as the Colorado House of Representatives did for Representative Mike Coffman of Aurora. Coffman, like McHale, is a member of the Marine Corps. Both men have made arrangements for their constituents by asking their senator to handle constituent requests. McHale stated that he will resign his seat if he has to stay in the Gulf for more than six months. "I'm very sensitive to the fact that my constituents are entitled to voting representation in Harrisburg," McHale said before being shipped out. Coffman arranged for a fellow member to carry a bill he was committed to.

In June 1990, the Department of Defense issued a directive that prohibits members on active duty from holding civil office in a federal, state or local government. It also prohibits political activities such as attending partisan political events or raising money for a political cause. According to a Pentagon spokesman, the directive will not apply to state legislators until they have been in the Gulf for six months; then they will have to decide whether they will resign their military commission or their seat in the state house.

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

February 19, 1991

MEMORANDUM:FOR: BILL DIEFENDERFER

FROM: Frank Hodsoll

SUBJECT: Letters/Statements in Support of Block Grant

Attached are copies of letters (or statements) in support of the block grant program (or at least discussion of the concept) from:

- National Conference of State Legislatures
- American Legislative Exchange Council
- Illinois Minority Leader Lee Daniels
- Louisiana Senate President Samuel Nunez
- Former Colorado Speaker Pro Tem Paul Schauer
- Modesto, CA, Mayor Carol Whiteside
- Madison, WI, Mayor Morris Wooden
- North Charleston, SC, Major John Boehne
- Boise, Idaho, Dirk Kempthorne

We expect specific responses on the substance of the proposal from the Mayors and Counties within a week (including CBDG) and from the Governors and State legislatures the second week of March.

Attachments

NATIONAL CONFERENCE OF STATE LEGISLATURES

WASHINOTON OFFICE: 444 NORTH CAPITOL STREET, N W SUITE 500 WASHINOTON, D.C. 20001
202-624-5400 FAX 202-737-1069

JOHN MARTIN
SPEAKER OF THE HOUSE
MAINE
PRESIDENT, NCSL

WILLIAM RUSSELL
CHIEF LEGISLATIVE COUNSEL
VERMONT
STAFF CHAIR, NCSL

WILLIAM POUND
EXECUTIVE DIRECTOR

February 8, 1991

The Honorable John Sununu
Chief of Staff
The White House
Washington, D.C. 20500

Dear Governor Sununu:

Thank you very much for meeting with Assemblyman Jim Tallon and me last Wednesday. We were pleased to learn more about President Bush's block grant proposal and welcome the opportunity to work with you and other members of the White House staff on this critical project.

Following our meeting with you, Assemblyman Tallon and I met by conference call with the other officers of the National Conference of State Legislatures -- Speaker John Martin, Maine; Senator Bud Burke, Kansas; and Representative Art Hamilton, Arizona. All of us are enthusiastic about the concept you outlined to us and the chance it would afford state governments to be more flexible and responsive in dealing with a variety of domestic problems.

During our conference call, we agreed to a process for developing NCSL's response to the President's proposal. On February 22, we will convene the chairs of the standing committees that comprise our State Federal Assembly. They will draft a document that would identify the program we would want included in the package and, most likely, make recommendations about how the grant would be structured. The NCSL officers then will present this document to our full Executive Committee on March 9 in San Francisco. We will also discuss it with state legislative leaders when they convene in Washington, D.C. on March 14. We would be ready, then, anytime after March 14, to meet with you and the governors to reach consensus on the proposal.

We look forward to working with you on this. Please feel free to contact Speaker John Martin or me if you have any questions.

Sincerely,

Lee A. Daniels
House Minority Leader
Illinois
Immediate Past President, NCSL

Mary McClure

9754

AMERICAN LEGISLATIVE EXCHANGE COUNCIL

February 1, 1991

The Honorable George Herbert Walker Bush
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

On behalf of the 2,400 state legislators represented by the American Legislative Exchange Council, we would like to offer our congratulations on your State of the Union address, and our heartfelt support for your courageous stand against the tyranny and brutality of Saddam Hussein and Iraq's unjustified invasion of Kuwait. The courage, vision and strength you have shown in leading the world in this just and noble cause has been inspiring. Please know that our thoughts and prayers are with you and the brave men and women of our military and allied forces who stand in harm's way, ready to make the ultimate sacrifice for freedom and justice.

We also offer our strong endorsement and enthusiastic support for your proposal, in the State of Union address, to consolidate $20 billion of Federal programs and the transfer of their administration, fully funded, to the states. Your commitment to "move power and decision-making closer to the people" is an affirmation of the fundamental principles of American representative government established by our Founding Fathers. The membership of the American Legislative Exchange Council, who are both in spirit and action the ideal of the "citizen legislator," is firmly committed to government as Lincoln envisioned it, "of the people, by the people, and for the people," not, as you accurately described it, "of Washington, by Washington and for Washington."

Our experience has been that "the innovative power of 'states as laboratories'" has often gone unnoticed. Yet trace the history of many Federal initiatives, such as parental choice in education, workfare programs, and individual medical accounts, and the path leads to state and local governments, the private sector, volunteer groups and individual citizens. Therefore, states are also "laboratories of democracy", forging dynamic partnerships between citizens and their government for the improvement of their communities. By strengthening government at the state and local levels we can best harness the talents, creativity and energy of our citizens to challenge and conquer the problems plaguing the nation.

We also applaud your commitment to policies, such as parental choice in education, tenant ownership and management of public housing, and Enterprise Zones to promote investment and create jobs in

our inner cities, which empower people, not government, to improve their lives. In order for America to remain vibrant we must sustain the basic American ideals of individual responsibility, self-determination and equal opportunity. Government can offer a helping hand, but it should not be in the form of the invisible shackles of a welfare plantation. Independence is nurtured only by ensuring that individuals have the economic opportunities and personal freedom they need to succeed. The truth remains that the best department of health, education and welfare is the American family.

Mr. President, you have led the world into action against the evil aggression of Saddam Hussein. After Kuwait is liberated, you will be in the position to lead the nation into a new era of economic opportunity and freedom. We offer our support to help build a national consensus for policies that foster free enterprise, empower individuals and families to achieve independence, and promote democracy both here and abroad.

God Bless you, and God Bless the United States of America.

Sincerely,

Ellen R. Sauerbrey

Samuel A. Brunelli

Delegate Ellen R. Sauerbrey
Maryland House of Delegates
National Chairman

Sam A. Brunelli
Executive Director

AMERICAN LEGISLATIVE EXCHANGE COUNCIL

News Release

214 Massachusetts Ave., NE, Suite 400
Washington, D.C. 20002 (202) 547-4646

ALEC ENDORSES PRESIDENT BUSH'S PLEDGE OF $20 BILLION TO THE STATES

February 1, 1991-Washington D.C.

On behalf of the 2,400 state legislators it represents nationwide, the American Legislative Exchange Council (ALEC) offered its "strong endorsement and enthusiastic support" for President Bush's proposal to "turnover" $20 billion in Federal programs to the states. ALEC also applauded President Bush for his adoption of policies that would "empower people" to improve their lives.

In a letter from Delegate Ellen R. Sauerbrey (MD-10), National Chairman, and Executive Director Sam A. Brunelli, the ALEC membership offered the President their support "to build a national consensus for policies that foster free enterprise, empower individuals and families to achieve independence, and promote democracy both here and abroad." The letter also offered the President "our heartfelt support for your courageous stand against the tyranny and brutality of Saddam Hussein and Iraq's unjustified invasion of Kuwait."

The letter noted that the success of "'states as laboratories' has often gone unnoticed", and that many of the programs which have been proposed at the national level began as efforts by "state and local governments, the private sector, volunteer groups and individual citizens," citing parental choice in education, workfare programs, and individual medical accounts as examples. The letter added that "states are 'laboratories of democracy', forging dynamic partnerships between citizens and their government" providing the best opportunity to "harness the talents, creativity and energy of our citizens.

In releasing the letter Delegate Sauerbrey said "Though some are saying that the President gave the domestic agenda short shrift, his proposal to turn over the management of Federal programs to the states is an important initiative. Congress has a tendency to fight any move to give states and localities any authority, though I hope in this case they recognize the wisdom of the President's proposal."

For further information contact: Noel Card (202) 547-4646

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THE WHITE HOUSE

WASHINGTON

February 19, 1991

MEMORANDUM TO: FRANK HODSOLL
Executive Associate Director and
Chief Financial Officer, OMB

FROM: MARY McCLURE
Special Assistant to the President
for Intergovernmental Affairs

SUBJECT: SENATE BUDGET COMMITTEE HEARING

Deb Anderson asked me last Friday to accumulate some quotes from state legislators for use in testimony to be given by William Diefenderfer at tomorrow's Senate Budget Committee hearing regarding the $15 billion block grant turnover proposal.

