

Originally Processed With FOIA(s):

S

FOIA Number:

S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Backup Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13819
Folder ID Number: 13819-010

Folder Title:
Jarvis Tax Reform 6/20/92 [OA 7575] [1]

Stack:	Row:	Section:	Shelf:	Position:
G	26	22	6	2

To Michele
Date 6/14 Time 12:42

WHILE YOU WERE OUT

M Kari Early
of David Leg Affairs
Phone 4790

Area Code	Number	Extension
TELEPHONED		PLEASE CALL
CALLED TO SEE YOU		WILL CALL AGAIN
WANTS TO SEE YOU		URGENT

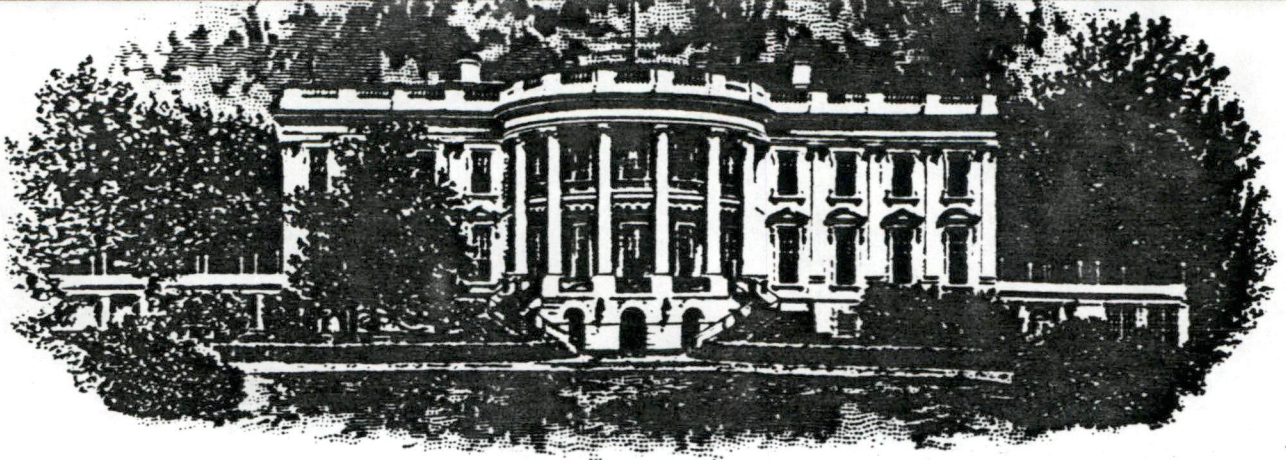
RETURNED YOUR CALL

Message Q1: 1991 23,590

Operator



23-021 CARBONLESS



FACSIMILE TRANSMITTAL SHEET

NUMBER OF PAGES INCLUDING COVER 11

DATE June 22

TO Linda Robinson

St. Vincent's

FAX NUMBER (907)-789-9585

COMMENTS Copies of speeches!

FROM Michelle Nix

* **DEPARTMENT OF COMMUNICATIONS** *

OFFICE NUMBER (202) 456-7758

THE WHITE HOUSE
WASHINGTON

June 22, 1992

Linda Robinson
Shelter Manager
St. Vincent De Paul Society
8617 Teal St.
Juneau, Alaska 99801

Dear Linda:

Here's a copy of the two speeches in which the President mentioned St. Vincent De Paul -- one from April and one from this past Saturday.

The President is very proud of the work you and your colleagues are doing for the homeless in Juneau and is glad to know that St. Vincent's plans to continue in this good work are no longer being held up by that unfortunate regulatory mishap.

Best wishes as you prepare for your one-year anniversary celebration and good luck as you work toward completion of Phase Two!

Thank you for all your help.

Sincerely,



Michele Nix
Office of Speechwriting

Hampshire, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador to the Republic of Indonesia. He would succeed John Cameron Monjo.

Since 1989, Ambassador Barry has served as Special Adviser for East European Assistance to the Deputy Secretary of State. Prior to this, he served as Deputy Director of the Voice of America at the U.S. Information Agency, 1987-89; and as the U.S. Representative to the Conference on Disarmament in Europe, 1985-87.

Ambassador Barry graduated from Dartmouth College (B.A., 1956) and Columbia University (M.A., 1962). He was born August 28, 1934, in Pittsburgh, PA. Ambassador Barry served in the U.S. Navy, 1957-60. He is married, has two children, and resides in Washington, DC.

Remarks to the Ohio Association of Broadcasters in Columbus, Ohio *April 30, 1992*

Thank you, Fred, very much; all of you, Gene and Dale and Tom, for the greeting out here. Good afternoon. I'm pleased to be back for my third appearance before—something about the Ohio Broadcasters.

I have a few remarks to make on a subject, but before that I want to comment just on the events that are concerning our country, building a little on comments I made earlier in a statement to the Nation about the news out of Los Angeles.

No one watching the television coverage of the violence yesterday afternoon and evening could have any reaction other than revulsion and pain. Mob brutality, the total loss of respect for human life was sickeningly sad. The frustration all of us felt seeing helpless victims pulled from vehicles and assaulted, it was hard not to turn our eyes away. But we must not turn our eyes away. We must keep on working to create a climate of understanding and tolerance and condemn a climate of bigotry and fear.

Last night was tragic for our country. It was tragic for the city of Los Angeles, for the people of east L.A. But there were small acts in all of this ugliness that give us hope:

The citizens who ignored the mob, those who helped get the battered victims out of the area. There were people who spent the night in the churches. Many were seeking guidance in the wake of the unfolding chaos in the streets, praying that man's gentler instincts be revealed in the hearts of people driven by hate.

You say, "What can we do?" Well, before leaving Washington I spoke to Governor Wilson; I spoke to Mayor Tom Bradley; I spoke to Ben Hooks and some others on this problem. I also gave this statement to the Nation regarding our plans at the Federal Government level regarding the court case. We have instigated an investigation under civil rights protection. We will do what we can from the Federal Government to help those small business people that have been just wiped out by wanton destruction. I will keep telling the country that we must stand up against lawlessness and crime wherever it takes place. Regrettably, what is happening in the city or did happen last night was purely criminal. It was outrageous, what happened. We are all sickened by what we saw.

On the larger issues, I've thought a lot about this. And say what you want, but it is important at a time like this to really talk about some old-fashioned values like respect for the others' rights, respect for property rights; manifest that respect in our actions as well as our words. We must make a compact with each other that we will not tolerate racism and bigotry and anti-Semitism and hate of any kind, anywhere, any time; not over the dinner table, not in the board room, not in the playground, nowhere.

We must condemn violence. I make no apology for the rule of law or the requirement to live by it. And yes, in some places in America there is, regrettably, a cycle of poverty and despair. But if the system perpetuates this cycle, then we've got to change the system. We simply cannot condone violence as a way of changing the system.

So we ought to change. We ought to try hard, change the status quo. We've got to do it peacefully, and we've got to do it thoughtfully. I am very hopeful that calm can be restored to this very important part of our country and that good will will prevail over

the hatred that we've seen in the streets in the last few hours.

I am now switching off to what I came here to talk to you all about. Let me just first say a word about this city and about the great man who gave his name to this city. Columbus dared to explore far beyond the horizons of his continent, and he discovered a new world. You talk about the vision thing, well, he had it.

Speaking of vision, we wouldn't be attending the broadcasters convention had it not been for the daring of scientific prodigies like DeForest and Marconi. We should keep in mind just how new this thing called broadcasting is. The same year that my dad was born right here in Columbus, Ohio, just a few blocks away on East Broad Street, Marconi invented radio. It either makes me very old or makes radio very young; I can't figure out which that is. [Laughter] But I'm sure there are many here who can remember when the first TV broadcast went on the air. I can remember the first TV set I had, a great big square-looking box with a little tiny yellow-colored window. It was made by Hoffman. I don't think it proved to be too successful because I don't think they're making TV sets anymore. But it wasn't that long ago.

Telecommunications is still in its infancy. I think that it's taking big steps now. As you look over the horizon at the future of this country in technology, the steps are going to be enormous. There's something bright and new in human history.

In addition to all this new technology, I think we can look at a whole other area and talk about the worldwide spread of freedom and democracy. Around the globe, nations are joining a movement in which the United States is the great pioneer. We are, never forget it, the unsurpassed leader. And for those who will have you believe that this country is in a state of decline, travel abroad and see the respect with which this country is held.

We've got to protect our freedoms. We've got to trust people with their freedoms. These form the core of our crusade to make this country stronger. A free economy will be a strong economy, and it will create more good jobs. We'll keep society healthy if we keep our family first, put family first. And

by keeping our defenses strong, we're going to keep the peace.

I'm working hard to open world markets. Open trade will create more and better jobs for this country. It offers our consumers lower prices and more choices. Expanding trade is one of five programs for this country's future that I view as really top priorities.

We're working as well to revolutionize—this is the second one—to revolutionize, literally to reinvent our schools. Parents are leading the way. In community after community, they are standing up to the bureaucratic establishment; they're asserting their rights in their children's education. I salute Governor Voinovich, whose wife is with us here today, for the lead that Ohio is taking in achieving the goals of America 2000, our literally revolutionary education program.

We're working for fundamental reform of Government, including a balanced budget amendment. Now it has strong support on both sides of the aisle. Clearly, it has to be phased in. But there's a change in the country; people are saying we've got to do better. I support strongly term limits to make Congress much more accountable. I think the time has come for that. I also believe, and have submitted suggestions to the Congress for this rather revolutionary idea, that Congress ought to live by the laws that it passes, laws that affect others. It is no longer right to be separate.

The next category is, we are working to help the innovations and efficiencies of free market make quality health care available to all. I do not want to see us go to what they call a nationalized system or what some refer to as socialized medicine. We want to retain the quality of our health care, but we've got to give access to all, make insurance accessible to all. So we need to do that.

Then the last point I want to make is, we are fighting the explosion of nuisance lawsuits. Let's spend more time helping each other and less time suing each other. And that means we need to put some limits on these outrageous liability claims.

I might add that we are fighting hard to get the burdens of unreasonable Government regulation off the backs of the people. Regulation really imposes a hidden tax on every man, woman, and child in this country.

In the State of the Union Address some 92 days ago, I lit a fire under our own administration's efforts for fundamental reform of Government regulation. This week we completed that 90-day moratorium that I ordered on new regulations. In just those 90 days we have completed or set in motion reforms that will save America \$15 billion to \$20 billion a year. And yesterday I ordered a 120-day extension on that moratorium, and I'm expecting many more achievements for freedom and for common sense.

Fundamental reform of regulation cannot be achieved overnight, and it's going to take a lot of tough, imaginative, patient effort. But I am totally committed to reforming regulation because the cost of inaction would be much more than we could bear. Think of some of the burdens and the contradictions that we already face.

Here in Columbus the city government has projected that over the next decade its cost of compliance with Federal environmental regulations alone will be \$1.6 billion. And that's \$856 per household per year. Now, this is for a community whose entire city budget last year was \$591 million. The share of the city's budget to meet these regulations stands to increase from 10 percent to 23 percent. Right now, Columbus is one of the most attractive places in the country for people to work and live. But I can't say things will stay that way if the cost of meeting Government mandates keeps going right out through the roof.

In Juneau, Alaska, a local charity, the St. Vincent de Paul Society, wanted to build an addition to its shelter for the homeless, also requiring more parking space. Unfortunately, the building project was delayed for a whole year because bureaucrats declared the site a wetland. Now, get this: The shelter is in the middle of town surrounded by concrete, dry concrete, I think, on a city block that includes two car dealerships, a plumbing store, and a storage business. There is something wrong with this picture. Obviously somebody in this episode was all wet, but it wasn't the real estate for the homeless shelter. I cite this as just the kind of example that we must fight against at the Federal level, that the local level must fight against, too.

Back here in Ohio, an unreasonable Federal regulation almost forced the closing of this health plan in Dayton that we call the Dayton Area Health Plan. George Voinovich called this to my attention, an innovative managed-care program designed to offer high quality care to some 43,000 Medicaid recipients in Dayton. Governor Voinovich and the Lieutenant Governor, Mike DeWine, who I did not introduce but who is with us here today, led the effort to change this inequity. Just this week I signed legislation granting an exemption for this Ohio reform initiative. I have confidence in the new ideas that Ohioans are developing on their own, and without the mandates from the know-it-alls in these subcommittees back in Washington, DC, or in our own bureaucracy. We don't do much for Americans' health when we put HMO's like the one in Dayton on the critical list.

It's stories like these that remind us what a visionary Alexis de Tocqueville was. A century and a half ago, a century and a half ago he warned that if Americans were not careful, Government would, and here's the quote, "cover the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate." This is de Tocqueville, coming over and taking a look at our society back then. I don't know what would happen to him if he took a look at it today.

We've heard the warning. We're fighting back. Our reform efforts are breathing new life into America's ability to compete, to innovate, and to create jobs. Every Federal agency that I asked to participate has responded with action to ease the burden of unnecessary regulation. From biotechnology to energy, to the banking field, and yes, to broadcasting and telecommunications, we are taking the shackles off of American enterprise.

Let me take this occasion to salute the FCC, Federal Communications Commission, for its actions to relax needless restrictions on ownership of radio stations. The FCC also has taken action to allow competition among international satellite companies. Now, this will help reduce prices that Americans now pay on more than a billion telephone calls

every year to other countries. These are very welcome reforms. Al Sikes, who is our Chairman, the FCC Chairman, believes in free markets, and he believes in innovation. It's clear to me that that is the right direction.