Accordingly, I have obtained the following remarks:

Representative Lee Daniels (R-IL), Minority Leader --

"You may say whatever would be helpful to you and attribute it to me. I totally endorse the concept without reservation. I've suggested we do a similar thing here in Illinois for local government. In fact, Governor Edgar in his State of the State message referred to the President's proposal and said we should do the same and get rid of existing state mandates. If we can give local governments similar flexibility with state programs, the concept will work for them too."

Senator Samuel Nunez (D-LA), Senate President --

"It's an idea that NCSL has always supported. We believe the President is right on in helping out state and local governments in this way. It's one (an idea) we should take advantage of to its fullest potential. It comes at a time when revenues are particularly needed by state and local governments, and it will be of tremendous assistance."

Rep. ~~Senator~~ Paul Schauer (R-CO), ~~Majority Leader~~ -- former Speaker Pro Tem

He faxed a statement to Donna Rivelli and I am currently waiting for Donna to fax it to me to give to you.



State Representative
PAUL D SCHAUER
7855 S. Jackson Court
Littleton, Colorado 80122
Home: 770-3872
Business: 744-0636
Capitol: 866-2935

COLORADO
HOUSE OF REPRESENTATIVES
STATE CAPITOL
DENVER
80203

SPEAKER PRO TEM
Chairman
Finance Committee

February 18, 1991

The Honorable Tim Wirth
350 Russell Senate Building
Washington, D.C. 20510

Dear Senator Wirth:

The purpose of this letter is to express my, and a number of my colleagues, support for the President's proposal to provide states with a fifteen to twenty billion dollar consolidated grant to fund a number of programs.

It is my understanding that the list of particular grant programs to be included has not been finalized, and of course support of the final proposal will depend on the compriseal of the grants.

It is also my understanding that on Wednesday the Senate Budget Committee will be holding discussions on the President's proposal. It is my hope that this will be the beginning of the discussion and not an attempt to destroy the cooperative effort.

As one looks to the future, this effort could ultimately lead to ongoing discussions on how to most efficiently provide our constituents with the necessary services.

I look forward to working with you on this proposal. As a member of the National Conference of State Legislature's Executive Committee, I want to apprise you of the fact that NCSL is currently developing a response to the President's proposal; unfortunately, it will not be ready until after the March 9th Executive Committee Meeting.

I hope you will support the efforts of the President, and include state legislatures in the process.

Looking forward to your correspondence.

Sincerely,

Paul D. Schauer

PDS/jr

cc: Frank Hodsoll, Executive Associate Director, OMB
Marv McClure, ACIR



CITY of MODESTO

Carol G. Whiteside, Mayor:
(209) 577-5230

801 11th Street, P. O. Box 642, Modesto, CA 95353
[TDD (209) 526-9211 Hearing and Speech Impaired only]

February 19, 1991

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

Dear President Bush:

This is one of the most challenging years faced by this country in its history. Notwithstanding the crisis in the Persian Gulf, there are other issues here at home which must be addressed.

In light of the very real deficit crisis facing us, I believe we must look at new ways of getting limited funds to the people they are intended to serve.

While I join with the mayors who insist that Community Development Block Grant funds must continue to be directly dispersed to cities and towns across this country, I also believe that the people of one nation's cities will best be served by a full and open discussion of programs which might better be allocated through the states.

Unnecessary mandates, federal rules and requirements have long been the bone of our existence. Tenaciously clinging to the status quo will only give us what we had yesterday. In a changing world, yesterday's formula is not good enough. I would welcome any process which allowed the cities and counties, mayors and supervisors to sit down with state legislators, governors, and Congress to explore new realities. Our shared commitment to do the best we can for the people we represent requires that we deal openly and honestly with the issues that confront us. Divisive power, partisian politics of the past are no longer the solution.

Thank you for your leadership. Regardless of the outcome of this political debate, the issues must be aired and the structure must be evaluated. Through this process of debate and discussion, I believe, will eventually come the public policy solutions we all seek.

Sincerely,

Carol G. Whiteside

Carol G. Whiteside
Mayor

CGW:jr
cc: Governor John Sununu, President's Chief of Staff
Debra Anderson, Deputy Assistant to the President and Director of Intergovernmental Affairs
William Canary, Special Assistant to the President for Intergovernmental Affairs

Morris Wooden
MAYOR



416 WEST STREET
MADISON INDIANA 47250
(812) 265-8700

City of Madison

OFFICE OF THE MAYOR

February 6, 1991

President George Bush
White House
Washington, D.C. 20510

Dear President Bush:

I have been a supporter of yours since before the presidency of Ronald Reagan. I am exceptionally happy with the direction that you have led our nation. In your State of the Union address, I feel that you are moving toward de-centralization of the federal government relative to social needs.

Being a product of the 60's I understand the good hearted intentions of letting big government take care of the poor and underprivileged. However, as Mayor, I have seen millions of dollars of waste in Jefferson County, Indiana (30,000 population) in housing, employment and training and other programs. The federal bureaucracy has become cancerous and non-productive. Your program to replace the authority of the federal bureaucracy with state bureaucracies needs to move one step further. The monies need to be directed to each county and city of a significant size within that county.

The federal government should determine the uses for these monies but allow each of the local units of government to establish the program to satisfy its needs. It is the local elected official's office that is the closest to the people. We are the ones that receive the calls at night because of hungry children and the visitations to our office of the unemployed. We are also easily replaced during an election if the needs of our people aren't met. Big government has done a very poor job in replacing the private business and charity sectors in our society. Local government needs the flexibilitity to work with these entities, backed by whatever federal funds are available, in order to satisfy the basic needs of our community.

I am a 42 year old conservative Republican Mayor, elected in a normally Democratic city. I have owned my own business and have an M.B.A.

strong points are determining goals and needs, and developing and implementing programs to achieve those goals or satisfy those needs. I am also an excellent negotiator and coordinator. I would like to be very instrumental with the plans to return the authority and responsibility of social needs back to local government.

Good luck in the remainder of your first term in office. You can count on my support for a second term.

Sincerely,

Morris Wooden

Morris Wooden
Mayor
City of Madison

MW/ll

P.S. We have organized a parade February 9th at 12:00 noon in support of our military in the Middle East.

CC: U.S. Senator Richard G. Lugar
U.S. Senator Dan Coats

City of North Charleston
SOUTH CAROLINA
OFFICE OF THE MAYOR

JOHN E. BOURNE, JR
Mayor

February 19, 1991

The Honorable George Bush
President of the United States
The White House
Washington, DC 20500

Dear President Bush:

I am aware of the concerns expressed by local government representatives about returning control of key urban aid programs to the state level. It has been frustrating to see very few of the Federal anti-drug dollars make it to the cities at all. The City of North Charleston is an entitlement City under the CDBG program, and I certainly would not like to see anything happen to affect this very important City program. My City has used virtually all of the funds available to it over the years in the poorest areas of our City and has made meaningful improvements. I would certainly hope that nothing happens to interfere with the City's entitlement portion of CDBG funds.

I want to express my support for exploring all of the various options available in fair and open discussions with local, State and Federal representatives. I very much appreciate your including our local government officials in previous discussions as well as future discussions.

Sincerely,

John E. Bourne, Jr.
Mayor

JEBjr/smr

cc: Governor John Sununu
Debra Anderson
Bill Canary
Bob Isaacs
Bill Althaus
Tom Cochran

Post Office Box 10100 • North Charleston, S.C. 29411 • Telephone (803) 554-5700 • Fax (803) 745-1095

OFFICE OF THE MAYOR
DIRK A. KEMPTHORNE
MAYOR

BOISE
CITY OF TREES

COUNCIL MEMBERS
MIKE WETHERELL
COUNCIL PRESIDENT
SARA BAKER
COUNCIL PRO-TEM
DON BRENNAN
H. BRENT COLES
KARMEN LARSON
JAY L. WEBB

February 19, 1991

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

Dear President Bush:

As the United States Senate prepares to take up the issue of transferring $15 billion in federal programs to the states for more direct administration, I believe it is critical to include a frank discussion of this proposal with U.S. Mayors, because that is where these programs are being administered with success.

In Idaho, particularly in the capital city of Boise, we have enjoyed a strong working partnership between the Federal government and local municipalities, particularily in the Community Development Block Grant program.

It is crucial that we not damage programs that are working, and in my opinion, working well. However, I am willing to keep an open mind and not commit myself to any outcome until all sides of this issue are debated, and I will certainly encourage my fellow Mayors to do the same.

As co-chair of the U.S. Conference of Mayors' Community Development Task Force, I am committed to the well-being of the Block Grant Program and other federal-local partnerships, and to the extent that I may be of assistance to you, I am willing to serve. Please contact me if I can assist you in any way in this important issue.

Sincerely,

Dirk Kempthorne
Mayor

DK/bw

CC: John Sununu, Chief of Staff to the President
Debra Anderson, Deputy Assistant to the President and Director of the Office of Intergovernmental Affairs
William Canary, Special Assistant to the President for Intergovernmental Affairs

For this is a fact: Strength in the pursuit of peace is no vice; and isolationism in the pursuit of security is no virtue.

Now to our troubles at home. They are not all economic, but the primary problem is our economy. There are some good signs: Inflation, that thief, is down; and interest rates are down. But unemployment is too high, some industries are in trouble, and growth is not what it should be.

Let me tell you right from the start and right from the heart: I know we're in hard times, but I know something else: This will not stand.

We can bring the same unity, courage and sense of common purpose to the economy that we brought to Desert Storm. And we can defeat hard times together.

I believe you will help. One reason is that you're patriots, and you want the best for your country. And I believe that in your hearts you want to put partisanship aside and get the job done -- because it's the right thing to do.

The power of America rests in a stirring but simple idea: That people will do great things if you only set them free.

Well, we're going to set the economy free, for if this age of miracles and wonders has taught us anything it's that If we can change the world, we can change America.

We must encourage investment. We must make it more possible for people to invest money and time and create new products, new industries, new jobs. We must clear away the obstacles to growth

-- high taxes, high regulation, red tape, and yes, government deficits.

None of this will happen with a snap of the fingers -- but it will happen. And the test of a plan isn't whether it's called new or dazzling. The American people aren't impressed by gimmicks; they're smarter on this score than all of us in this room. The only test of a plan is: Is it sound and will it work?

We must have a short term plan to address our immediate needs -- and heat up the economy. And we need a long term plan to keep the combustion going, and to guarantee our place in the global economy of the future.

There are certain things that a President can do without Congress -- And I am going to do them.

I have this evening instructed every cabinet department and federal agency to institute a 90 day freeze on any new federal regulations that could hinder growth. In those 90 days all departments and agencies will carry out a crash review on all regulations, old and new -- to stop the ones that will hurt growth, and speed up those that will help growth.

Further, for the untold number of hard working, responsible American workers and businessmen and -women who've been forced to go without needed bank loans: The banking credit crunch must end. I won't neglect my responsibility for sound regulations that serve the public good, but regulatory overkill must be stopped.

I have instructed our government regulators to stop it.

I have directed every cabinet department, and every federal agency, to speed up pro-growth expenditures as quickly as possible. This should put an extra 10 billion dollars into the economy in the next 6 months. And our new transportation bill will put 151 billion dollars in six years into construction and maintenance projects that are vital to our growth and well being. That means jobs building roads, bridges, and mass transit.

I have this evening directed the Secretary of the Treasury to change the federal tax withholding tables. With this change, millions of Americans from whom the government withholds more than necessary can now choose to have the government withhold less from their paychecks. Something tells me a number of taxpayers may take us up on this. This initiative could return about $25 billion back into our economy over the next 12 months -- money people can use to help pay for clothing, college, or to get a new car.

Finally, working with the Chairman of the Federal Reserve, we will continue to support monetary policy that keeps both interest rates and inflation down.

These are the things I can do. And now, members of the Congress, let me tell you what you can do for your country. You you must pass the other elements of my plan to meet our immediate economic needs.

Everyone knows that investment spurs recovery.

I am proposing this evening a change in the alternative minimum tax, and the creation of a new 15% investment tax

allowance. This will encourage businesses to accelerate investment and bring people back to work.

Real estate has led our economy out of almost every recession we've ever had. Once building starts, carpenters and plumbers work and people buy homes and take out mortgages.

My plan would encourage real estate construction by extending tax incentives for mortgage revenue bonds and low income housing. And it would modify the Passive Loss Rule for active real estate investors.

For those Americans who dream of buying a first home, but who can't quite afford it, my plan would allow first time home buyers to withdraw savings from IRA's without penalty -- and provide a $5,000 tax credit for the first purchase of any home.

And finally, my short term plan calls on Congress to give crucial help to people who own a home, to everyone who has a business, or a farm, or a single investment -- including a pension plan.

This time, at this hour, I can't take No for an answer: You must cut the capital gains tax on the people of our country.

Never has an issue been more demagogued by its opponents. But the demagogues are wrong -- and they know it. (70%) of the people who benefit from lower capital gains have incomes under $50,000. A cut in the capital gains tax helps just about everyone in our country.

And so, I'm asking you to cut their capital gains tax to a maximum of 15.4 percent.

The opponents of this measure -- and those who've authored various so called soak-the-rich bills that are floating around this chamber -- should be reminded of something: When they aim at the big guy they usually wind up hitting the little guy. And maybe it's time that stopped.

This then is my short term plan. Your part, members of Congress, requires enactment of eight common sense proposals that will have a strong effect on the economy -- without breaking the budget agreement and without raising taxes.

While my plan is being passed and kicking in, we've got to care for those in trouble today. I have provided up to 4.4 billion dollars in my budget to extend federal unemployment benefits. I ask for Congressional action right away.

And let's be frank:

I know, and you know, that my plan is unveiled in a political season. I know, and you know, that everything I propose will be viewed by some in merely partisan terms. But I ask you to know what is in my heart: My aim is to increase our nation's good. I am doing what I think is right; I am proposing what I know will help.

I pride myself that I am a prudent man. I believe that patience is a virtue, but I understand that politics is, for some, a game -- and that sometimes the game is to stop all progress and then decry the lack of improvement.

But let me tell you: far more important than <u>my</u> political future -- and far more important than <u>yours</u> -- is the well being

of our country. Members of this Chamber are practical people, and I know you won't resent some practical advice: When people put their party's fortunes before the public good, they court defeat not only for their country, but for themselves. And they will certainly deserve it.

I submit my plan tomorrow. I am asking you to pass it intact by March 20th. And I ask the American people to let you know they want this action by March 20th.

From the day after that, if it must be: the battle is joined.

And you know, when principle is at stake I relish a good fair fight.

We are going to lift this nation out of hard times inch by inch and day by day, and those who would stop us had best step aside. Because I look at hard times and I make this vow: This will not stand.

I said my plan has two parts, and it does. And it is the second part that is the heart of the matter. For it's not enough to get an immediate burst -- we need long term improvement in our economic position.

We all know that the key to our economic future is to ensure that America continues as the economic leader of the world. We have that in our power.

Here, then, is my long term plan to guarantee our future.

First, trade: We will work to break down the walls that stop world trade. We will work to open markets everywhere.

In our major trade negotiations I will continue pushing to eliminate damaging tariffs and subsidies -- especially in agriculture. We will protect the intellectual property rights of inventors and innovators -- to prevent others from stealing the ideas and technologies we've worked so hard to create.

Crucial to states such as

We'll get more good American jobs within our own hemisphere through the North American Free Trade Agreement, and through the Enterprise for the Americas Initiative.

But changes in old ways are here, and more are coming. The workplace of the future will demand more highly skilled workers than ever -- more people who are computer literate, and highly educated.

We were the world's leader in education once -- and we've got to be the world's leader in education again. We must revolutionize America's schools.

Second

My America 2000 education strategy will let every parent in our country choose their children's schools. This is key, for choice means competition, and competition means improvement, innovation and creativity.

You approved

Thirty states across the nation have established America 2000 programs. Hundreds of cities and towns have joined in. And now Congress must join this great movement: Pass my proposals for New American Schools, for more independent choice for parents and excellence for children.

That was my <u>second</u> long term proposal. This is my <u>third</u>:

We must make common sense investments that will help us compete, long term, in the marketplace.

We must encourage research and development. My plan is to make the R and D tax credit permanent, and to provide record levels of support -- 76 billion dollars this year alone -- for people who will explore the promise and potential of emerging technologies.

Fourth, we must do something about crime, and drugs.

It is time for a major, renewed investment in fighting violent street crime. It saps our strength; it hurts our faith in each other, in our society, and in our future.

Surely a tired woman on her way to work at 6 in the morning on a subway deserves the right to get there safely. Surely it's true that everyone who changes their life because of crime -- from those afraid to go out at night to those afraid to walk in the parks they pay for -- surely these people have been denied a basic civil right.

It is time to restore it. Congress, pass my comprehensive crime bill. It is tough on criminals, supportive of police, and kind to victims. And it has been languishing in these hollowed halls for a year now.

Pass it. Help your country.

And support my comprehensive drug proposals.

Fifth, I ask you tonight to act on our HOPE housing proposal -- and to pass my Enterprise Zone legislation, which will get businesses into the inner city. We must empower the poor with

the pride that comes from owning a home, getting a job, becoming a part of things.

And I ask tonight for record expenditures for the program that helps children born into want move on into excellence: Head Start.

Step six -- we must reform our health care system. For this too bears on whether or not we can compete in the world.

American health costs have been exploding. This year we will spend over 800 billion dollars on health -- 800 billion dollars. And that's expected to grow to 1.6 trillion by the end of the decade. We simply cannot afford this.

The cost of health care shows up not only in your family budget, but in the price of everything we buy and everything we sell. When health coverage for a fellow on an assembly line costs thousands of dollars, the cost goes into the products he makes -- and you pay the bill.

Worse, health care not only costs too much, it excludes too many. It's a little like the old complaint about the bad restaurant: The food's awful -- and the portions are so small!

We must make a choice.