Looking forward, one can't help but see that new telecommunications technologies will revolutionize science, education, and the way we do business. They will be an important boon to families. The day is coming when mothers and fathers will be able to spend more time at home with their children even as they make ever more productive contributions to our economy. The predictions for doing work at home in a productive way are absolutely outstanding, amazing. I think you're going to see a whole new area build up for productivity.

In the same spirit as regulatory reform is privatization, facilities now run by government to be owned and operated by competitive enterprises, and thus serve the public more fairly and more efficiently. Today before I came out here to Columbus, I signed an Executive order that will give State and local governments more freedom to sell or lease their infrastructure to the private sector if they choose to do so. We hear complaints that America's infrastructure is crumbling and that States aren't putting enough money into expanding or repairing it. At the same time, many private companies want to invest in these projects. So our Executive order will remove impediments to competitive enterprises buying infrastructure assets; that means bridges or roads or housing and sewage treatment plants.

This initiative could generate billions of dollars in new investment and millions of new jobs. American business has the funds to invest in infrastructure and has the funds to expand it. Through today's actions we will help more people enjoy cheaper and better waste water treatment service by letting businesses with real market incentives do the job. We'll help low-income tenants buy their own housing. The dignity that comes with homeownership is a wonderful thing for our country. We're promoting competition that could dramatically reduce the cost of urban mass transit. The money that States will receive for selling these facilities will be used to build

even more new needed infrastructure or to lower the States' debts or to cut your taxes.

Privatizing state enterprises is one of the great hopes for economic growth and rebirth from Mexico City to Moscow. Take a look at what's happened south of our border under the courageous President of Mexico, Carlos Salinas. Look at the many formerly government-owned entities that he has turned over to much more efficient operation in the private sector. There is an example from what Mexico is doing for us right here in the United States.

Same thing is true in Moscow. As I sit down with the leaders from the new Commonwealth of Independent States, and I'll be meeting very soon with Kravchuk and shortly after that with Boris Yeltsin, we are encouraging them to move to the very kinds of privatization that I'm talking about here. I think you're going to find that they're doing it, and it's going to be highly successful. It offers them great hopes for recovery out of the economic morass that they're in right now.

So this idea presents many chances for positive change, change abroad and change right here in our own country. And they're opportunities, frankly, that we simply cannot afford to overlook. And of one thing I am certain: The status quo, the old thinkers are not going to yield on this without a fight. The special interest crowd will not like the agenda that I've outlined for you today. They think that Government ought to own more, not less. They think that Government ought to mandate more, not less.

When I meet with the Governors, and I've done that quite a few times since I've been President, all across party lines, all across ideological lines of conservative and liberal comes the cry from the Governors, "Do not burden us with mandates coming out of some old-thinking subcommittee in the Capitol Hill of Washington, DC." We are determined to try to facilitate what the Governors want by giving them flexibility and saddling them with far fewer mandates. Washington hasn't changed much since you all have been there. It is swarming with noisy lobbyists for the old interests who want this highly centralized Federal Government and people who have never met a regulation that they didn't really like.

This is springtime, and a young man's thoughts turn, as does his radio dial, to baseball. So I thought I'd leave you with a favorite story. I don't know whether all these Yogi Berra stories are true or not; you know, "Pair 'em up in threes," and things like that. [Laughter] In Yogi's hometown of St. Louis, the local people organized a celebration in his honor at the old Sportsman's Park. Yogi quavered with emotion as he stepped up to speak. "First," he said, "from the bottom of my heart let me thank all the people who have made this day necessary." [Laughter]

I think the point of the story is this: The freedom-loving people of this country, people of ingenuity and enterprise, people in leading-edge industries like your own, are not merely making renewal of limited Government possible; they're making it necessary. They're making it inevitable. Technological advance is accelerating so rapidly that the old guard can only hope in vain to keep up. We'll make intrusive and gluttonous Government a thing of the past. We've reached a turning point. And we're on the verge of watershed reforms to make Government stop stifling people who want to use their freedoms, their own freedoms, to create and to produce and to serve.

The day is coming when enterprisers and innovators like yourselves will lead us into these exciting new horizons. The day is coming when dreams not yet imagined will come true. I am confident about the years ahead. I know we've had difficult times, but I don't believe for one single minute that the United States of America is in decline. The future is tremendously exciting. And if we handle the technological change with the innovative manner I've outlined here today, I believe we can usher in all kinds of new eras of prosperity for the working man and woman in this country.

Again, I'm confident of the years ahead. The big thing is to keep this Nation a champion of ideas and of opportunity and, with that first subject in mind, of justice. We can reform our schools and our courts and our health system, our very system of Government. And we can assure that when we reach the new century America will still be the strongest, the bravest, and the freest Nation on the face of the Earth.

It's good to be back with you. And thank you all very, very much.

Note: The President spoke at 3:12 p.m. at the Hyatt on Capitol Square. In his remarks, he referred to Anthony (Fred) Cusimano, association vice president and general manager; Gene D'Angelo, president and general manager of WBNS AM/FM/TV; Dale Bring, association executive vice president; and Thomas S. Stewart, vice president and general manager of WBNS AM/FM.

Remarks at a Bush-Quayle Fundraising Dinner in Columbus April 30, 1992

Thank you, George, and thank all of you. It's a great honor to be introduced by Governor Voinovich, a man I've known for a long, long time and with whom I've worked for a long, long time. And thanks for that introduction, and to Janet, my respects. Barbara sends her love. And let me say what a great job the Pickerington High School Tiger Band has done with us tonight. Thank you all very much once again; appreciate it very, very much. And thank you, Rabbi Huber, for the invocation. Mr. Stokes, thank you for leading us in the pledge. And may I salute Columbus' mayor, Greg Lashutka; and my old friend with whom I've worked in Washington, now doing a great job here, and who I want to see back in Washington, the Lieutenant Governor, Mike DeWine. Mike, delighted to see you; Fran, to you let me just say Barbara is looking forward very much to being at your house in the next few days, and so I'm glad to see you here. And may I salute Bob Bennett, our State chairman, doing a superb job in that great Ohio organizational way. With me tonight is our national finance chairman for Bush-Quayle, Bobby Holt, from west Texas, and I want to thank him and our regional chairman, Dick Freeland; our Bush-Quayle State chairman and dinner chairman, Tim Timken, another old friend from whom we heard tonight. He is always out on the firing line doing a superb job for the President, but also for the party of Ohio. Nobody has done more, and I'm very, very grateful

THE WHITE HOUSE
Office of the Press Secretary
(Dallas, Texas)

For Immediate Release

June 20, 1992

REMARKS BY THE PRESIDENT
IN ADDRESS TO
THE HOWARD JARVIS TAXPAYERS ASSOCIATION

Universal City Hilton
Universal City, California

9:30 A.M. PDT

THE PRESIDENT: Thank you very much. And, Pete, thank you, Governor Wilson, for that introduction. And let me just say at the outset of these remarks how much I respect Pete Wilson. Here he is, with the economy obviously not doing well in California, but taking a tremendously courageous position, trying to whip that legislature in line and saying the way to solve our fiscal problems is by getting spending down, not taxes up. And we all deserve a big vote of thanks for him. (Applause.)

Let me also extend a thank-you to our host -- he and the directors and others here -- but to our host today, Joel Fox, who is the president of the Howard Jarvis Taxpayers Association. If you want a good leader, get a strong man. Get somebody in there that's going to take the positions he did, and has taken. And we respect him, and I thank him for this morning's hospitality.

And to each and every one of you, I apologize for being a little late. The weather got us, and we've been orbiting around out there and we've just landed, but we landed in an alternative air zone.

May I congratulate, on his primary win, one who really stands with you on principle -- Bruce Herschenson, who will make a great United States Senator. (Applause.) Speaking of Bruce and what he stands for, I will simply say it's a shame that I don't have time to tour the Universal Studio. But if I want to see behind-the-scene tricks or outrageous fantasy, I don't have to visit Hollywood -- (laughter) -- I can watch the Congress try to deal with the budget of of the United States of America. (Applause.)

And may I say, on a very sincere personal note, what a pleasure it is to see Estelle Jarvis. It's a special privilege to be with you and the members of the Association. And, Estelle, your late husband really was a true pioneer. And in the Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple, and, yet, profound. He said, "Our freedom depends on four words: Government must be limited." (Applause.)

And here in California 14 years ago, Howard Jarvis won that famous victory -- obviously assisted and helped by everybody here. That tax limitation plan called Proposition 13. He fired the first shot in what later became known as the Reagan Revolution. And we're still feeling the reverberations today as we fight to expand freedom and hold back unnecessary burdens of

MORE

government. And it couldn't be more fitting that we meet this week, as Joel pointed out, just two days after the historic United States Supreme Court decision upholding Proposition 13. (Applause.) This was another tremendous victory for the rights of the taxpayer and the legacy of the late, great Howard Jarvis.

Our revolution isn't the work of a single presidency, it's the mission for a whole generation of reform. Since President Reagan and I went to Washington in 1981, tax rates have been cut across the board, we made them flatter, we made them fairer. We've cut the top rate from 70 percent to 31 percent. We've raised the standard deduction. We've taken millions of low-to-moderate income people off the tax rolls altogether. And we've made landmark reforms to get big government regulation off the backs of our families and our businesses. (Applause.)

But we have much more to do. With the tax-and-spend liberals still in charge of Congress, government keeps growing. And Congress now spends nearly a quarter of what people in this country work to produce: That's right, almost 25 percent of the Gross Domestic Product of the United States of America. The habit of deficit spending has brought us to the point that the national debt now equals about \$65,000 for every family of four in the United States of America. And that is a mortgage on our kids' future. And it says we're not really as free a society as we should be. And why? -- because government is just too big -- and it spends too much.

Again and again and again, the liberals in Congress have said no to spending reform. And it's no wonder that Americans keep clamoring for stricter limits on the power and the cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I am mad as hell."

And maybe you're like millions of other Americans. You shop at K-Mart, you go to Carl's Jr. You work to get your kids through school and pay off a mortgage. And you know it's not only your right, it is your duty to your family, to fight high taxes and government waste. And when liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back.

Our fighting spirit has brought us to a turning point. We're on the threshold of something big. And already we're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations.

Here's a small but symbolic example: A construction project, oddly enough an expansion -- it's quite ironic here -- an expansion of a homeless shelter was being delayed by the bureaucracy because it was counter to a rule regarding wetlands. But what no one quite could understand was that this project was on a developed, downtown city block, totally surrounded by concrete and pavement. Something was "all wet" alright, but it certainly wasn't the building site. The project is now underway. We're going to keep it up -- for businesses, for charities, for homeowners, we're getting unreasonable regulation off of their backs. And I am pledged to continue that program of regulatory relief. (Applause.)

And I'm pushing hard to reform our civil justice system. We are simply suing each other too much and caring for each other too little. (Applause.) Americans want to stop nuisance lawsuits.

MORE

Someone asked me the other day if an apple a day keeps the doctor away, what works for lawyers? (Laughter and applause.) Let me add, parenthetically, I will continue to appoint well-qualified judges to our federal courts, including the Supreme Court, who will interpret our Constitution and not legislate from the federal bench. (Applause.)

And I'm committed as strongly as ever to win more tax relief and reform. And we need to lift the dead weight that punishes homeowners and prevents more investment and job creation, those sky-high taxes on capital gains. Get people back to work in this country. (Applause.) Frankly, I wish Congress would move on our other growth incentives. We need to enact another proposal to ease tax burdens on families and homeowners, like a \$5,000 tax credit for that first-time homebuyer. I want those young families to participate in the American Dream by owning their own homes. (Applause.)

And as you may know, we are fighting for fundamental change in our education and welfare systems. It's time for parents to have the freedom to choose their kids' schools -- public, private and religious. And that's how we'll give parents the muscle to change our schools and make them the best in the entire world. (Applause.)

And here, with Pete Wilson sitting here, we're preaching to the choir a little bit. But right now, we have a welfare system designed by the liberal politicians and these social theorists. And it's a burden on taxpayers, but that's not the worst of it. That's not my major concern, even. Much of the time, this system hurts the very people that it claims to help.

The system discourages single mothers from getting married. It leaves too many young women and children without the stability of a home -- two-parent home. And let's face it: The welfare-state system traps too many people in a cycle of dependency, destroying dignity, telling the little guy who wants to pick himself up that he really doesn't have much of a chance. And I am determined to change that. (Applause.)

And I'm working to transform this failed welfare system into something that makes sense -- something that gives people a shot at dignity. Right now, I'm working with tough-minded, creative governors like Pete Wilson, like Tommy Thompson -- some of you may have read about his reforms, the Governor of Wisconsin -- to give them flexibility under the federal laws to try out new ideas and to turn around their state welfare programs around. And with governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering dignity and the rewards of work.

We'll make more headway in connecting welfare with requirements for work, training, education. We'll get more deadbeat dads to pay the child support they owe. And we'd help a lot more families come together and stay together.

My proposal -- another area -- for health insurance reform is a model of the new way of thinking about social programs. You probably haven't heard much about it. It's before the Congress now. The liberal Democrats that hold control of Congress are too busy beating the drum for that stale idea of a Ted Kennedy-style system of nationalized health care. And I am going to veto anything that makes socialized medicine for America. We are not going to have that. (Applause.)