Some pretend we can have it both ways. They call it Play or Pay -- but that expensive approach is unstable. It will mean higher taxes, and eventually, a system under complete government control.

Really, there are only two options: We can move toward a nationalized system -- which will deny patient choice in picking

a doctor and force the government to ration services arbitrarily. And what we'll get is patients in long lines, indifferent service, and a huge new tax burden.

Or we can reform our own private health care system -- which still gives us, for all its flaws, the best quality health care in the world.

Let's build on our strengths.

My plan will provide insurance security for all Americans -- while preserving and increasing the idea of choice. We will make basic health insurance affordable for all low income people not now covered. We will do it by providing a health insurance tax credit of up to $3,750 for each low income family. The middle class will get new help too. And, by reforming the health insurance market, my plan would assure that Americans will have access to basic health insurance even if they change jobs or develop serious health problems.

We must bring costs under control, preserve quality, preserve choice, and reduce the people's nagging daily worry about health insurance. My plan, which I announce in detail on February 6th, will do just that.

Seventh, we must get the federal deficit under control.

Congress and I worked out a controversial budget agreement in 1990. For me, the key part of that agreement was its budget discipline -- enforceable spending caps, and an insistence that we pay for the programs we create.

There are those who would ease that discipline now. But I can't let them do it -- and I won't.

My plan would freeze all domestic discretionary budget authority -- which means 'No more next year than this year.' I will not tinker with social security, but I would put real caps on the growth of uncontrolled spending. I would also freeze federal domestic government employment.

With the help of Congress, my plan will get rid of 246 programs that don't deserve federal funding. Some of them have noble titles, but none of them is indispensable. We can get rid of each and every one of them.

You know, it's time we rediscovered a 'home truth' the American people have never forgotten: This government is too big and spends too much.

I call upon Congress to adopt a measure that will help put an end to the annual ritual of filling the budget with pork-barrel appropriations. Every year, the press has a field day making fun of outrageous examples -- a Lawrence Welk museum, a study of bovine methane emissions.

We all know how these things get into the budget. Maybe you need someone to help you say No. I know how to say it. And you know what I need to make it stick. Give me the same thing 43 Governors have: The line item veto. I'll be happy to take the heat -- and save the taxpayers' money.

We must put an end to unfinanced federal government mandates. These are the requirements Congress puts on our

cities, counties and states -- without supplying the money. If Congress passes a mandate, it should be forced to pay for it, and to balance the cost with savings elsewhere. After all, a mandate just increases someone else's burden -- and that means higher taxes at the state and local level.

Finally, step eight of my long-term plan: We must strengthen the family -- because ultimately the family has the greatest bearing on our future. When Barbara holds an AIDS baby in her arms, and reads to children, she's saying to every person in this country 'Family matters.'

I am announcing tonight a new Commission on America's Urban Families, to be chaired by Gov. Ashcroft. You know, I had some mayors from the League of Cities in the other day, and they told me something striking. They said that every one of them, Republicans and Democrats, agreed on one thing: That the major cause of the problems of the cities is the dissolution of the family.

They asked for this Commission, and they were right to ask, because it's time to take another look at what we can do to keep families together, strong and sound.

There's one thing we can do right away: ease the burden of rearing a child. I ask you tonight to raise the personal exemption by $500 per child for every family. For a family with four kids, that's an increase of 2,000 dollars. This is a good start, in the right direction, and it's what we can afford.

It's time to allow families to deduct the interest they pay on student loans. I am asking you to do just that. And I'm asking you to allow people to use money from their IRA's to pay medical and education expenses -- all without penalties.

And I'm asking for more. Ask American parents what they dislike about how things are in our country and chances are that pretty quickly they'll say: welfare.

Americans are the most generous people on earth. But we have to go back to the insight of Franklin Roosevelt who, when he spoke of what became the welfare program, warned that it must not become 'a narcotic' and a 'subtle destroyer' of spirit.

Welfare was never meant to be a lifestyle; it was never meant to be a habit; it was never supposed to be passed from generation to generation like a family legacy.

It's time to replace the assumptions of the welfare state, and help reform the welfare system.

States throughout the country are beginning to operate with new assumptions: That when able-bodied adults receive government assistance, they have responsibilities to the tax payers. A responsibility to seek work, education, or job training -- a responsibility to get their lives in order -- a responsibility to hold their families together and refrain from having children out of wedlock -- and a responsibility to obey the law.

We are going to help this movement. Often, state reform requires waiving certain federal regulations. I will act to make

RALPH WALDO EMERSON, lecture ("Fortune of the Republic") at Old South Church in Boston, 30 March 1878:

The legislature, to which ~~every good~~ farmer goes once on trial, is a superior academy.

"MR. DOOLEY" (Finley Peter Dunne):

Every now and then, an innocent man gets sent to the Legislature.

State Sen. CARL PARKER (D-Port Arthur), quoted in the Dallas Times-Herald of 15 March 1979:

My first session here I promised to read every piece of legislation. My second session, I vowed to read every piece of legislation referred to a committee on which I served. But now I just try to read everything I introduce.

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McNally/Dooley
February 22, 1991
Draft One (B:ALEC-91)

PRESIDENTIAL REMARKS: AMERICAN LEGISLATIVE EXCHANGE COUNCIL
ROOM 450, O.E.O.B.
FRIDAY, MAR. 1, 1991, ~~2:00~~ 10:45 ~~A~~.M.

Thank you. And welcome back to the White House. It's good to see Ellen Sauerbrey R-Md. [ALEC CH.] and Sam Brunelli [ALEC EXEC. DIR.] again. And I'm glad to see our very talented Defense Secretary, Dick Cheney, and so many others who are contributing first-rate leadership to our Administration -- to the Allied Coalition in the Gulf -- **and to the finest armed forces ever assembled -- the fighting men and women of the U.S.A!** \\\

Fred Noye, incoming pres. R-Pa. Ron Scheberle ~~Corp. Head~~ Chair, ALEC private sector grp.

I understand that you've already heard from Deb Anderson -- one of your own, former Speaker of the House in South Dakota -- and proof if ever there was of Finley Peter Dunne's rule: **"Every now and then, an innocent [person] gets sent to the Legislature."**

I know you've also heard from our very able Attorney General, Dick Thornburgh, and that Governor Sununu will be coming by in just a few moments. It's got me a bit nervous. Some of you may remember that, last year, I arrived a little early, and Governor Sununu ended up getting cut off. \\\ John's got a good memory. I keep expecting him to walk in and say: **"Time's up!"**

Like so many of the other fine members of our team, John Sununu, Dick Thornburgh, and Deb Anderson -- have something in common with each of the talented men and women here in this room. As Sam Rayburn put it -- each one knows firsthand what it's like to "run for sheriff."

The presence of these veterans of state politics is impor-

tant, because they serve as constant reminders of the philosophical underpinnings of our Administration. And I want to take this opportunity to renew my commitment not only to federalism, but also to the principle that the states are indeed "laboratories of democracy" -- forging ahead at the cutting edge of the world's greatest experiment in freedom and diversity.

It is, of course, a continuing experiment. From parental choice in child care and education to tenant ownership of public housing, from Enterprise Zones to create jobs to Drug-Free Zones to "Take Back The Streets," state and local governments are finding new approaches to solving old problems. And looking not just at America's problems -- but also America's possibilities.

Just a little over a month ago, I stood before the Congress of the United States and reported on the State of the Union. I called it a "defining hour" for our Nation -- and spoke of the promise of a "renewed America." And I issued a call not merely for new government initiatives -- but for new initiative in government. And, as has been true throughout our history, the wellspring of these new initiatives is likely to be the 50 dynamic state laboratories that you represent.

I've often said that State legislators are some of America's most practical and resourceful leaders. Close to America's roots. Close to America's people. Close to America's concerns.

That is why my State of the Union Address included a bold new proposal to select at least $15 billion in federal programs and turn them over to the states in a single consolidated grant

-- fully funded -- for hands-on management by the states.

And I want to thank Ellen and Sam, who sent me a letter two days later telling us of your strong endorsement and enthusiastic support for our proposal. Over the past month, we've worked with you, the Governors, and others in state and local government to select the programs for "turnover." We are committed to funding these programs for the next five years. And we are committed to moving power and decision-making closer to the people. Because at the bottom line, our idea of federalism comes down to four simple words: **More flexibility**. **Fewer mandates**.

Governor Sununu will be talking about this in more detail later. But I did want to come by to thank you for your support, and for all you're doing to make this initiative a success.

I also want to thank you for your tremendous support for our men and women serving overseas. And I particularly want to single out those actually serving in the Gulf or in support of Desert Storm -- ALEC members like Louisiana's Hunt Downer, Nevada's Jim Gibbons, Colorado's Mike Coffman, and Connecticut's Rep. Chris Burnham -- a Marine Captain who took his third oath of office while on station in Saudi Arabia. **They are "citizen-legislators" -- today doing double duty as "citizen-soldiers." And ladies and gentlemen -- they are America at its best.** \\\

Thank you all for doing "the hard work of freedom." Godspeed you in the challenges ahead. And God bless America -- and all the troops today serving freedom in the Gulf.