MORE

The plan I have makes good sense. And it would help working people and needy people with vouchers and tax credits, it would provide access to insurance, make that available to everybody. And it would provide Americans like yourselves with quality care, care you can afford, while wringing out the excesses and the waste. And that's because it uses old-fashioned American ideas: free markets and choice.

In the long run, reforming education and welfare could make a major contribution to increasing productivity and solving fiscal crisis. And health care reform can make a major contribution to improving and -- put it this way -- to getting rid of the worry that so many American families have. And we can make these reforms without raising taxes, and without piling new burdens onto state and local taxpayers. (Applause.)

Hand in hand with these reforms goes the crusade to enforce fiscal discipline. This is absolutely essential to make these reforms work. Our burden of debt and uncontrolled spending results from almost four decades of liberal Democratic control of the United States House of Representatives. And time and again, Ronald Reagan and I have pushed for popular reforms: And I believe the American people want the President to have in law what 43 governors have: That line-item veto. (Applause.) And I believe and I know the American people believe the only way to discipline both the Congress and the Executive Branch is through a constitutional amendment to balance the budget. (Applause.)

I hope you followed that debate. And if you did, you'll know that, standing in our way is the liberal hard core of the Democratic Congress. Barely more than one-third of the membership. Read the roll call. Just take a look at it; go back and look at the papers and read the roll call from last week's vote in the House on the balanced budget amendment, and you'll see who I'm talking about. And pay attention to the Democrats who belong in a special Hall of Shame. And I'm talking here about the 12 Democrats -- two from California -- who listed themselves as sponsors -- as sponsors of the balanced budget amendment: They did that to look good and talk good to the people back home. And then these 12 switched sides and voted to kill the very amendment that they had sponsored: And they did that to curry favor with those liberal party bosses that control the House of Representatives, and we'd better change that in this election coming up in the fall. (Applause.)

We know better than to expect these people to discipline themselves. This is the same crowd we've seen for decades: in charge, unchallenged, and out of control.

Let me remind you: For the last 30 years -- make that 35, I think -- the Democrats have controlled the House of Representatives. For 24 out the last 30 years they've controlled the United States Senate. And the Congress appropriates -- and people forget this, but let me say it -- the Congress appropriates every single dime and tells me how to spend every single dime. And unlike one of my opponents for president, I don't believe the only way to confront a massive deficit is with a "massive tax increase" -- and that's in quotes because that's what he said. (Applause.)

I know we can do it without raising taxes, and I have a detailed plan. This isn't just election year rhetoric. We have a detailed plan sitting up there before the United States Congress right now. It controls the growth of mandatory programs. It doesn't cut them; it permits the growth in

MORE

inflation and in population. Doesn't touch Social Security. It doesn't raise taxes. And here it is.

So when the election rolls around, let's get some of these people are saying they're going to change things to talk some specifics and to say how it's going to be done. Here it is. And we need again, though, the discipline and the sense of urgency that that balanced budget amendment will bring. And while I'm at it, I'd like the President to again have what 43 governors have let me repeat it: the Line Item Veto. It is time for change. (Applause.)

Somebody says, you're for enterprise zones for the cities. That's not a new idea. I said, yes it is -- it has never been tried. And isn't it better to try something new -- try what hasn't been tried -- a Republican House, a Republican Senate, a Republican Congress. That has not been tried in 35 years, and it's time to make that kind of significant change. (Applause.)

At the outset of, or in my introduction by our wonderful Governor and my friend, Pete mentioned something about international affairs. You listen to this debate for who should be president, and you might think foreign affairs don't exist, that we aren't really the only undisputed leader of the world today, which we are.

So before I finish, I want to say a word about the summit meeting that Boris Yeltsin and I just completed in Washington, where we reached historic agreements for peace and for security. And thousands of visitors joined Barbara and me on the White House lawn to welcome the first democratically-elected President of Russia. And I just wish, really, that -- (applause) -- and I just wish that each one of you could have been there with us to share in that very special moment. That's because it is patriotic people like you who helped make that moment possible.

And now the Russian people can worship freely, they can compete in free markets, they can choose their own government. And our children, our precious kids and grandkids will no longer live in that same shadow of nuclear war that has haunted us for forty years. And that is big, and that is important. And your support made that possible. (Applause.) And, today, ordinary Russians thank God that ordinary Americans stood fast against the Communist dictatorship that threatened us and oppressed them.

And if you have the will -- I think what this shows this that if you have the will, the perseverance, there's always a chance to make a difference. Howard Jarvis spent 16 years fighting for tax limitation. He was 76 years old when at last he won, when he shook the establishment of this entire country. I've highlighted for you important proposals for the future, with a new Congress: Revolutionize our schools, put parents and kids ahead of bureaucrats. Reform our system of health care. Overhaul the welfare system, give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against excessive spending, taxes and regulation.

With a new Congress that shares our values, we can use the next four years to set our country on the right track for the next forty years. And with your help, I know we can. Thank you all very, very much, and may God bless the United States of America. Thank you all. (Applause.)

END

9:53 A.M. PDT

(Duggan/Nix)
June 17, 1992
Draft A
Jarvis

PRESIDENTIAL REMARKS: HOWARD JARVIS TAXPAYERS ASSN.
 UNIVERSAL CITY HILTON
 UNIVERSAL CITY, CALIFORNIA
 SATURDAY, JUNE 20, 1992
 9:00 a.m

[Acknowledgments] ((It's a shame I don't have time for the Universal Studio tour. \\ But if I want to see behind-the-scenes tricks or outrageous fantasy, I don't have to visit Hollywood. \\ I can just watch Congress deal with the budget. \\))

Estelle Jarvis, it is a special privilege to be with you and the members of the Howard Jarvis Taxpayers Association. Estelle, your late husband was a true pioneer. In the Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple and profound. He said, "Our freedom depends on four words: Government must be limited."

Here in California 14 years ago, Howard Jarvis won a famous victory -- the tax limitation plan called Proposition 13. He fired the first shot in the Reagan Revolution. And we're still feeling the reverberations today as we fight to expand freedom and hold back unnecessary burdens of government. It couldn't be more fitting that we meet this week -- just two days after the historic U.S. Supreme Court decision upholding Proposition 13. This was another tremendous victory for the rights of taxpayers and the legacy of Howard Jarvis.

Our revolution isn't the work of a single presidency -- it's the mission for a whole generation of reform. Since Ronald

*June 18
Thursday
NEXIS*

Reagan and I came to Washington in 1981, we've cut tax rates across the board, made them flatter and fairer. We've cut the top rate from 70 percent to 31 percent. We've raised the standard deduction. We've taken millions of low-to-moderate income people off the tax rolls altogether. And we've made landmark reforms to get big government regulation off the backs of our families and businesses.

OK
Andrew
Nofreuss
FED

But we've got much more to do. With tax-and-spend liberals still in charge of Congress, government keeps growing. Congress now spends nearly a quarter of what people in this country work to produce: That's right, almost 25 percent of the Gross Domestic Product. The habit of deficit spending has brought us to the point that the national debt now equals about \$65,000 for every family of four in the United States. That's a mortgage on our kids' future. It says we're not really as free a society as we should be. And why? -- because government is just too big -- and it spends too much.

Van
Grant
NCEB

Again and again, the liberals in Congress have said no to spending reform. It's no wonder that Americans keep clamoring for stricter limits on the power and cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I'm mad as hell."

Maybe you're like millions of other Americans. You shop at K-Mart, you eat at Carl's Jr. You've worked to get your kids through school and pay off a mortgage. You know it's not only

(907)
789-9585
lyr. old June 25
Linda Robinson

your right -- it's your duty to your family -- to fight high taxes and government waste. And when liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back.

Our fighting spirit has brought us to a turning point. We're on the threshold of something big. Already we're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations. Here's a small but symbolic example: A construction project -- oddly enough an expansion of a homeless shelter was being delayed by the bureaucracy because it was counter to a rule regarding wetlands. But what no one could quite understand was that this project was on a developed, downtown city block -- totally surrounded by concrete and pavement. Something was "all wet" alright, but it certainly wasn't the building site. The project is now underway. We're going to keep it up -- for businesses, for charities, for homeowners, we're getting unreasonable regulation off their backs.

Dugan
Simon
Alaska

Family
(907) Center
789-6706
Admin
(789-5535
789-5141
Thrift
Shop

1st phase
is completed

I'm pushing hard to reform our civil justice system. We are simply suing each other too much. Americans want to stop nuisance lawsuits. \\ ((Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers?)) \\\

I'm committed as strongly as ever to win more tax relief and reform. We need to lift the dead weight that punishes homeowners and prevents more investment and job creation -- those sky-high taxes on capital gains. We need to enact my other proposals to

4

ease tax burdens on families and homeowners -- like a \$5,000 tax credit for first-time homebuyers.

I'm fighting for fundamental change in our education and welfare systems. It's time for parents to have the freedom to choose their kids' schools -- public, private or religious. That's how we'll give parents the muscle to change our schools and make them the best in the world.

Right now, we have a welfare system designed by liberal politicians and social theorists. It's a burden on taxpayers, but that's not the worst of it. Much of the time, this system hurts the very people it claims to help. The system discourages single mothers from getting married. It leaves too many young women and children without the stability of a two-parent home. And let's face it: The welfare-state system traps too many people in a cycle of dependency -- destroying dignity, telling the little guy who wants to pick himself up that he really doesn't have much of a chance. I'm determined to change that.

I'm working to transform this failed welfare system into something that makes sense -- something that gives people a shot at dignity. Right now, I'm working with tough-minded, creative governors like Pete Wilson here, and Tommy Thompson in Wisconsin, to give them flexibility under federal laws to try out new ideas to turn around their state welfare programs. With governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering the dignity and the rewards of work.

We'll make more headway in connecting welfare with

5

requirements for work, training and education. We'll get more deadbeat dads to pay the child support they owe. And we'd help a lot more families come together and stay together.

My proposal for health insurance reform is a model of the new way of thinking about social programs. You probably haven't heard much about it. The liberal Democrats that control Congress are too busy beating the drum for that stale idea of a Ted Kennedy-style system of nationalized health care.

My health care plan makes more sense. It would help working people and needy people with vouchers and tax credits -- provide access to insurance available to everyone. It would provide Americans like yourselves with quality care, care you can afford -- while wringing out excess and waste. That's because it's uses old-fashioned American ideas: free markets and choice.

In the long run, reforming education and welfare could make a major contribution to increasing productivity and solving our fiscal crisis. We can make these reforms without raising taxes - - and without piling new burdens onto state and local taxpayers.

Hand in hand with these reforms goes our crusade to enforce fiscal discipline. Our burden of debt and uncontrolled spending results from almost four decades of liberal Democrat control of the U.S. House of Representatives. Time and again, Ronald Reagan and I have pushed for popular reforms: I believe the American people want the President to have what 43 governors have: the line-item veto. And I know the American people believe the only way to discipline both the Congress and the Executive Branch is

through a Constitutional amendment to balance the budget.

Standing in our way is the liberal hard core of the Democratic Congress -- barely more than one-third of the membership. Read the roll call from last week's vote in the House -- you'll see who I'm talking about. And pay attention to the Democrats who belong in a special Hall of Shame. I'm talking about the 12 Democrats -- two from California -- who listed themselves as sponsors of the amendment: They did that to look good to the folks at home. Then these Democrats switched sides and voted to kill the amendment they had sponsored: They did that to curry favor with their party bosses in Washington.

We know better than to expect these people to discipline themselves. This is the same crowd we've seen for decades: in charge, unchallenged, and out of control. \ \

For the last 30 years the Democrats have controlled the House of Representatives. For 24 out of the last 30 years they've controlled the Senate. Congress appropriates every dime and tells me to how to spend every dime. [[Unlike one of my opponents I don't believe the only way to confront a massive deficit is with a "massive tax increase". I know we can do it without raising taxes.]] It is time to change -- try what hasn't been tried -- a Republican House, a Republican Senate, a Republican Congress.

Before I finish, I want say a word about the summit meeting Boris Yeltsin and I just completed in Washington -- where we reached historic agreements for peace and security. Thousands of

Rich Bond
NEXIS
The Independent
by Lichfield
"US Elections"



7

visitors joined Barbara and me on the White House lawn to welcome the first democratically elected president of Russia. I wish each one of you could have been there with us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\ Today, ordinary Russians thank God that ordinary Americans stood fast against the Communist dictatorship that threatened us and oppressed them. \\

If you have the will, the perseverance, there's always a chance to make a difference. Howard Jarvis spent 16 years fighting for tax limitation. He was 76 years old when at last he won -- when he shook the establishment of this entire country.

I've highlighted for you important proposals for the future, with a new Congress: Revolutionize our schools -- put parents and kids ahead of bureaucrats. Reform our system of health care. Overhaul the welfare system -- give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against excessive spending, taxes and regulation.

With a new Congress that shares our values, we can use the next four years to set our country on the right track for the next forty years. With your help, I know we can.

Thank you. God bless you and the United States of America.

#

1ST DOCUMENT of Level 1 printed in FULL format.

Public Papers of the President

Remarks to the Ohio Association of Broadcasters in Columbus,
Ohio

28 Weekly Comp. Pres. Doc. 736

April 30, 1992

LENGTH: 3243 words

Thank you, Fred, very much; all of you, Gene and Dale and Tom, for the greeting out here. Good afternoon. I'm pleased to be back for my third appearance before -- something about the Ohio Broadcasters.

I have a few remarks to make on a subject, but before that I want to comment just on the events that are concerning our country, building a little on comments I made earlier in a statement to the Nation about the news out of Los Angeles.

No one watching the television coverage of the violence yesterday afternoon and evening could have any reaction other than revulsion and pain. Mob brutality, the total loss of respect for human life was sickeningly sad. The frustration all of us felt seeing helpless victims pulled from vehicles and assaulted, it was hard not to turn our eyes away. But we must not turn our eyes away. We must keep on working to create a climate of understanding and tolerance and condemn a climate of bigotry and fear.

Last night was tragic for our country. It was tragic for the city of Los Angeles, for the people of east L.A. But there were small acts in all of this ugliness that give us hope: The citizens who ignored the mob, those who helped get the battered victims out of the area. There were people who spent the night in the churches. Many were seeking guidance in the wake of the unfolding chaos in the streets, praying that man's gentler instincts be revealed in the hearts of people driven by hate.

You say, "What can we do?" Well, before leaving Washington I spoke to Governor Wilson; I spoke to Mayor Tom Bradley; I spoke to Ben Hooks and some others on this problem. I also gave this statement to the Nation regarding our plans at the Federal Government level regarding the court case. We have instigated an investigation under civil rights protection. We will do what we can from the Federal Government to help those small business people that have been just wiped out by wanton destruction. I will keep telling the country that we must stand up against lawlessness and crime wherever it takes place. Regrettably, what is happening in the city or did happen last night was purely criminal. It was outrageous, what happened. We are all sickened by what we saw.

On the larger issues, I've thought a lot about this. And say what you want, but it is important at a time like this to really talk about some old-fashioned values like respect for the others' rights, respect for property rights; manifest that respect in our actions as well as our words. We must make a compact with each other that we will not tolerate racism and bigotry and anti-Semitism and hate of any kind, anywhere, any time; not over the dinner table, not in the board room, not in the playground, nowhere.

We must condemn violence. I make no apology for the rule of law or the requirement to live by it. And yes, in some places in America there is, regrettably, a cycle of poverty and despair. But if the system perpetuates this cycle, then we've got to change the system. We simply cannot condone violence as a way of changing the system.

So we ought to change. We ought to try hard, change the status quo. We've got to do it peacefully, and we've got to do it thoughtfully. I am very hopeful that calm can be restored to this very important part of our country and that good will will prevail over the hatred that we've seen in the streets in the last few hours.

I am now switching off to what I came here to talk to you all about. Let me just first say a word about this city and about the great man who gave his name to this city. Columbus dared to explore far beyond the horizons of his continent, and he discovered a new world. You talk about the vision thing, well, he had it.

Speaking of vision, we wouldn't be attending the broadcasters convention had it not been for the daring of scientific prodigies like DeForest and Marconi. We should keep in mind just how new this thing called broadcasting is. The same year that my dad was born right here in Columbus, Ohio, just a few blocks away on East Broad Street, Marconi invented radio. It either makes me very old or makes radio very young; I can't figure out which that is. [Laughter] But I'm sure there are many here who can remember when the first TV broadcast went on the air. I can remember the first TV set I had, a great big square-looking box with a little tiny yellow-colored window. It was made by Hoffman. I don't think it proved too successful because I don't think they're making TV sets anymore. But it wasn't that long ago.

Telecommunications is still in its infancy. I think that it's taking big steps now. As you look over the horizon at the future of this country in technology, the steps are going to be enormous. There's something bright and new in human history.

In addition to all this new technology, I think we can look at a whole other area and talk about the worldwide spread of freedom and democracy. Around the globe, nations are joining a movement in which the United States is the great pioneer. We are, never forget it, the unsurpassed leader. And for those who will have you believe that this country is in a state of decline, travel abroad and see the respect with which this country is held.

We've got to protect our freedoms. We've got to trust people with their freedoms. These form the core of our crusade to make this country stronger. A free economy will be a strong economy, and it will create more good jobs. We'll keep society healthy if we keep our family first, put family first. And by keeping our defenses strong, we're going to keep the peace.

I'm working hard to open world markets. Open trade will create more and better jobs for this country. It offers our consumers lower prices and more choices. Expanding trade is one of five programs for this country's future that I view as really top priorities.

We're working as well to revolutionize -- this is the second one -- to revolutionize, literally to reinvent our schools. Parents are leading the

way. In community after community, they are standing up to the bureaucratic establishment; they're asserting their rights in their children's education. I salute Governor Voinovich, whose wife is with us here today, for the lead that Ohio is taking in achieving the goals of America 2000, our literally revolutionary education program.

We're working for fundamental reform of Government, including a balanced budget amendment. Now it has strong support on both sides of the aisle. Clearly, it has to be phased in. But there's a change in the country; people are saying we've got to do better. I support strongly term limits to make Congress much more accountable. I think the time has come for that. I also believe, and have submitted suggestions to the Congress for this rather revolutionary idea, that Congress ought to live by the laws that it passes, laws that affect others. It is no longer right to be separate.

The next category is, we are working to help the innovations and efficiencies of free market make quality health care available to all. I do not want to see us go to what they call a nationalized system or what some refer to as socialized medicine. We want to retain the quality of our health care, but we've got to give access to all, make insurance accessible to all. So we need to do that.

Then the last point I want to make is, we are fighting the explosion of nuisance lawsuits. Let's spend more time helping each other and less time suing each other. And that means we need to put some limits on these outrageous liability claims.

I might add that we are fighting hard to get the burdens of unreasonable Government regulation off the backs of the people. Regulation really imposes a hidden tax on every man, woman, and child in this country. In the State of the Union Address some 92 days ago, I lit a fire under our own administration's efforts for fundamental reform of Government regulation. This week we completed that 90-day moratorium that I ordered on new regulations. In just those 90 days we have completed or set in motion reforms that will save America \$ 15 billion to \$ 20 billion a year. And yesterday I ordered a 120-day extension on that moratorium, and I'm expecting many more achievements for freedom and for common sense.

Fundamental reform of regulation cannot be achieved overnight, and it's going to take a lot of tough, imaginative, patient effort. But I am totally committed to reforming regulation because the cost of inaction would be much more than we could bear. Think of some of the burdens and the contradictions that we already face.

Here in Columbus the city government has projected that over the next decade its cost of compliance with Federal environmental regulations alone will be \$ 1.6 billion. And that's \$ 856 per household per year. Now, this is for a community whose entire city budget last year was \$ 591 million. The share of the city's budget to meet these regulations stands to increase from 10 percent to 23 percent. Right now, Columbus is one of the most attractive places in the country for people to work and live. But I can't say things will stay that way if the cost of meeting Government mandates keeps going right out through the roof.

In Juneau, Alaska, a local charity, the St. Vincent de Paul Society, wanted to build an addition to its shelter for the homeless, also requiring more parking space. Unfortunately, the building project was delayed for a whole year because bureaucrats declared the site a wetland. Now, get this: The shelter is in the middle of town surrounded by concrete, dry concrete, I think, on a city block that includes two car dealerships, a plumbing store, and a storage business. There is something wrong with this picture. Obviously somebody in this episode was all wet, but it wasn't the real estate for the homeless shelter. I cite this as just the kind of example that we must fight against at the Federal level, that the local level must fight against, too.

Back here in Ohio, an unreasonable Federal regulation almost forced the closing of this health plan in Dayton that we call the Dayton Area Health Plan. George Voinovich called this to my attention, and innovative managed-care program designed to offer high quality care to some 43,000 Medicaid recipients in Dayton. Governor Voinovich and the Lieutenant Governor, Mike DeWine, who I did not introduce but who is with us here today, led the effort to change this inequity. Just this week I signed legislation granting an exemption for this Ohio reform initiative. I have confidence in the new ideas that Ohioans are developing on their own, and without the mandates from the know-it-alls in these subcommittees back in Washington, DC, or in our own bureaucracy. We don't do much for Americans' health when we put HMO's like the one in Dayton on the critical list.

It's stories like these that remind us what a visionary Alexis de Tocqueville was. A century and a half ago, a century and a half ago he warned that if Americans were not careful, Government would, and here's the quote, "cover the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate." This is de Tocqueville, coming over and taking a look at our society back then. I don't know what would happen to him if he took a look at it today.

We've heard the warning. We're fighting back. Our reform efforts are breathing new life into America's ability to compete, to innovate, and to create jobs. Every Federal agency that I asked to participate has responded with action to ease the burden of unnecessary regulation. From biotechnology to energy, to the banking field, and yes, to broadcasting and telecommunications, we are taking the shackles off of American enterprise.

Let me take this occasion to salute the FCC, Federal Communications Commission, for its actions to relax needless restrictions on ownership of radio stations. The FCC also has taken action to allow competition among international satellite companies. Now, this will help reduce prices that Americans now pay on more than a billion telephone calls every year to other countries. These are very welcome reforms. Al Sikes, who is our Chairman, the FCC Chairman, believes in free markets, and he believes in innovation. It's clear to me that that is the right direction.

Looking forward, one can't help but see that new telecommunications technologies will revolutionize science, education, and the way we do business. They will be an important boon to families. The day is coming when mothers and fathers will be able to spend more time at home with their children even as they make ever more productive contributions to our economy. The predictions for doing work at home in a productive way are absolutely outstanding, amazing. I

think you're going to see a whole new area build up for productivity.

In the same spirit as regulatory reform is privatization, facilities now run by government to be owned and operated by competitive enterprises, and thus serve the public more fairly and more efficiently. Today before I came out here to Columbus, I signed an Executive order that will give State and local governments more freedom to sell or lease their infrastructure to the private sector if they choose to do so. We hear complaints that America's infrastructure is crumbling and that States aren't putting enough money into expanding or repairing it. At the same time, many private companies want to invest in these projects. So our Executive order will remove impediments to competitive enterprises buying infrastructure assets; that means bridges or roads or housing and sewage treatment plants.

This initiative could generate billions of dollars in new investment and millions of new jobs. American business has the funds to invest in infrastructure and has the funds to expand it. Through today's actions we will help more people enjoy cheaper and better wastewater treatment service by letting businesses with real market incentives do the job. We'll help low-income tenants buy their own housing. The dignity that comes with home-ownership is a wonderful thing for our country. We're promoting competition that could dramatically reduce the cost of urban mass transit. The money that States will receive for selling these facilities will be used to build even more new needed infrastructure or to lower the States' debts or to cut your taxes.

Privatizing state enterprises is one of the great hopes for economic growth and rebirth from Mexico City to Moscow. Take a look at what's happened south of our border under the courageous President of Mexico, Carlos Salinas. Look at the many formerly government-owned entities that he has turned over to much more efficient operation in the private sector. There is an example from what Mexico is doing for us right here in the United States.

Same thing is true in Moscow. As I sit down with the leaders from the new Commonwealth of Independent States, and I'll be meeting very soon with Kravchuk and shortly after that with Boris Yeltsin, we are encouraging them to move to the very kinds of privatization that I'm talking about here. I think you're going to find that they're doing it, and it's going to be highly successful. It offers them great hopes for recovery out of the economic morass that they're in right now.

So this idea presents many chances for positive change, change abroad and change right here in our own country. And they're opportunities, frankly, that we simply cannot afford to overlook. And of one thing I am certain: The status quo, the old thinkers are not going to yield on this without a fight. The special interest crowd will not like the agenda that I've outlined for you today. They think the Government ought to own more, not less. They think that Government ought to mandate more, not less.

When I meet with the Governors, and I've done that quite a few times since I've been President, all across party lines, all across ideological lines of conservative and liberal comes the cry from the Governors, "Do not burden us with mandates coming out of some old-thinking subcommittee in the Capitol Hill of Washington, DC." We are determined to try to facilitate what the Governors want by giving them flexibility and saddling them with far fewer mandates.

Washington hasn't changed much since you all have been there. It is swarming with noisy lobbyists for the old interests who want this highly centralized Federal Government and people who have never met a regulation that they didn't like.

This is springtime, and a young man's thoughts turn, as does his radio dial, to baseball. So I thought I'd leave you with a favorite story. I don't know whether all these Yogi Berra stories are true or not; you know, "Pair 'em up in threes," and things like that. [Laughter] In Yogi's hometown of St. Louis, the local people organized a celebration in his honor at the old Sportsman's Park. Yogi quavered with emotion as he stepped up to speak. "First," he said, "from the bottom of my heart let me thank all the people who have made this day necessary." [Laughter]

I think the point of the story is this: The freedom-loving people of this country, people of ingenuity and enterprise, people in leading-edge industries like your own, are not merely making renewal of limited Government possible; they're making it necessary. They're making it inevitable. Technological advance is accelerating so rapidly that the old guard can only hope in vain to keep up. We'll make intrusive and gluttonous Government a thing of the past. We've reached a turning point. And we're on the verge of watershed reforms to make Government stop stifling people who want to use their freedoms, their own freedoms, to create and to produce and to serve.

The day is coming when enterprises and innovators like yourselves will lead us into these exciting new horizons. The day is coming when dreams not yet imagined will come true. I am confident about the years ahead. I know we've had difficult times, but I don't believe for one single minute that the United State of America is in decline. The future is tremendously exciting. And if we handle the technological change with the innovative manner I've outlined here today, I believe we can usher in all kinds of new eras of prosperity for the working man and woman in this country.