# # #

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SECTION: COVER; J.F.K.; Pg. 58

LENGTH: 5245 words

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BYLINE: By Lance Morrow. Reported by Hays Gorey/Washington and John F. Stacks/New York, with other bureaus

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Kennedy's team of White House men, according to Historian Joan Hoff-Wilson, began the pattern in which Congress and the federal ...

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TIME

GRENADA
The Pullout and The Payoff

J.F.K.

How Good A President Was He?



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A Letter from the Publisher

Journalists are fond of the saying that they write the first draft of history. But on some 20 occasions in the past four decades, TIME's editors have determined that a historically significant individual merited a journalistic "second draft" to assess his contributions and character in light of contemporary events, opinions and scholarship. In this week's cover story, 20 years after John F. Kennedy's death in Dallas, Senior Writer Lance Morrow tries to distinguish between the 35th President's accomplishments and the enduring myths. Observes Morrow: "The past inhabits us and defines us—and often haunts us. We need to go back to it, to sift it, in order to know who we are and how we became what we are." Morrow's re-examination is enhanced by photographs from Kennedy's presidency, some of them never before published. The work of former White House Photographer Jacques Lowe, they form part of his new book, *Kennedy: A Time Remembered,* to be published this month by Quartet/Visual Arts.

HUGH PATRICK BROWN



Senior Writer Morrow with earlier J.F.K. covers

Kennedy joins a small pantheon of U.S. Presidents who have come under retrospective scrutiny on TIME's cover. George Washington, appropriately, was the first, in 1953. Theodore Roosevelt was saluted on his centenary in 1958; a 1962 story looked at James Monroe and his hemispheric doctrine; Abraham Lincoln was portrayed in 1963 as the epitome of individualism; and the legacy of Franklin Roosevelt was traced last year. Only three religious leaders have been reassayed: St. Paul (1960), the Buddha (1964) and Martin Luther in 1967 and again last month in international editions. (Jesus Christ and the Virgin Mary are our most frequent historical cover figures, but they have not been specifically the subjects of the accompanying stories.) Karl Marx was reassessed in 1948, Vladimir Lenin in 1964 and their ideological opposites Adam Smith, in 1975, and John Maynard Keynes, in 1965. In the arts, William Shakespeare (1960) and Johann Sebastian Bach (1968) have been so treated; in science, Sigmund Freud (1956) and Albert Einstein (1979).

Washington Contributing Editor Hugh Sidey, whose column "The Presidency" accompanies the cover story, is particularly partial to such endeavors. "More than ever," he says, "we need to pause and reflect on other times, other troubles and the people who tried to cope with them. Journalism can help by inserting these reflections from other years into the rushing current of contemporary affairs."

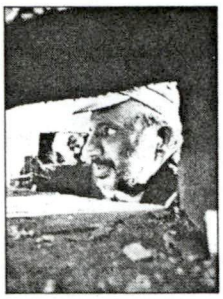
John a. Meyer

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Cover: Illustration Gottfried Helnwein



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"Civility is not a sign of weakness, and sincerity is always subject to proof. Let us never negotiate out of fear. But let us never fear to negotiate."



With President Charles de Gaulle at the Tomb of the Unknown Soldier in Paris during a trip in 1961

To a nation reading it from the far side of the Viet Nam War, the most alarming passage was the one in which Kennedy promised to "pay any price . . . to assure the survival . . . of liberty." The revisionists have always seen that line as a précis of the mentality that brought on the war. But both Arthur M. Schlesinger Jr. and Theodore Sorensen reject the notion that the Inaugural speech was a prelude to cowboy interventionism. "It was," says Schlesinger, "in part an overreaction to a speech two weeks earlier by Khrushchev that was read in Washington as being very truculent." Sorensen, who drafted the text, insists, "The speech isn't as bellicose as the revisionists have made it. It was really a call to negotiation. But he knew you didn't get there with just appeals to the other side's good will."

One of the central dramas of the brief Kennedy Administration was his passage from a sometimes indiscriminate anti-Communist hard line to a deepening awareness of the real dangers of nuclear war. It did not help Kennedy in this passage that he assembled a staff of war-hawk anti-Communist intellectuals (McGeorge Bundy, Walt Rostow and Robert McNamara, for example) who were brilliantly nimble and self-confident and often disastrously wrong about what counted most. They could be overbearing men, and curiously disconnected from the realities of American life. Once, after Vice President Johnson talked wonderingly of all the brilliant characters Kennedy had brought into the White House, House Speaker Sam Rayburn remarked to him, "Well, Lyndon, they may be just as intelligent as you say. But I'd feel a helluva lot better if just one of them had ever run for sheriff."

Kennedy's team of White House men, according to Histori an Joan Hoff-Wilson, began the pattern in which Congress an the federal bureaucracies became adversaries of the Whit House rather than partners. "That kind of privatization and cen tralization of power in and around the White House clearly be gins with Kennedy," says Hoff-Wilson. For men who put such premium on brains and information, the elite around Kenned sometimes seemed either exceptionally naive (about the Bay Pigs, for example) or ignorant (about Vietnamese history an culture). Some of the same men stayed on with Johnson, and pr sided over the escalation of what became in some ways the na tion's hardest war.

The Bay of Pigs fiasco, however, came early. Kennedy ha inherited the plan from the Eisenhower Administration, whic according to Arkansas Senator J. William Fulbright, had a ready sunk $40 million into the training of a band of Cuban e iles who were supposed to sweep ashore in Cuba, join forces wi the grateful, disenchanted islanders and dislodge Fidel Castr Kennedy was skeptical of the idea, but allowed himself to talked into it by men who seemed so sure of what they we doing. The mission, of course, was an utter disaster, and taught Kennedy several important lessons. One was that truc lently self-confident experts, such as generals and CIA men, c be ludicrously wrong. After the Bay of Pigs, according to his sp cial counsel, Theodore Sorensen, Kennedy came to mistrust m itary solutions.

The botched invasion also revealed an attractive trait Kennedy: an openness and candor, and a freedom from th

FACSIMILE TRANSMITTAL HEADER SHEET

91 FEB 27 10:50

DEPARTMENT OF DEFENSE

OFFICE OF ASSISTANT SECRETARY OF DEFENSE FOR PUBLIC AFFAIRS

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Richard B. Cheney
Secretary of Defense



Richard B. Cheney was nominated by President Bush to be Secretary of Defense on March 10, 1989, was confirmed by the United States Senate on March 17, 1989, and took the oath of office on March 21, 1989.

Mr. Cheney was born January 30, 1941, in Lincoln, Nebraska, and moved to Casper, Wyoming, at a young age with his parents, Richard H. and Marjorie Cheney.

He attended elementary schools in Casper, graduated in 1959 from Natrona County High School, and earned B.A. and M.A. degrees in political science from the University of Wyoming in 1965 and 1966. He was a Ph.D. candidate in political science at the University of Wisconsin in 1968.

Mr. Cheney began his public service in 1965, when he served as an intern in the Wyoming State Legislature in Cheyenne. In 1966 he was selected by the National Center for Education in Politics to intern on the staff of Warren Knowles, then Governor of Wisconsin. In 1968, the American Political Science Association selected him for its Joseph E. Davies Congressional Fellowship, which he served as an assistant to the late Congressman William A. Steiger, R-Wisconsin.

In May 1969, following the fellowship, Mr. Cheney began several years of federal service under Presidents Nixon and Ford. From May 1969 to December 1970, he was Special Assistant to the Director of the Office of Economic Opportunity. From December 1970 to September 1971, he served as Deputy to Donald Rumsfeld, the White House Presidential Counsellor. And from September 1971 to March 1973, he was Assistant Director for Operations of the Cost of Living Council.

In March 1973, Mr. Cheney left government service to become Vice President of Bradley, Woods and Company, Inc., an investment advisory firm.

In August 1974, when Gerald R. Ford assumed the presidency, Mr. Cheney served on the Ford transition team and, beginning in September, as a Deputy Assistant to the President. In November 1975, he was named Assistant to the President and White House Chief of Staff, a position he held through the remainder of the Ford Administration, until January 1977. In 1976, Mr. Cheney was named by the U.S. Jaycees as one of the ten outstanding young men in America.

He returned to his home state of Wyoming in May 1977 to resume private life. Mr. Cheney was elected to Congress in November 1978. He was re-elected in 1980, 1982, 1984, 1986, and 1988.

For the 1981-82 Congress, he was chosen by his Republican colleagues to serve as Chairman of the House Republican Policy Committee, becoming one of the few members ever elected to a leadership position after only one term in office. He was re-elected to the Policy Committee Chairmanship for the 98th, 99th, and 100th Congresses.

In June 1987, he was unanimously elected Chairman of the House Republican Conference, which functions as the party's caucus and provides the information to its members on pending legislation. The Conference Chairman is the third-ranking House GOP leader.