Again, I'm confident of the years ahead. The big thing is to keep this Nation a champion of ideas and of opportunity and, with that first subject in mind, of justice. We can reform our schools and our courts and our health system, our very system of Government. And we can assure that when we reach the new century America will still be the strongest, the bravest, and the freest Nation on the face of the Earth.

It's good to be back with you. And thank you all very, very much.

Note: The President spoke at 3:12 p.m. at the Hyatt on Capitol Square. In his remarks, he referred to Anthony (Fred) Cusimano, association vice president and general manager; Gene D'Angelo, president and general manager of WBNS AM/FM/TV; Dale Bring, association executive vice president; and Thomas S. Stewart, vice president and general manager of WBNS AM/FM.

LEVEL 1 - 2 OF 2 STORIES

Copyright 1992 Newspaper Publishing PLC
The Independent

February 10, 1992, Monday

SECTION: FOREIGN NEWS PAGE; Page 14

LENGTH: 1001 words

HEADLINE: The US Elections: Congressional Democrats fear political earthquake;
Senate, Congress

BYLINE: By JOHN LICHFIELD

... happens in the presidential campaign, this could be a year of unaccustomed upheaval in the geologically immovable US Congress. Since 1954, the Democrats have controlled the House of Representatives and - for all but six years in the 1980s - the US Senate. They are unlikely to lose control of either chamber this time, but they could have their majorities cut considerably, especially in the House.

LEVEL 1 - 4 OF 46 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

June 18, 1992, Thursday, PM cycle

SECTION: Business News

LENGTH: 860 words

HEADLINE: Supreme Court Upholds California's Proposition 13

BYLINE: By JAMES H. RUBIN, Associated Press Writer

DATELINE: WASHINGTON

KEYWORD: Scotus-Prop 13

The Supreme Court today upheld California's Proposition 13, which imposes dramatically different property taxes on similar homes depending on

LEVEL 1 - 1 OF 6 DOCUMENTS

Public papers of the Presidents

Remarks at a Republican Party Rally in Berea, Ohio

24 Weekly Comp. Pres. Doc. 1422

November 2, 1988

LENGTH: 2460 words

... saying it's time for a change. Well, ladies and gentlemen, we are the change. The change began 8 years ago.

Let me just tell you something that most of us tend to forget. In the 50 years to 1980, that half a century, 1931 until 1980, 46 of those 50 years the Democrats have controlled both Houses of the Congress. Now, in this campaign I've heard the deficit called mine -- that it is so big. Let me tell you, the President can't spend a dime. Only Congress can spend money. Now, in those ...

LEVEL 1 - 3 OF 6 DOCUMENTS

Public Papers of the Presidents

Remarks at a Fundraising Luncheon for Representative Connie Mack in Miami, Florida

24 Weekly Comp. Pres. Doc. 879

June 29, 1988

LENGTH: 2647 words

... Mack and the Republican Party stand for opportunity and jobs. We represent working people and entrepreneurs. The liberal leadership of the Democratic Party represents big government at the expense of the American worker and taxpayer. But the fact is that the Democrats have controlled both Houses of Congress for 27 of the last 33 years, and now more than ever it's time for a change.

Let me add to those figures I just gave you with regard to the other party. When we took office in January 1981, the Democrats had controlled both Houses of the Congress for 44 of the preceding 48 years. But in the 1980 election, we won control of one House: the Senate. And for 6 years, we had that. Now,

LEVEL 1 - 5 OF 6 DOCUMENTS

Public Papers of the Presidents

Los Angeles, California

Remarks at a Fundraiser for Congressman Ed Zschau.

22 Weekly Comp. Pres. Doc. 1145

September 7, 1986

LENGTH: 2907 words

... no such thing. If you like what Pete Wilson is doing for California, does it make sense to send a Senator back to Washington who'll cancel Pete's vote every chance he gets?

When we took office, Democrats had controlled both Houses of Congress for more than a quarter of a century. Now, for 5 1/2 years we've had control of the House -- or of one House, I should say. No, we don't have the House, we have the one House -- the U.S. Senate. We couldn't have accomplished what we have without that majority in the Senate. There was no way it could have been done.

LEVEL 1 - 2 OF 187 STORIES

Copyright 1992 Federal Information Systems Corporation
Federal News Service

JUNE 11, 1992, THURSDAY

SECTION: MAJOR LEADER SPECIAL TRANSCRIPT

LENGTH: 6373 words

HEADLINE: REMARKS OF RICH BOND
CHAIRMAN OF THE REPUBLICAN NATIONAL COMMITTEE
TO THE INDEPENDENT BANKERS ASSOCIATION
THE WASHINGTON COURT HOTEL
WASHINGTON, DC

... class, whatever it is, there's a whole bunch to it. The fact of the matter is it passed the House easily and the votes were there in the Senate, and one person said it's not going to pass. I don't want it to pass. End of story. That's real power when it comes to domestic policy. And let's remember that the Democrats have controlled the House of Representatives for 38 straight years. That's longer than Fidel Castro has controlled Cuba. It is a long, long, long ...

LEVEL 1 - 3 OF 87 STORIES

Copyright 1992 The Christian Science Publishing Society
The Christian Science Monitor

June 2, 1992, Tuesday

SECTION: OPINION; VIEWS FROM CAPITOL HILL; Pg. 19

LENGTH: 760 words

HEADLINE: What Congress Needs Is Real Reform

BYLINE: Joel Hefley; Rep. Joel Hefley (R) of Colorado is on the Armed Services Committee, Small Business Committee, and Interior and Insular Affairs Committee.

... reelection.

Here are six reforms that would make an immediate and positive impact on how Congress functions:

1. My hope is that the House leadership would change hands. The Democrats have controlled the process for almost 40 years; the nation needs a change in command. The upcoming election is bound to produce at least 100 to 150 new

Tim Adams
Policy
Todd Buckles
x 7968

(Duggan/Nix)
June 17, 1992
Draft Six
Jarvis

PRESIDENTIAL REMARKS: HOWARD JARVIS TAXPAYERS ASSN.
UNIVERSAL CITY HILTON
UNIVERSAL CITY, CALIFORNIA
SATURDAY, JUNE 20, 1992
9:00 a.m

[Acknowledgments] ((It's a shame I don't have time for the Universal Studio tour. \\ But if I want to see behind-the-scenes tricks or outrageous fantasy, I don't have to visit Hollywood. \\ I can just watch Congress deal with the budget. \\))

Estelle Jarvis, it is a special privilege to be with you and the members of the Howard Jarvis Taxpayers Association. Estelle, your late husband was a true pioneer. In the Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple and profound. He said, "Our freedom depends on four words: Government must be limited."

Here in California 14 years ago, Howard Jarvis won a famous victory -- the tax limitation plan called Proposition 13. He

fired the first shot in the Reagan Revolution. And we're still feeling the reverberations today as we keep fighting to expand our freedom and hold back unnecessary burdens of government. \\

Our revolution isn't the work of a single presidency -- it's the mission for a whole generation of reform. Since 1980, we've lowered taxes, made them flatter and fairer. \\ We've made landmark reforms to get big government regulation off the backs of our families and businesses. \\

But we've got much more to do. With tax-and-spend liberals

Larry Lindsey
452-3274
1981 bill 3735
Small business
owner
top rates would
have been cut from
25 to 20
Costs fueled growth
job growth

low to moderate.
millions of tax rates all together
people were taken off

Tax rates cut across board
nearly 30%
to have
x brackets
y brackets
In the last ten years
we've lowered the tax rate
Standard deduction

70%
50% → 31% 81 + 86
70 = 50%
28%

still in charge of Congress, government keeps growing. Congress now spends nearly a quarter of what people in this country work to produce: That's right, almost 25 percent of the Gross Domestic Product. The habit of deficit spending has brought us to the point that the national debt now equals about \$65,000 for every family of four in the United States. That's about what you'd pay to send two kids through college. Those facts tell us we're not really as free a society as we should be. You and I know that government is too big -- and it spends too much. \\\

The burden of debt and profligate spending is the legacy of almost four decades of liberal Democrat control of the U.S. House of Representatives. Time and again, Ronald Reagan and I have asked for popular reforms: The line-item veto. A balanced budget amendment. Again and again, the liberals in Congress have said no. It's no wonder that Americans keep clamoring for stricter limits on the power and cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I'm mad as hell." \\\

What it comes down to is this: Ordinary Americans are plain fed up with pressure to be "politically correct." Aren't you tired of hearing the liberal know-it-alls drone on, demanding that you believe things that defy common sense? Aren't you sick of self-righteous demands that you surrender to some bureaucracy freedoms that enabled our ancestors to make this country great?

Maybe you're like millions of other Americans. You shop at

1981
 tax rates
 Indexed so ~~bracket~~ creep - cause automatic ~~rise~~ tax increases.

K-Mart, you eat at Carl's Jr. You've worked to get your kids through school and pay off a mortgage. You know it's not only your right -- it's your duty to your family -- to fight high taxes and government waste. And when liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back.

Our fighting spirit has brought us to a turning point. We're on the threshold of something big. We'll have to put up with a few more months of frustration from the lame-duck liberal Congress, but after that I see a clear road and powerful acceleration for the changes we want.

We're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations. We've stopped, for example, a senseless regulation that delayed expansion of a homeless shelter on a developed, downtown city block that bureaucrats were trying to say was a "wetland." For businesses, for charities, for homeowners, we're working to get unreasonable regulation off their backs. \\\

I'm pushing hard to reform our civil justice system. Americans want to stop nuisance lawsuits. \\\ ((Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers?)) \\\

I'm committed as strongly as ever to win more tax relief and reform. \\\ We need to lift the dead weight that punishes homeowners and prevents more investment and job creation -- those sky-high taxes on capital gains. \\\ We need to enact my other

4
proposals to ease tax burdens on families and homeowners. \\
.

I'm fighting for fundamental change in our education and welfare systems. It's time for parents to have real financial freedom to choose their kids' schools -- public, private or religious. \\
We'll give families more opportunities. We'll give parents the muscle to change our schools and make them the best in the world. \\
.

Right now, we have a welfare system designed by liberal politicians and social theorists. It's a burden on taxpayers, but that's not the worst of it. Much of the time, this system hurts the very people it claims to help. The system discourages single mothers from getting married. It leaves too many young women and children without the stability of a two-parent home. And let's face it: The welfare-state system traps too many people in a cycle of dependency -- destroying dignity, telling the little guy who wants to pick himself up that he really doesn't have much of a chance.

I'm working to transform this failed welfare system into something that makes sense -- something that gives people a shot at dignity. \\
Right now, I'm working with tough-minded, creative governors like Pete Wilson here, and Tommy Thompson in Wisconsin, to give them flexibility under federal laws to try out new ideas and begin turning their state welfare programs around. With governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering the dignity and the rewards of work. \\
We'll make more headway in connecting welfare with

requirements for work, training and education. We'll get more deadbeat dads to pay the child support they owe. And we'd help a lot more families come together and stay together. \\

My proposal for health insurance reform is a model of the new way of thinking about social programs. The big news media haven't told you much about my plan -- they're too busy beating the drum for that stale old idea of a Ted Kennedy-style national system of socialized medicine. \\
Like my education plan, my health care plan would help working people and needy people with vouchers and tax credits -- employing an old-fashioned American idea: free markets and choice. It would provide Americans like yourselves with quality care, care you can afford -- while wringing out excess and waste. \\

In the long run, reforming education and welfare could make a major contribution to increasing productivity and solving our fiscal crisis. We can make these reforms without raising taxes - - and without piling new burdens onto state and local taxpayers.

Hand in hand with these reforms goes our crusade to enforce fiscal discipline. That's why I need what 43 governors have: the line-item veto. \\\ And now more than ever, Americans are calling for a Balanced Budget Amendment to the Constitution. \\
Forty-four states have constitutional requirements for balancing the budget. Most state legislatures are on record supporting a federal Balanced Budget Amendment.

Standing in our way is the liberal hard core of the Democratic Congress -- barely more than one-third of the

membership. Read the roll call from last week's vote in the House -- you'll see who I'm talking about. And pay attention to the Democrats who belong in a special Hall of Shame. I'm talking about the 12 Democrats -- two from California -- who listed themselves as sponsors of the amendment: They did that to look good to the folks at home. Then these Democrats switched sides and voted to kill the amendment they had sponsored: They did that to curry favor with their party bosses in Washington.

We know better than to expect these people to discipline themselves. This is the same crowd we've seen for decades: in charge, unchallenged, and out of control. \\
 \

How about it if we send them a message in November? \\
Can I count on each one of you to get to work on this? \\
Can I count on you to deliver the liberals some bad news at the polls this November? \\\ Thanks! \\
 \ I knew I could! \\
 \

Before I finish, I want say a word about the summit meeting Boris Yeltsin and I just completed in Washington -- where we reached historic agreements for peace and security. Thousands of visitors joined Barbara and me on the White House lawn to welcome the first democratically elected president of Russia. I wish each one of you could have been there with us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\
 \ Today, ordinary Russians thank God that

ordinary Americans stood fast against the Communist dictatorship that threatened us and oppressed them. \\

If you have the will, the perseverance, there's always a chance to make a difference. Howard Jarvis spent 16 years fighting for tax limitation. He was 76 years old when at last he won -- when he shook the establishment of this entire country.

I've highlighted for you my agenda for a new term, working with a new Congress: Revolutionize our schools -- put parents and kids and traditional excellence ahead of bureaucrats. Reform our system of health care. Overhaul the welfare system -- give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against excessive spending, taxes and regulation. \\

With a new Congress that shares our values, we can use the next four years to set our country on the right track for the next forty years. \\ With your help, I know we can. \\ Thank you. God bless you and the United States of America. \\

#

That was the especially true for the 12 Democrats who had co-sponsored the proposal but ultimately voted against it. "I'm very disappointed that many of our co-sponsors switched," Mr. Stenholm said grimly.

His office identified the 12 as Representatives Frank Annunzio of Illinois, Joan Kelly Horn of Missouri, Austin J. Murphy of Pennsylvania, Albert G. Bustamante of Texas, Jim Olin of Virginia, Gerald D. Kleczka of Wisconsin, Robin Tallon of South Carolina, Richard E. Neal of Massachusetts, Tom Lantos and Matthew G. Martinez of California, James A. Traficant Jr. of Ohio and Patricia Schroeder of Colorado.

With only two Republicans, Representatives Bill Green of Manhattan and Benjamin A. Gilman of Orange County, voting against the measure, Democrats made an easy target for charges of partisanship.

Gingrich Leads the Attack

On the House floor, Representative Newt Gingrich of Georgia, the House Republican whip, began the barrage by saying, "If you think a huge Federal debt is O.K., vote no."

DATE: JUNE 19, 1992

CLIENT: BUSH AND VETO! W/5 28
LIBRARY: NEXIS
FILE: CURRNT

YOUR SEARCH REQUEST IS:

BALANCED BUDGET AMENDMENT AND 12 DEMOCRATS AND DATE IS AFT JUNE 5, 1992

NUMBER OF STORIES FOUND WITH YOUR REQUEST THROUGH:

LEVEL 1... 4

1ST STORY of Level 1 printed in FULL format.

Copyright 1992 Cable News Network, Inc.
All rights reserved
CNN

Capital Gang

June 13, 1992

Transcript # 15

TYPE: Show; Analysis

SECTION: News

LENGTH: 3974 words

HEADLINE: Who Won This Week's Campaign Battle?

GUESTS: Sen. ROBERT DOLE, (R-KS) Majority Leader.

BYLINE: MARK SHIELDS; ROBERT NOVAK;

HIGHLIGHT:

Discussion of which presidential candidate fared the best in a week of campaigning that featured Ross Perot on "The Today Show" and President Bush facing tear gas in Panama.

BODY:

ANNOUNCER: Now from Washington, The Capital Gang.

AL HUNT, 'Wall Street Journal': Welcome to Capital Gang. I'm Al Hunt, with Mark Shields, Robert Novak, and Margaret Warner. Our guest, Senate Republican leader Robert Dole. Thanks for coming in, Bob.

Sen. ROBERT DOLE, (R-KS) Minority Leader: Happy to be here.

HUNT: It's going to be an interesting evening. Ross Perot spent two hours talking to callers on national TV and spelled out some of his views: pro-choice on abortion and anti-tax increase.

[Clip courtesy NBC News 'Today']

ROSS PEROT, Undeclared Presidential Candidate: Raising taxes is like taking dope for politicians. You've got to stop raising taxes, you've got to bring discipline so we- unless there's some kind of incredible emergency that I can't envision, absolutely not.

HUNT: Meanwhile, President Bush brushed off warnings from House Minority Whip Newt Gingrich that Perot means big trouble.

President GEORGE BUSH: We do better when we're coming from behind, and I'm also one who remembers four years ago, maybe to this very minute, being 17 points back.

CNN Transcripts, June 13, 1992

HUNT: Getting out of Washington, the President ran into protesters in Panama who forced cancellation of his speech, and Bill Clinton, taking advice from Mario Cuomo, said he will give Congress a last chance by seeking an agreement with the lawmakers on an action program before the election.

BILL CLINTON, Democratic Presidential Candidate: I think before we write them off, even being able to change, we ought to see how they respond to the program.

HUNT: Bob Novak, with your Olympian view, who won and who lost this week?

ROBERT NOVAK, 'Chicago Sun-Times': The big loser was George Bush. I mean, he goes down to this place in triumph in Panama, and they run him out with tear gas in his eyes, after he has said with nostalgia, saying he's going to do Dukakis again. He's not running against Dukakis this time. Bill Clinton was euchred by Mario Cuomo into making common cause with the congressional Democratic leadership, the only people who are more unpopular than George Bush politically. I think it was another winning week for little Ross Perot. He gets on two hours on The Today Show and much to your displeasure, much to Norman Lear's displeasure, he comes out against taxes, against affirmative action, and against registering guns.

HUNT: He also, Bob, was pro-industrial policy and pro-choice on abortion. It seems a little bit-

NOVAK: Nobody's perfect.

HUNT: There was something there for everybody. Do you agree, was it a good week for Perot, bad week for the President?

Sen. DOLE: Oh, I think Perot's had a lot of good weeks. It's probably another good week for Perot, but I think sooner or later it's going to turn the other way.

HUNT: How about the President? How was the week for him?

Sen. DOLE: Well, it wasn't the best week President Bush has had with the balanced budget, though I think that's going to be a victory in the long run, and we'll bring it up to the Senate, hopefully still push it, bring it up to the Senate, should have sent it back to the House. But I think President Bush is sort of stuck right now, but I think he'll start moving soon.

HUNT: Margaret, was Bill Clinton- is it a good idea or a bad idea to try to get together with congressional leaders to push the three or four point program?

MARGARET WARNER, 'Newsweek': Look, obviously very risky because he can just be painted as part of the problem. On the other hand, I think what he's doing here is playing House of Representatives politics. I mean, if you- what he's saying is, I want to show that I can beat the gridlock of Washington, but he's also, I think, playing to the possibility that the selection is going to go into the House of Representatives, that some of these guys are going to be voting on who's going to be the next president.

HUNT: Mark?

CNN Transcripts, June 13, 1992

MARK SHIELDS, Syndicated Columnist: Well, I think that Ross Perot had a pretty good week. I will take a slight dissent on The Today Show. When you're doing these shows, Al, there's a risk that you run into when you're on somebody else's show, especially when the show is The Today Show, which is so personality dominated. Katie Couric is almost a beloved figure in this country. He went after her yesterday on a question where she was absolutely right and he was wrong, his criticism of Doogie Howser sitcom, and asked, where did you get that? How much did you pay for it? It's been in every paper in the country, if he was aware of it, and I just thought he showed sort of a mean edge at that point that was really unappealing. As far as his leadership, however, I think Bob Dole's absolutely right. This is a guy that's got George Bush- George Bush will be on the monster tractor pull on cable before this thing is over. He'll be on home shopping network. I mean, it's got them all doing TV shows, and he's got the budget deficit, which Bob Dole talked about, which George Bush dropped like a bad habit, and he kind of recycled.

NOVAK: The interesting thing, I think, is Bill Clinton, though, was on Friday morning, he was on a press conference in Washington, and he was snapping at all the reporters' question. You know, they asked him a question, and he said, 'That's a long question, that's a long question.' I think he's trying to do an imitation of- I've never figured out who's he trying to imitate.

HUNT: Were you hurt by that? Were you hurt when politicians snap at you, Bob?

NOVAK: I love them to snap at me.

HUNT: Bob, speaking of Bob Novak, Bob Dole, let me ask you. He, Bob Novak, had a stunning column this week in which he suggested there might be a Perot ticket with, now, get this, this may surprise you, with Jack Kemp. What do you think of that ticket, and do you think there's a shot?

Sen. DOLE: I don't think Jack would do that, but I wasn't surprised it was in Novak's column.

HUNT: Really?

Sen. DOLE: It ought to be the other way around, Kemp-Perot ticket.

NOVAK: That's not a bad idea.

Sen. DOLE: That's not a bad idea.

WARNER: Al, I think there's just one other side of what a bad week it was for Bush, aside from the Rio fiasco and Panama fiasco and him sort of kicking away the jewel in this crown, is that in the ABC post poll, if you took Perot out of the race, for the first time, Clinton was getting more than Bush, but a lot of the Perot voters were saying, it was 44 to 40, 'If Perot weren't here, I still couldn't vote for Bush.'

HUNT: The other thing, Bob Dole, that you seem to think is that like Jimmy Carter in '80, when something goes wrong, everything seems to go wrong. That seems to be what's happening to George Bush. It wasn't his fault what happened in Panama, but it certainly marred the trip.

Sen. DOLE: Well, I think it may turn out to be a plus, I mean, the fact that

CNN Transcripts, June 13, 1992

he did go there and the fact that there was a lot of pro-American sentiment you saw early in the parade, and then the fact that a few terrorists were able to run President Bush out of town, so to speak, may have a reverse impact with the people there, and that's the important thing, but I don't know how he'll do in Rio. That's going to be rough sledding, too.

HUNT: I guess, I have a minority view, too. I think Bill Clinton has had a pretty good week, and I think Margaret's right. I think there's some- Clinton's starting to show a little bit of movement. I don't want to exaggerate it, but I think this is a real three way race. It's not a two way race, it's a three way.

NOVAK: But it's going to end up as a two way race.

HUNT: It may in the end. Bob Dole and the gang will be back with busting the balanced budget and Dan Quayle versus the news media.

[Commercial break]

HUNT: Welcome back. President Bush's major legislative and political project, a constitutional amendment for a balanced budget, was defeated in the House. Before beating him, Democratic Congressmen berated the President.

Rep. JOHN DINGELL, (D-MI): Mr. Bush is down there saying, save me before I submit another unbalanced budget, but last night he got this proposal changed so that it doesn't affect Mr. Bush during his tenure.

HUNT: Bob Dole, in view of the \$ 2.3 trillion dollars of deficits that the Reagan and Bush years have rung up, was the President's big push for a balanced budget amendment a bum idea?

Sen. DOLE: No, I think it was a good idea. It came a little late, but it's a good idea. It's going to be around, if we have it, it's going to be around long beyond President Bush's term, and had the 12 Democrat co-sponsors not switched their votes, we'd have had a balanced budget amendment passed in the House. So, I think what we ought to do is take it up in the Senate, get the two-thirds vote in the Senate, send it back the House and still get it done this year.

HUNT: But you're not going to take it on the Senate, are you? At least your counterpart, Senator Mitchell, says you're not, isn't that right?

Sen. DOLE: Well, I've suggested we take it up. I haven't heard him say no definitively, but last time I checked he was the Majority Leader.

HUNT: You might keep it around. Bob, let me ask you this about George Bush. Can George Bush run against Ross Perot on a balanced budget?

NOVAK: Well, this is just an absolutely stupid thing. It shows you the Republicans learn nothing. They're still the same old Republicans, and Ronald Reagan was an aberration. In the first place, the budget deficit is a grossly overrated statistic. In the second place, this silly thing, everybody knows it is phony and the worst thing it can do, it can really be a mechanism for increasing taxes. The thing that the Republicans ought to do is just thank God for George Mitchell and for Speaker Foley being dumb enough to kill the thing because it is a built in mechanism for raising taxes.

CNN Transcripts, June 13, 1992

HUNT: Mark, he's half right, which is 50 percent better than usual. I think-

SHIELDS: Figure the half.

HUNT: Well, he's wrong, I mean, he's wrong that the deficit doesn't matter, of course, it matters, but I think he's probably right that it doesn't have a lot of political legs.

SHIELDS: I don't think it does have a lot of political legs. Bob Dole is one of the few Republicans who has been honest enough to deal with this issue, unlike Mr. Novak's plaster saint heroes, Mr. Kemp, Mr. Bush, Mr. Reagan, all of whom said it didn't matter to anything. They all ran on a balanced budget.

NOVAK: Bush said it did matter.

SHIELDS: No, they all ran on a balanced budget. They all said, that oh- they paid lip service to it. These guys, Al, it's a scam. It reminds me a little bit of the guy with a six pack of Smirnoff's in front of him saying, geez, I'll lay off of this stuff as soon as you pass prohibition. I mean, if there's nothing to stop him and every penny of income tax paid by every American living West of the Mississippi last year wasn't enough to cover the interest on the national debt. It wasn't, and you know it, you know it, Novak.

HUNT: Moreover, Margaret, 19 percent of that federal budget is interest on the national debt, can't cut that, and half of it's entitlements. I don't hear are a lot of people, and Bob Dole is an exception, I really think you deserve credit, but I don't hear a lot of other people talking about Social Security and Medicare or those other entitlements.

WARNER: Absolutely not. Not even Bob's hero, Ross Perot, but I actually think Bob was right on two points. One this was-

NOVAK: Two?

WARNER: Two. One is this totally phony thing, I mean, when Mario Cuomo and Bob Novak you know you're onto something, but two, that even though we're painting it as a loss for Bush, it's probably a big plus for him because now he can keep it as this simplistic notion out in the country and say, they didn't pass my balanced budget amendment.

NOVAK: I don't agree with that at all. I think he comes over as a loser.

HUNT: I don't think you can run against, as I say, against Ross Perot on that, but let's shift, because meanwhile Vice President Quayle, continuing the Murphy Brown debate, took on the news media.

Vice President DAN QUAYLE: Moral values are what the American people care most about, and that's why I say this about the scorn of the media elite: I wear their scorn as a badge of honor.

HUNT: Mark, is this a rerun of Spiro Agnew's attack 23 years ago on, remember, 'the nattering nabobs of negativism'?