In December, 1988, he was unanimously elected House Republican Whip for the 101st Congress, the second-ranking Republican leadership position. The whip is responsible for polling Republican members on pending legislation, keeping them informed of the agenda on the House floor, and acting as Republican leader whenever the House minority leader is absent.

Mr. Cheney was a member of the House Committee on Interior and Insular Affairs, where he served on two subcommittees – National Parks and Public Land, and Water and Power Resources. He was also a member of the House Permanent Select Committee on Intelligence, serving as ranking Republican on its Subcommittee on Program and Budget Authorization. He was ranking Republican on the 15-member House Select Committee to Investigate Covert Arms Deals with Iran.

Mr. Cheney married Lynne Vincent of Casper on August 29, 1964. They have two daughters—Elizabeth, born July 28, 1966, and Mary, born March 14, 1969.

Japan has moved to address our concerns in the Structural Impediments Initiative (SII) and in bilateral negotiations involving supercomputers, satellites, and wood products. The interim SII report made a promising start toward reducing structural barriers that contribute to bilateral trade imbalances.

I am not under any illusion that the SII interim report will lead to an immediate improvement in the trade balance with Japan or an end to bilateral trade disputes. When two nations like the United States and Japan share dynamic economies, a commitment to excellence, and strong trading traditions, some commercial differences are inevitable. Nevertheless, I believe that Prime Minister Kaifu and the Japanese political leadership share my commitment to ensuring that trade strengthens rather than undermines the friendship between our nations.

Accordingly, I look forward to substantial progress with Japan in the final SII report in July and on a variety of other trade issues. I will work closely with the Congress to implement the U.S. side of the SII, particularly in the areas of savings, education, and budgetary reform.

I have directed our U.S. negotiators to seek agreement with their Japanese counterparts on a joint mechanism to monitor the implementation of SII in both nations and consider the need for further actions. This mechanism should include regular reports on actions and results.

Because last year's Super 301 investigations on India remain unresolved, I have continued the identification of India as a trade liberalization priority. I have decided not to identify any new priority countries or practices under Super 301.

Let there be no mistake. This administration is committed to free and fair trade. We want open markets and fair treatment for our products, services, investment, and ideas. We will move forward in the Uruguay round and, as appropriate, under section 301 to remove foreign barriers to American goods. I am also directing Ambassador Hills to expand her semiannual report on section 301 to review both the status of existing section 301 investigations and related initiatives in important markets such as Japan.

I have directed Ambassador Hills immediately to brief the Congress on the reasons for my decision today.

Remarks at a White House Briefing for the American Legislative Exchange Council

April 27, 1990

The President. Such enthusiasm for Sununu finishing—it's wonderful. [*Laughter*] Look, I'm just delighted to be back with this most distinguished group.

Let me say, having interrupted our Chief of Staff, how fortunate I am to have someone as Chief of Staff here in the White House who did—as Sam Rayburn often talked about—did run for sheriff. Remember what Rayburn said? He said: "Well, that guy's trouble. He never ran," he said, "never ran for sheriff." And what he really meant is didn't have a feel for the people. And John not only ran successfully for Governor of his great State but he understands and keeps reminding me of the philosophical underpinnings of our administration: decentralization and federalism, which I want to mention to you today about. And so, I am very, very pleased that he was over here, and I have great confidence in him and in Roger Porter, as well, who's up here, who handles so many of our—have you already unloaded on these guys?

Mr. Porter. No, I'm following.

The President. Following? [*Laughter*] And Roger has respect on the Hill that really is unparalleled in terms of the job that he fills and in previous administrations. And so, I'm very, very lucky.

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what we ought to try to do better. So, I'm delighted you're here in that spirit.

I want to thank Frank Messersmith, who came out and handed me a letter and told me of the support that you all are giving us, which I've already heard about, in the field of education. I want to congratulate Ellen, who's soon to become your new president—Ellen Sauerbrey. And it's also good to see Sam Brunelli, Ron Scheberle, and so many other familiar faces out there in the back benches and all across this room.

You know, before I get into the substance here, let me just talk about something that is important to America and to every State, and that is the completion of this U.S. census. Today Census Bureau workers are beginning to visit all addresses from which census forms have not been received, a mammoth undertaking. I simply want to take this opportunity to urge every American who has not returned the census form to do so, to stand up and be counted.

Now, it's great to be back among so many leaders from the States, those of you who belong to ALEC, the American Legislative Exchange Council, more than 2,300 strong. As State leaders, in alliance with leaders from the business community, you're proving every day what I mentioned at the beginning: that the government closest to the people is truly the government of the people. We've seen the wisdom of federalism vindicated over and over again.

In the sixties—just think back—the prevailing belief was that big problems required big government solutions. And of course, this country did face very real, big problems—private heartaches that, taken together, afflicted all of America. But our pockets were often deeper than our thinking.

Take the War on Poverty as a prime example. This was a unilateral war in which the Federal Government sought no allies and followed only one strategy. And we soon learned what the strategy lacked: It lacked an understanding of the problems, it lacked flexibility, and often it simply lacked programs that worked. And so, we learned a very hard lesson. And this wasn't just Democrat or Republican; it was across the aisle, across the board, across—to some degree, back then—even philosophical differences. But we learned, and good intentions can go astray. And if the Federal Government neglects State and local government, it's bound to.

So, let me say it plain and simple: I am a believer in the Jeffersonian tradition. I believe that innovation springs from these 50 laboratories of democracy. And I believe in the inherent wisdom and leadership of the States.

Federalism must be a dynamic partnership if we're to end that age-old affliction of mankind: poverty—poverty of knowledge and skills, poverty of opportunity, poverty of hope. We're going to need such a partnership if we're to meet new missions to keep expanding opportunity in this field that we were just talking about—improving education, to implement a national transportation strategy, and to fight the scourge of illegal drug use.

Our partnership must begin with an accurate account of the depth and scope of our needs that can only begin with the U.S. census, a project that needs your involvement. Again, at this moment these census workers are beginning to visit all addresses from which they haven't come back in. And we really need to get moving on this, because census data will help you make important decisions for the States. And it really fits into this theme of decentralization, part of the decentralization of government, of putting our trust where it belongs: with the people.

So, it's not enough to seek a dynamic partnership between Washington and Austin, Atlanta, and Sacramento. We must turn to our families, our schools, our small businesses; and we must often seek the achievement of public goals through private means and individual action, individual empowerment. Our partnership must include everyone if we're to fulfill our agenda—an agenda that is progrowth, profamily, and profreedom. We need this partnership to keep America growing. And that's why Congress must pass a cut in the capital gains tax this year.

For America to be competitive, we need to invest money in productive uses, generating new jobs, generating opportunities for

all. We also need the partnership I referred to a second ago to keep America moving, to implement a national transportation strategy for the 21st century. You understand that leadership must begin with those closest to our transportation problems: the States. And you understand that the States deserve a greater say in how our transportation dollars are spent.

And so, I'm asking you to help others understand that our transportation strategy is, indeed, the road to the future. And as you often stress, we also need to protect the bedrock institution of American life: the family. We are not yet certain what kind of child-care legislation this Congress will pass. But if Congress stamps out the power of the parents to choose family or church-affiliated child care, I will give that legislation a stamp of my own: I will give it the veto stamp because I am not going to accept highly centralized standards and standards that rule out participation of local churches or local family groups in solving this national problem.

We also want to bring these same principles of choice and flexibility to the way in which we educate our kids. I'll leave it to Roger Porter, who is perfectly capable—far better than I, actually—to brief you on the education goals, on our education summit, all that we can do working together. But just let me say that as I work with the Governors to bring renewed excellence to American education, I'm also looking for advice and support and, certainly, leadership. And when it comes to leadership, your federation is already supporting open enrollment plans to give parents choice in selecting their schools; alternative certification to let the talented share their knowledge; and finally, merit pay with accountability for all. So, we're not just thinking along the same lines; we're working to achieve the same goals in education.

Your federation also calls itself—and I think properly so—profreedom. What does this mean? It means working at the Federal and State levels to develop ways to liberate people from dependency on government, not bind them to it, one generation after another. And it can only mean freedom from drugs. I commend your Substance Abuse Task Force for doing an excellent job in devising a set of tough, realistic recommendations that complements and expands our National Drug Strategy, our national effort.

And finally, Americans must be free from fear. When honest working people are afraid to go to the corner grocery store or to walk home from the bus at night, then fear of crime has stolen our most precious possession—our liberty. And it is to protect this freedom and the freedom to safely walk the streets that we offered up a good crime package. I sent this crime package last year to the Hill. Congress has, to its credit, approved new prison space and more Federal law enforcement officers. But too much work remains unfinished on the rest of this crime package, the portion that concerns violent crime. And once again, I call on Congress to pass laws at least as tough as the criminals we convict.

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Thank you for the tremendous support that you have given our administration, and I hope that you will continue. We are grateful to you. Thanks for coming our way, and God bless you all.