SHIELDS: Al, let's get this straight. Unlike Spiro Agnew, Dan Quayle has never been accused of extortion, fraud, income tax evasion, conspiracy. So, I mean,

CNN Transcripts, June 13, 1992

you know, Dan Quayle isn't. I mean, Dan Quayle-

HUNT: I'm glad you set the record straight.

SHIELDS: No, he really isn't-

NOVAK: Nicest thing you ever said about him.

SHIELDS: You know, stealing with more than \$ 100,000, well, executive, county executive governor and vice president, but Dan- most vice presidents are limited to one of two roles. They're either a cheerleader or else they're a hatchet man, an attack guy, and what Dan Quayle has become in this administration is, because it has no idea, no vision, no goal, no stated program, he's become the defining instrument. He is it, and yes, I don't know a single parent, Al, who isn't disgusted, disappointed, and dissatisfied with the fare that's on television. I'll just add one thing to it, and that is what people are most concerned about in 1992 is sadly not the content of television, for Dan Quayle's sake, it's the economy, it's jobs, it's prosperity, it's the future.

HUNT: Bob Dole, do you see Dan Quayle setting the agenda for the Republican party?

Sen. DOLE: I think right now he's shoring up the base, and when it was starting to erode, I think Dan Quayle went out and put the fire out. At least, he's trying to put the fire out. I think he's done a good job, but, you know the base is shrinking a little bit with Perot on the scene. I think Dan Quayle's job now is to try to hold it.

HUNT: You've always been a traditional values guy, Bob.

NOVAK: You bet I have, and I think- I agree entirely with Bob Dole. This is the first time we've agreed and-

HUNT: First you're with Mario Cuomo. Now you're- Senator, do you want to reconsider your position?

NOVAK: Boy, I agree with him completely and I tell you that, you know, people, there are a lot of people who are upset about the economy, and they should be upset, but there's a lot of people, too, who are upset. They can't even take their family to a movie because it's so filthy. They can't even turn on a cable television set if they get away from CNN and they don't see filth. I think that this is a really sensitive issue. I don't think President Bush understands it. I think Vice President Quayle does.

HUNT: The Vice President today called, or yesterday called Ross Perot a temperamental tycoon who would be bad for America. Is the Vice President right on that, too, Bob?

NOVAK: Who knows, but he's a pretty good campaign, I think.

HUNT: Oh, boy. Margaret, what are your thoughts on this?

WARNER: You know, I think it's pretty clear. I agree with both Bobs on this show today that he was clearing shoring up, he was playing three way politics. The White House originally was very upset with what Quayle said about Murphy

CNN Transcripts, June 13, 1992

Brown, but now they decided that this is a good thing. I just think that's not going to be enough for Bush.

HUNT: I'm a little curious as to who all these people are in the news media who are against family and-

NOVAK: You want me to tell you?

HUNT: Yeah.

NOVAK: I mean, if you ever get off your butt and look at the list of polls, you'll find that they don't go to church, they don't believe in God, they don't believe in any of the values.

HUNT: I have 50 people in my bureau, Bob, and I want to tell you it doesn't apply to them and it doesn't apply to most reporters I know.

SHIELDS: Al, Bob is going to be watching mass for the shut-ins this Sunday, but I do want to tell you, it's been a tough election cycle for Bob Novak because the Republicans have lost commies. There aren't any commies, you know, left in Europe. You've got to go to a theme park in Albania to find one, and secondly, they've lost taxes. So, I mean, what is there left for Bob except eliminating French kissing?

Sen. DOLE: Eliminate Milosevic in Yugoslavia.

WARNER: That's right.

HUNT: We're going to get to that next because next on Capital Gang: is Yugoslavia America's business?

[Commercial break]

HUNT: Welcome back. The prospect of American troops intervening in Yugoslavia was raised by a senior Republican Senator.

Sen. RICHARD LUGAR, (R-IN) Foreign Relations Committee: I've asked for the President of the United States to offer leadership in getting the Security Council of the U.N. to say that at a certain date ceasefire must occur, absolute peace in Yugoslavia. If it does not, that the nations of the world will be authorized to use military force.

HUNT: A similar message was sent by unnamed administration officials, but not by the President.

Pres. BUSH: I'm not going to go into the fact of using U.S. troops. We're not the world's policeman.

HUNT: Margaret, does that mean the President won't send in American troops?

WARNER: No, I don't think so. I think what we just saw here was the President still expressing his 'druthers. He obviously does not want to get into this messy situation, but I think within a month he's going to have no choice. I mean, the economic sanctions clearly aren't going to force Milosevic, the Serbian leader, to let humanitarian aid in. The emergency measures voted at

CNN Transcripts, June 13, 1992

the U.N. on Monday night clearly aren't going to be enough, the convoys are being attacked. The next step has to be to secure that airport so that relief flights can fly in. The U.S. will be asked to provide the air support and the C-130 transport planes, and I could tell you right now that the Pentagon is not going to permit those planes to go in with the, you know, Senegalese air traffic controller on the ground. I think you're going to have a U.S. military involvement there, maybe not ground troops, maybe the Europeans and U.N. will provide that, but there's no way to make the humanitarian operation work without military backup.

HUNT: Do you agree, Bob Dole? Are we going to see troops over there?

Sen. DOLE: Well, I don't want to see troops over there, but I must say, we haven't really covered ourselves with glory with reference to Yugoslavia. We sort of played a waiting game, been a spectator up until the last 30, 40 days, and it seemed to me they're now slaughtering innocent women and children just as they did in Croatia, now in Bosnia-Herzegovina. Next it's going to be Kosovo where you have two million Albanians. Then you've got a threat of bringing Albania into the war, Bulgaria. You've got Macedonia, they may be there next. So, my view is that we ought to join with NATO. NATO's reaching out beyond the alliance now and participate that way. If it takes a blockade or if it takes blockading the air space over Sarajevo so you can bring food in, then we ought to participate.

HUNT: The foreign minister of Bosnia said yesterday the only way is American troops.

Sen. DOLE: I think he'll be seeing President Bush soon.

HUNT: Mark?

SHIELDS: I think Bob Dole is absolutely right. You know, it is, say, the arrival of the U.N. peace keepers there yesterday were treated by tears and roses, and it was really a truly dramatic and a touching sight. I mean, it's time like this that you wish that someone would discover oil under Sarajevo and they would get some movement.

HUNT: Bob, I must say, I think you made a good point a couple of weeks ago. There's a real danger of a quagmire here.

NOVAK: You know, the- I see all these things, always end- they always start with some transport planes, and then there's air traffic controllers, and then there's some perimeter troops, and before you knew it, you've got an infantry division there. I really believe, I agree with Bob Dole, we messed up this whole thing, the State Department has screwed it up royally, they screw up most things, but the fact of the matter is President Bush is right, we can't be the policeman for the world. We cannot police this whole world. It is- every little ethnic struggle is not our business. Why don't we go into the Azeris against the Armenians next?

WARNER: Let me tell you why, Bob.

NOVAK: Are we going to send troops to Armenia?

WARNER: No, we're not, and let me tell you why, because history teaches us

CNN Transcripts, June 13, 1992

that an unstable Europe is very bad for the United States, and the fact is, as Senator Dole just said, this threatens to spill into the rest of Europe now, and it's-

NOVAK: That's bad history. You don't have great power rivalries. You don't have Germany against France against Britain against Russia. That's why the dispute in 1914 became a world war, because it ignited-

HUNT: Bob Dole, last word.

Sen. DOLE: Well, I just think Mr. Milosevic understands our resolve. You may not need to do these things, Bob, I agree. We don't want do them, we can't be the world's policeman, but this last communist in Europe needs to understand that we're serious about this and we don't like what he's doing.

HUNT: Bob Dole, thanks a lot for being with us today.

Sen. DOLE: Thank you.

HUNT: It really was, it was good to have you. The gang will be back with the outrage of the week.

[Commercial break]

HUNT: And now for the outrage of the week. A U.S. national security panel is reviewing a proposed sale of LTV's missile producing business to the Thompson Company, 58 percent owned by the French government. There are three questions. Would the French allow a U.S. concern to buy a French arms company? Can the French be trusted not to sell this sophisticated technology to terrorist countries? And most importantly, should the U.S. OK the sale of a key defense unit to a foreign country? The answer to all three is no. This sale ought to be rejected.

NOVAK: Mayor Michael White of Cleveland sounded entranced by Ross Perot when he met him in Dallas this week, but back in Cleveland the next day, he seemed to be comparing him to Hitler. Was he?

Mayor MICHAEL WHITE, (D) Cleveland: I'm not referring to anyone. I just leaving the parallel for you to make your judgment.

NOVAK: That's an outrage, Mr. Mayor, but who got to you after you left Dallas?

WARNER: He's back. Former D.C. Mayor Marion Barry, recently released from a prison term on drug charges, is moving into Washington's eighth ward to run for a D.C. city council seat. Barry said he's running, quote, 'to serve the last, the least, and the lost,' but if that were his motive, he could do more by counseling inner city teenagers to stay off drugs. What's more likely is that Barry hasn't shaken his addiction to the celebrity status that elective office brings, and it's a special outrage that Barry is targeting the poorest ward in Washington, the neighborhood most desperate for leadership, for his cynical comeback bid.

SHIELDS: Al, anybody needing further proof that the current campaign financing system amounts to legalized extortion need only to look at the most recent Federal Election Commission reports: 1992 may be the year of the outsider, but

CNN Transcripts, June 13, 1992

not here in Washington, where 97 percent of the money raised by political action committees, PAC's, has gone to incumbent House insiders. PAC's were allegedly founded to help the little guys, but that's not the way it works out.

HUNT: Not only that, we had a story this week. All the Watergate crowd, '72, they're back giving still. Awful.

SHIELDS: Isn't that great?

HUNT: This is Al Hunt, saying good night for the Capital Gang.

The preceding text has been professionally transcribed. However, although the text has been checked against an audio track, in order to meet rigid distribution and transmission deadlines, it has not yet been proofread against videotape.

*****-----*****

* 11 PAGES 399 LINES *
* 6:32 P.M. STARTED 6:35 P.M. ENDED *

*****-----*****

*****-----*****

*	EEEE	N	N	DDDD	*
*	E	N	N	D D	*
*	E	NN	N	D D	*
*	EEE	N	N N	D D	*
*	E	N	NN	D D	*
*	E	N	N	D D	*
*	EEEE	N	N	DDDD	*

*****-----*****

*****-----*****

SEND TO: NIX, SUSAN MICHELE
WHITE HOUSE COMMUNICATIONS OFFICE
OLD EXECUTIVE OFFICE BUILDING
ROOM 111 1/2
WASHINGTON, DISTRICT OF COLUMBIA 20500

***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****
***** 26405 ***** PRINTOUT COMPLETED ***** JUNE 19, 6:35 P.M. *****

***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****
***** 26406 ***** BEGIN PRINTOUT ***** JUNE 19, 6:35 P.M. *****

SEND TO: NIX, SUSAN MICHELE
WHITE HOUSE COMMUNICATIONS OFFICE
OLD EXECUTIVE OFFICE BUILDING
ROOM 111 1/2
WASHINGTON, DISTRICT OF COLUMBIA 20500

NIX, SUSAN
JUNE 19, 1992
6:29 P.M. EST

CNN Transcripts, June 13, 1992

balanced budget amendment a bum idea?

Sen. DOLE: No, I think it was a good idea. It came a little late, but it's a good idea. It's going to be around, if we have it, it's going to be around long beyond President Bush's term, and had the 12 Democrat co-sponsors not switched their votes, we'd have had a balanced budget amendment passed in the House. So, I think what we ought to do is take it up in the Senate, get the two-thirds vote in the Senate, send it back the House and still get it ...

... painting it as a loss for Bush, it's probably a big plus for him because now he can keep it as this simplistic notion out in the country and say, they didn't pass my balanced budget amendment.

NOVAK: I don't agree with that at all. I think he comes over as a loser.

HUNT: I don't think you can run against, as I say, against Ross Perot on that,
...

LEVEL 1 - 3 OF 4 STORIES

Copyright 1992 Gannett Company, Inc.
GANNETT NEWS SERVICE

June 12, 1992, Friday

LENGTH: 701 words

HEADLINE: LOBBYING GETS DIRTY DOZEN TO BACK OFF BUDGET VOTE

BYLINE: NORM BREWER; Gannett News Service

DATELINE: WASHINGTON

KEYWORD: BALBUD

Rep. Robin Tallon - one of the 12 Democrats who deserted the balanced budget amendment - concluded it was nothing more than an election-year 'hoax.'

Rep. Martin Martinez jumped ship after two ...

FACT CHECK
COPY

(Duggan/Nix)
June 12, 1992
Draft Two
Jarvis

02 JUN 15 All: 52

PRESIDENTIAL REMARKS: HOWARD JARVIS TAXPAYERS ASSN.
UNIVERSAL CITY HILTON
UNIVERSAL CITY, CALIFORNIA
SATURDAY, JUNE 20, 1992
[TIME]

[Acknowledgments, humor] Estelle Jarvis, it is a special privilege to be with you and with members of the Howard Jarvis Taxpayers Association. Estelle, your late husband was a true pioneer. In the little Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon.

His political credo was simple and profound. He said, "Our freedom depends on four words: Government must be limited." \\

Here in California 14 years ago, Howard Jarvis won a famous victory -- the tax limitation plan called Proposition 13.