Note: The President spoke at 10:59 a.m. in Room 450 of the Old Executive Office Building. In his opening remarks, he referred to John H. Sununu, Chief of Staff to the President; Roger B. Porter, Assistant to the President for Economic and Domestic Policy; and Frank S. Messersmith, Sam Brunelli, and Ronald Scheberle, president, executive director, and chairman of the business sector of the council, respectively.

Remarks at the P
for the President
Awards
April 27, 1990

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McNally/Dooley
February 22, 1991
Draft One (B:ALEC-91)

PRESIDENTIAL REMARKS: AMERICAN LEGISLATIVE EXCHANGE COUNCIL
ROOM 450, O.E.O.B.
FRIDAY, MAR. 1, 1991, __:00 _.M.

Thank you. And welcome back to the White House. It's good to see Ellen Sauerbrey [ALEC CH.] and Sam Brunelli [ALEC EXEC. DIR.] again. And I'm glad to see our very talented Defense Secretary, Dick Cheney, and so many others who are contributing first-rate leadership to our Administration -- to the Allied Coalition in the Gulf **-- and to the finest armed forces ever assembled -- the fighting men and women of the U.S.A!** \\\

I understand that you've already heard from Deb Anderson -- one of your own, former Speaker of the House in South Dakota -- and proof if ever there was of Finley Peter Dunne's rule: **"Every now and then, an innocent [person] gets sent to the Legislature."**

I know you've also heard from our very able Attorney General, Dick Thornburg, and that Governor Sununu will be coming by in just a few moments. It's got me a bit nervous. Some of you may remember that, last year, I arrived a little early, and Governor Sununu ended up getting cut off. \\\ John's got a good memory. I keep expecting him to walk in and say: **"Time's up!"**

Like many of the other fine members of our team, each of these four -- John Sununu, Dick Cheney, Dick Thornburg, and Deb Anderson -- has something in common with the talented men and women here in this room. As Sam Rayburn put it -- each one knows firsthand what it's like to "run for sheriff."

The presence of these veterans of state politics is impor-

tant, because they serve as constant reminders of the philosophical underpinnings of our Administration. And I want to take this opportunity to renew my commitment not only to federalism and to states' rights, but also to the states as "laboratories of democracy" -- forging ahead at the cutting edge of the world's greatest experiment in freedom and diversity.

It is, of course, a continuing experiment. From parental choice in child care and education to tenant ownership of public housing, from Enterprise Zones to create jobs to Drug-Free Zones to "Take Back The Streets," state and local governments are finding new approaches to solving old problems. And looking not just at America's problems -- but also America's possibilities.

Just a little over a month ago, I stood before the Congress of the United States and reported on the State of the Union. **I called it a "defining hour" for our Nation -- and spoke of the promise of a "renewed America."** And I issued a call not merely for new government initiatives -- but for new initiatives in government. And, as has been true throughout our history, the wellspring of these new initiatives is likely to be the 50 dynamic state laboratories that you represent.

I've often said that State legislators are some of America's most practical and resourceful leaders. Close to America's roots. Close to America's people. Close to America's concerns.

That is why my State of the Union Address included a bold new proposal to select at least $15 billion in federal programs and turn them over to the states in a single consolidated grant

-- fully funded -- for hands-on management by the states.

And I want to thank Ellen and Sam, who sent me a letter two days later telling us of your strong endorsement and enthusiastic support for our proposal. Over the past month, we've worked with you, the Governors, and others in state and local government to select the programs for "turnover." We are committed to funding these programs for the next five years. And we are committed to moving power and decision-making closer to the people. Because at the bottom line, our idea of federalism comes down to four simple words: **More flexibility. Fewer mandates.**

Governor Sununu will be talking about this in more detail later. But I did want to come by to thank you for your support, and for all you're doing to make this initiative a success.

I also want to thank you for your tremendous support for our fighting men and women overseas. And I particularly want to single out those actually serving in the Gulf or in support of Desert Storm -- ALEC members like Louisiana's Hunt Downer, Nevada's Jim Gibbons, Colorado's Mike Coffman, and Connecticut's Rep. Chris Burnham -- a Marine Captain who took his third oath of office as while on station in Saudi Arabia. **They are "citizen-legislators" -- today doing double duty as "citizen-soldiers." And ladies and gentlemen -- they are America at its best.** \\\

Thank you for this opportunity. Godspeed you in the challenges ahead. And God bless America -- and all the troops today serving freedom in the Gulf.

# # #

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Public Papers of the Presidents

Remarks at a White House Briefing for the American Legislative Exchange Council

26 Weekly Comp. Pres. Doc. 662

April 27, 1990

LENGTH: 1724 words

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Thank you for the tremendous support that you have given our administration, and I hope that you will continue. We are grateful to you. Thanks for coming our way, and God bless you all.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

2/20/91

TO: Peggy Dooley

FROM: FRANK HODSOLL
EXECUTIVE ASSOCIATE DIRECTOR Frank

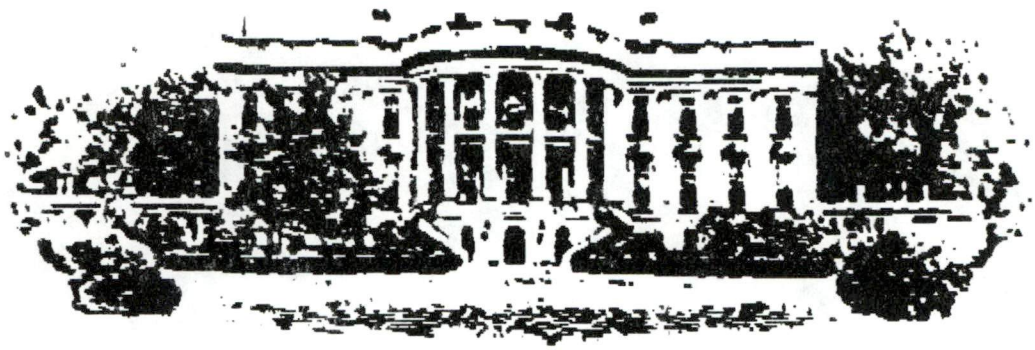
Attached are:

- Dependents Testimony
- Proposed Ashcroft Statement
- Budget Handout
- Letter from Exchange, Sal

THE WHITE HOUSE

EXECUTIVE OFFICE OF THE PRESIDENT

91 FEB 26 P12:35



FACSIMILE TRANSMITTAL SHEET

DATE: 2/26/91

TO: Peggy
Speechwriting

FROM: Robert A. Sar.

PHONE: 6797

COMMENTS:

NUMBER OF PAGES, EXCLUDING COVER SHEET 2

THE WHITE HOUSE

WASHINGTON

BIOGRAPHY OF JOHN H. SUNUNU

John Henry Sununu, 51, of Salem, New Hampshire, was commissioned Chief of Staff to the President of the United States on January 21, 1989. As Chief of Staff, Governor Sununu oversees the daily operations of the White House and its staff.

After playing an influential role in President Bush's New Hampshire primary victory, Governor Sununu served as National Co-Chairman of the Bush/Quayle campaign. During the general election, the Governor became one of the most active surrogate speakers on the campaign trail and travelled extensively across the country.

Governor Sununu became New Hampshire's 93rd Governor on January 6, 1983, and served three consecutive terms prior to joining the White House staff.

Governor Sununu assumed office with a background of nearly 20 years experience as an educator, engineer, small businessman and community leader.

The Governor gained both regional and national recognition through his chairmanship of the Coalition of Northeastern Governors, the chairmanship of the Republican Governors' Association, and his election in 1987, to the chairmanship of the National Governors' Association.

Within the National Governors' Association, Governor Sununu served as chairman of several committees. He was particularly active as chairman of the New Technology Education Task Force, which, two years ago, issued "Time for Results; The Governors' 1991 Report on Education". Also through his efforts, the NGA, and later the New Hampshire Legislature, endorsed innovative acid rain legislation.

Governor Sununu is a member of the National Academy of Engineers' Committee on Public Engineering Policy and has served as a member of the President's Council on Environmental Quality Advisory Committee, the New England Regional Energy Advisory Council, the board of trustees of the Northeast Solar Energy Center, and as chairman of the board of directors of Consumer Alert.

July 1990

The Governor attended the Massachusetts Institute of Technology at both the graduate and undergraduate levels, and earned his Ph.D. there in 1966 in mechanical engineering. From 1968 to 1973, he was Associate Dean of the College of Engineering at Tufts University where he had been an Associate Professor of Mechanical Engineering since 1966. He was invited to join the Advisory Board of the Technology and Policy Program at MIT in August, 1984.

From 1965 until his election as Governor, he served as President of JHS Engineering Company and Thermal Research Inc.; in addition, he helped found, and served as chief engineer for Astro Dynamics Inc. from 1960 to 1965.

The Governor married the former Nancy Hayes in 1958. They have eight children.



U.S. Department of Justice

Office of Public Affairs

91 FEB 26 A10:36

Office of the Director

Washington, D.C. 20530

The following 2 -page transmission is for the attention of Peggy Dooley. Please contact him/her immediately at _____.

It is from _____ of the Office of Public Affairs.

Please contact Rose Parks if there is a problem in transmission. FTS 368-2007 or 202-514-2007.

Office of the Attorney General

Washington, D.C. 20530

DICK THORNBURGH
ATTORNEY GENERAL OF THE UNITED STATES

Dick Thornburgh became the 76th Attorney General of the United States on August 12, 1988, following unanimous confirmation by the Senate.

As Attorney General, Mr. Thornburgh serves as the nation's chief law enforcement officer and is in charge of executing the Administration's stepped-up initiatives against drug traffickers, organized crime and white collar criminals, as well as stronger enforcement of civil rights, anti-trust and environmental laws.

During his tenure, he has taken the lead in international cooperative efforts to crack down on money laundering and drug trafficking activities of the illegal drug cartels. On behalf of the United States, he signed the UN Drug Convention in Vienna and successfully lobbied for U.S. Senate ratification. He also has established Securities Fraud Task Forces in eight cities, Savings and Loan investigative and prosecutive units in 27 cities and an Organized Crime Council to coordinate the federal fight against racketeering. Under his leadership, a 50 percent increase in the number of federal prosecutors is underway and a program to nearly double the number of federal prison cells has been launched.

Prior to assuming his present office, Mr. Thornburgh served from 1987 to 1988 as Director of the Institute of Politics at Harvard's John F. Kennedy School of Government and as a partner in the Pittsburgh law firm of Kirkpatrick & Lockhart.

Mr. Thornburgh served two terms as Governor of Pennsylvania. He was elected in 1978, re-elected in 1982, and named by his fellow governors in a 1986 Newsweek poll as one of the nation's most effective big-state governors.

Prior to becoming Governor, he served as United States Attorney for Western Pennsylvania (1969-1975), prosecuting a number of drug traffickers, major organized crime figures and corrupt public officials. Thereafter, he served (1975-1977) as Assistant Attorney General of the United States in charge of the Criminal Division of the Department of Justice during the administration of President Gerald Ford. He established the Public Integrity Section to spearhead the Justice Department's actions against corrupt public officials.

In 1973, he received a Special Medallion Award from the Federal Drug Enforcement Administration for "significant personal efforts to help eliminate drug abuse," and in 1988 personally argued the government's successful drug-testing case before the United States Supreme Court.

(MORE)

While serving as Governor of Pennsylvania, Mr. Thornburgh restored integrity and efficiency to state government and fostered expansion and diversification of the economy by innovative economic development policies, reducing taxes and indebtedness and eliminating 15,000 unnecessary positions from the state bureaucracy. Pennsylvania's unemployment rate, among the ten highest in the nation when he was elected, had dropped to one of the ten lowest when he left office.

His programs for welfare and education reform and for upgrading the state's transportation system were nationally acclaimed.

He also carried out an unprecedented crackdown on crime, expanding the state police force, creating special units on drugs and organized crime, winning passage of laws imposing mandatory jail sentences for violent and repeat offenders, adopting tough new standards for commutations, reinstating use of the death penalty and undertaking the largest prison expansion in the state's history.

During his years in office, Pennsylvania's serious crime rate dropped by more than 17 percent and consistently was the lowest of any large state. His programs to assist crime victims, including a Victim's Bill of Rights, and funding of rape crisis and domestic violence centers, earned Mr. Thornburgh the first national award ever given by the National Organization for Victim Assistance.

In 1979, Mr. Thornburgh's calm and effective handling of the unprecedented Three Mile Island nuclear crisis was widely credited with having averted panic and injury.

During the past twenty years, he has traveled extensively, meeting with leaders in Europe, the Middle East, the Soviet Union, Japan, China, Australia, Central and South America and Africa.

A native of Pittsburgh, Mr. Thornburgh, 58, holds an engineering degree from Yale and a law degree from the University of Pittsburgh. He has been awarded honorary degrees by 26 other colleges and universities.

Mr. Thornburgh is married to Ginny Judson Thornburgh, a former school teacher from New York, who is currently Director of the Religion and Disability Program, National Organization on Disability, based in Washington.

The Thornburghs have four sons and four grandchildren. As parents of a son with mental retardation, Dick and Ginny Thornburgh have taken a special interest in the needs of persons with disabilities and, along with their son, Peter, were named "Family of the Year" by the Pennsylvania Association for Retarded Citizens in 1985.

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

THE DIRECTOR

FOR IMMEDIATE RELEASE
FEBRUARY 4, 1991

Attached are excerpts from the President's State of the Union Message and Budget concerning the proposed turn-over of selected programs to the States.

SINGLE CONSOLIDATED GRANT FOR THE STATES

The President's statement in the State of the Union Address (January 29,1991):

> "The federal government too often treats government programs as if they are of Washington, by Washington, and for Washington. Once established, federal programs seem to become immortal.
>
> "It's time for a more dynamic program life cycle: Some programs should increase. Some should decrease. Some should be terminated. And some should be consolidated and turned over to the states.
>
> "My budget includes a list of programs for potential turnover totalling more than $20 billion. Working with Congress and the governors, I propose we select at least $15 billion in such programs and turn them over to the states in a single consolidated grant -- fully funded -- for flexible management by the states.
>
> "The value of this turnover approach is straightforward. It allows the federal government to reduce overhead. It allows states to manage more flexibly and more efficiently. It moves power and decision-making closer to the people. And it reinforces a theme of this administration: appreciation and encouragement of the innovative powers of 'States as Laboratories.'"

The Director's Introduction to the Budget (February 4, 1991):

> "Some programs should be consolidated and turned over to the States -- funded in more flexible form. Programs appropriate for such turnover may be selected from two broad categories: those whose purposes are judged by States to be of continuing value, but whose relative funding priority at the Federal level is declining; and those which seem, in any case, to be appropriate for flexible management by the States.
>
> "The President has established a target of $15 billion in program turnovers for the States. A list of possible turnover candidates totaling over $20 billion is at Table II-10. The actual selection of programs for turnover would have to be authorized by the Congress -- in consultation with the Administration and the Governors. (After the actual selection is determined, the current distribution of such programs by State would be calculated. The Administration would then propose to replace these programs with a single consolidated block grant to the States. The formula for this new block grant would approximate the same distribution to the individual States as they would receive under the present program structure -- seeking to assure that no State would be harmed by the move to a new, consolidated block grant.) . . .

"The American Federal system has within it an enormous power for innovation: the natural variation and experimentation among the States. For too long, this potential has been under-appreciated at the Federal level. Nonetheless, the reality is that some of the most interesting examples of innovation are being set by the States -- in areas ranging from educational choice, to enterprise zones, to health cost control, welfare reform, and transportation finance.

"The Administration seeks to reenforce this natural power of the States -- and to help build upon it."

Program candidates for potential turn-over (fully funded):

See Table II-10 in the President's Budget for a list of programs that seem to be appropriate candidates for turn-over to the States. This list is provided to start the discussion with the Governors and the Congress. It is understood and expected that Governors and members of Congress may propose a different list. The Administration intends to be flexible in trying to develop a mutually agreeable set of programs for turn-over. The President's target of at least $15 billion of such programs seems a reasonable minimum, however.

NOTE: The set of programs listed at Table II-10 is currently subject to 1,028 Federal Register pages of federal regulation, requiring an estimated 4.2 million hours of paperwork each year.

Table II–10. POTENTIAL BLOCK GRANT PROGRAMS
(In millions of dollars)

Department/Programs	Enacted		Proposed									
	1991		1992		1993		1994		1995		1996	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Education:												
Impact aid payments	781	815	620	695	620	651	620	624	620	620	620	620
Supplemental education opportunity grants	520	404	347	498	347	352	347	347	347	347	347	347
Chapter 2 block grant	449	533	449	465	449	445	449	449	449	449	449	449
Public library services programs	143	155	35	115	35	71	35	35	35	35	35	35
Environmental Protection Agency:												
Construction grants	2,083	2,345	1,900	2,195	1,200	2,082	600	1,883	—	1,482	—	1,025
Health and Human Services:												
State welfare administrative expenses for Medicaid, AFDC, and Food Stamps	5,178	5,167	5,878	5,867	6,453	6,440	7,062	7,048	7,701	7,686	8,366	8,349
Social services block grant	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Low-income home energy assistance program	1,610	1,669	1,025	991	875	796	625	552	475	393	375	287
Housing and Urban Development:												
Selected public and subsidized housing programs	5,512	3,185	4,789	3,805	4,837	4,484	4,897	4,685	4,961	5,036	5,026	4,968
Community development block grants	3,200	3,073	2,920	3,097	2,920	3,061	2,920	2,906	2,920	2,914	2,920	2,915
Justice:												
Byrne Memorial State and local law enforcement assistance program	490	342	490	421	490	475	490	481	490	484	490	491
Total	22,766	20,488	21,253	20,949	21,026	21,657	20,845	21,810	20,798	22,246	21,428	22,286