History will mark this as the first shot in the Reagan Revolution. \\ And we're still feeling the reverberations today as we keep fighting to expand our freedom and hold back unnecessary burdens of government. \\

Our revolution isn't the work of a single presidency -- it's the mission for a whole generation of reform. Since 1980, we've lowered taxes, made them flatter and fairer. We've made landmark reforms to get big government regulation off the backs of our families and businesses. \\

But we've got much more to do. With tax-and-spend liberals still in charge of Congress, government keeps growing. Congress now spends more than 25 percent of what people in this country

pg. 172
Howard Jarvis
I'm mad
as hell
NEXIS
NY Times
Aug 14, 1986
by P. Lindsay
1978

23.5
almost a quarter

Every family of four in the US on avg. would owe ^{that} \$5,000 in order to pay off the national debt. It's like a second mortgage w/out the house. //

\$5,000

Fed debt

Flora Crow
 NCEES
 Vance Grant
 219-1659
 avg private 13,231
 1 school year
 public 5,243/yr
 15/yr
 67

67/4
 67/4
 15/4
 60

would owe the eqv. in order to pay off the national debt like a second mortgage without the house

78% attend public

NCEES
 219-1352

90-91
 Speaker Education
 Statistics
 Table 1992
 Dept of Educ
 2.91

36408
 71602
 1500
 8102

36
 72

67/4
 56800
 27000
 5/4
 27/4

work to produce: That's right, 25 percent of the Gross Domestic Product. The habit of deficit spending has brought us to the point that this year, every family of four in the United States on average will have to pay \$3,300 just in interest payments on the national debt. Those facts alone tell us we're not really as free a society as we can and should be. You and I know that government is too big -- and it spends too much. \\\

Americans are clamoring for stricter limits on the power and cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I'm mad as hell." \\\

What it comes down to is this: Ordinary Americans are plain fed up with pressure to be "politically correct." Aren't you tired of hearing the liberal know-it-alls drone on, demanding that you believe things that defy common sense? Aren't you sick of moralistic demands that you surrender to some bureaucracy freedoms that enabled our ancestors to make this country great?

Maybe you're like millions of other Americans. You shop at Wal-Mart, you eat at Big Boy. You've worked all your life to get your kids through school and pay off a mortgage. You know it's not only your right -- it's your duty to your family -- to fight high taxes and government waste. And when the liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back. \\\

Our fighting spirit has brought us to a turning point.

Heritage Report June 4, 1992 pg. 3 Solving the Federal Spending Crisis with a Balanced Budget Amendment by Mitchell & Fellow

Not true David Taylor OMB

I'm Mad As Hell Jarvis

We're on the threshold of something big. We'll have to put up with a few more months of frustration from the lame-duck liberal Congress, but after that I see a clear road and powerful acceleration for the changes we want.

We're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations. \\

I'm pushing hard to reform our civil justice system. Americans want to stop nuisance lawsuits. \\ ((Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers?)) \\

I'm committed as strongly as ever to win more tax relief and reform. \\ We need to lift the dead weight that punishes homeowners and prevents more investment and job creation -- those sky-high taxes on capital gains. \\ We need to enact my other proposals to ease tax burdens on families and homeowners. \\

I'm fighting for fundamental change in our education and welfare systems. Parents deserve to exercise all their rights in their children's education. Now it's time for parents to have real financial freedom to choose their kids' schools -- public, private or religious. \\ More involvement by parents, restored respect for traditional values, and more competition in the marketplace will renew our whole system of education. \\

Right now, we have a welfare system designed by liberal politicians and social theorists. It's a burden on taxpayers, but that's not the worst of it. Much of the time, this system hurts the very people it claims to help. The system punishes

single mothers who want to work their way out of dependency. The system takes benefits away from single mothers who get married. Because of our current system, countless young women and children are denied the stability of a two-parent home.

I'm working to transform this failed welfare system into something that makes sense -- into something all Americans can be proud of. \\ Right now, I'm working with tough-minded, creative governors like Pete Wilson here, and Tommy Thompson in Wisconsin, to give them flexibility under federal laws to turn their state welfare programs around. With governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering the dignity and the rewards of work. \\ And we'd help a lot more families come together and stay together. \\

My proposal for health insurance reform is a model of the new way of thinking about welfare. The big news media haven't told you much about my plan -- they're too busy beating the drum for that stale old idea of a Ted Kennedy-style national system of socialized medicine. \\ Like my education plan, my health care proposal would help working people and needy people with vouchers and tax credits -- employing free markets and choice. \\

Reforming education and welfare alone would go a long way toward solving our fiscal crisis. When we get these reforms in place, we will realistically be able to balance the federal budget without raising taxes -- and without piling new burdens onto state and local taxpayers. \\

Hand in hand with these reforms goes our crusade to enforce

fiscal discipline with the power of the United States Constitution. \\ Now more than ever, it's clear that Americans want a Balanced Budget Amendment. \\ Forty-four states follow some form of balanced budget requirement. Most state legislatures are on record supporting a federal Balanced Budget Amendment.

Standing in our way is the liberal hard core of the Democratic Congress -- barely more than one-third of the membership. Read the roll call from last week's vote in the House -- you'll see who I'm talking about. Better yet, make them read some startling vote tallies this November -- then they'll finally understand what we're talking about. \\

Can I count on each one of you to get to work on this? \\ Can I count on you to deliver the liberals some bad news this November? \\ \\ Thanks! \\ I knew I could! \\

Before I finish, I want say a word about that historic summit meeting Boris Yeltsin and I just completed in Washington. There were thousands of visitors on the White House lawn to welcome him, the first democratically elected president of Russia. I wish each and every one of you could have been there to join us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\ Today, ordinary Russians thank God that ordinary Americans stood fast

David
Taylor
OMB

Vote
9 votes
short of
a 2/3rds
majority.

OMB

1952

against the Communist dictatorship that threatened us and oppressed them. \\

If you have the will, if you have perseverance, it's never too soon or too late to make a difference. Howard Jarvis spent 16 years fighting for the concept of Proposition 13. He was 76 years old when at last he won -- when he shook the political establishment of this entire country.

I've highlighted for you my agenda for a new term, working with a new Congress: Revolutionize our schools -- put parents and kids and traditonal excellence ahead of bureaucrats. Overhaul the welfare system -- give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against new spending and taxes. \\

With a new Congress that shares our values, we can use the next four years to set our country on the right track for the next forty years. \\ With your help, I know we can. \\ Thank you. God bless you and the United States of America. \\

#

*I'm Mad as Hell
Howard Jarvis
Pg. 11*

*76
ok*

Fishing 70 million Americans
enjoy - I hope better
some have better
luck.

Each five towns 1 out of every
3 acres
explore
Starts right else further
you live

Spirit Lake, Iowa

Maer DC


Median income for 4-person family

Marginal tax rate: { 978 25% a decrease of 60%
today 15%

A result of
81, 86
bills

June 17, 1992

TO: David Demarest
Dan McGroarty

FROM: Joe Duggan 

SUBJECT: Jarvis speech

Jack Flanagan, California B-Q co-chairman, called me this afternoon. It was a conference call with another California apparatchik, I believe her name was Kathy Shanahan. He remarked that if the President is prepared to say definitely that he'll seek another vote on the Balanced Budget Amendment from this Congress, that this would be the place to announce it. He also flagged Perot's position on Social Security as something likely to be important to the many senior citizens in the audience. He warned against reciting too long a "laundry list" of issues. Kathy voiced concern that it would not be good to speak of educational reform and choice in education. The reasoning seemed convoluted, but the point she made was that Proposition 13 and tax limitation draw criticism in California as a factor that led to the decline of public schools there.

I just listened and said I'd pass the comments along.



During a recent meeting, Estelle Jarvis and Ronald Reagan spoke of the 1978 campaign to pass Proposition 13. Reagan had volunteered his help and recorded radio spots in support of the tax cutting measure.



HJTA President Joel Fox carries on the Jarvis tradition of fighting unjust taxation.

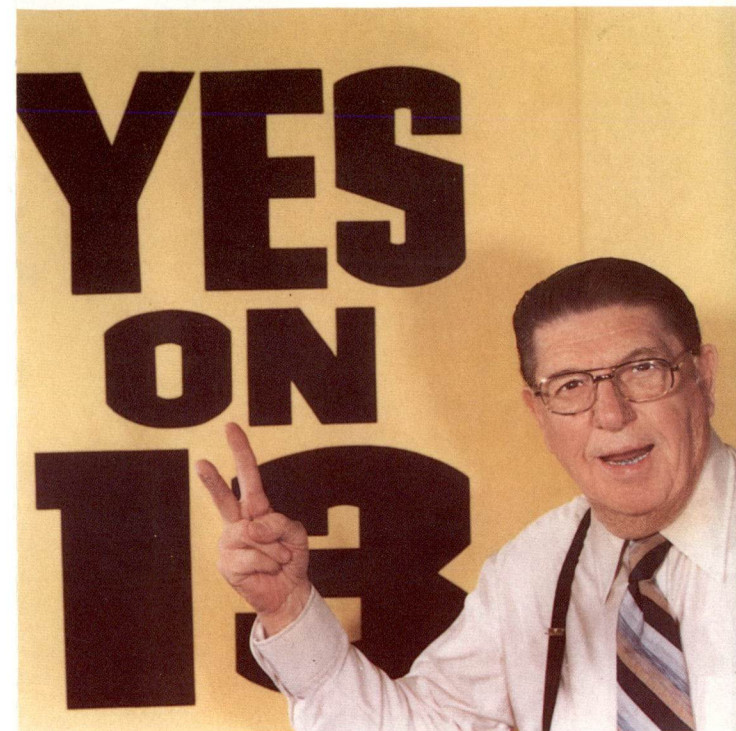
HOWARD JARVIS TAXPAYERS ASSOCIATION

HEADQUARTERS
621 S. Westmoreland Ave., Suite 202
Los Angeles, CA 90005-3971

(213) 384-9650

Prepared by the Howard Jarvis Taxpayers Association (California Tax Reduction Movement), a nonprofit tax exempt organization, 621 South Westmoreland Avenue, Los Angeles, CA 90005-3971.

Contributions to HJTA are not tax deductible.



THE HOWARD JARVIS TAXPAYERS ASSOCIATION

“Fighting for Proposition 13
and against higher taxes.”

America's Largest Taxpayers Association

After years of work by tax revolt leaders Howard and Estelle Jarvis, Proposition 13 was overwhelmingly approved by voters on June 6, 1978.

But Howard and Estelle knew that taxpayers' gains would be temporary without a permanent citizens organization to protect Proposition 13 and continue the movement against higher taxes. To meet this need they founded the Howard Jarvis Taxpayers Association.

Although Howard Jarvis passed away in 1986, his wife Estelle continues to carry on his important work with the help of Howard's longtime assistant, Joel Fox.

Today, the Howard Jarvis Taxpayers Association has grown to a membership of more than a quarter-million taxpayers. And with the constant pressure from government for higher taxes, the Howard Jarvis Taxpayers Association's role as the legal and political watchdog over Proposition 13 is more important than ever.

Working through the Legislature, courts, and ballot initiatives, the tax-fighting work of the Howard Jarvis Taxpayers Association has saved Californians billions of dollars — over \$176 billion according to official government reports. That is over \$6,000 for every man, woman and child in the State of California!

Here are just a few examples of the many successful tax reduction campaigns led by the Howard Jarvis and the Howard Jarvis Taxpayers Association:

- * In 1978 we passed Proposition 13 which has saved Californians an estimated \$155 billion and allowed millions of Californians to keep their homes.
- * In 1981 we delivered more than one million petitions to Washington supporting President Reagan's 25% cut in federal income taxes.
- * In 1982 we passed Proposition 7, which prevents state income taxes from being raised by inflation. Estimated tax saving: \$21 billion.
- * In 1986 we passed Proposition 62 which strengthened the taxpayers' right to vote on local tax increases.
- * In 1986 we were also active in passing Proposition 60 which will save senior citizens thousands of dollars in property taxes when they retire and move.
- * In 1988 we prevented the State Legislature

from placing an "excise tax" on property by successfully lobbying the Governor to veto the excise tax bill (SB 2581).

- * In 1990-91 we have led the legal defense of Proposition 13 against three major court challenges.
- * Our Political Action Committee has played a major role in the successful campaigns of numerous candidates who have pledged to support Proposition 13 and hold the line on taxes.

Our work is not finished

There are hundreds of politicians, bureaucrats and judges who want to raise your taxes. They work every day to undermine Proposition 13 and increase the tax burden on honest citizens.

We work even harder to stop them. Our full-time legislative advocate testifies before legislative hearings and lobbies elected officials on behalf of you, the taxpayer.

Our grass-roots lobbying campaigns deliver millions of petitions, post cards and letters to your elected representatives opposing higher taxes.

Whenever Proposition 13, or any other tax reduction legislation is challenged in court, our legal representatives are ready to go to court and fight for your rights.

Your investment in lower taxes - only \$25

The Howard Jarvis Taxpayers Association is a nonprofit organization which receives no funds from government or any special-interest group. Voluntary contributions and dues from our loyal members are our sole source of support.

Our annual dues are only \$25. For this you receive a personalized membership card and a subscription to our newspaper, *Taxing Times*.

You will also be enrolled in our Legislative Alert Network, informing you about fast-breaking developments in Sacramento and Washington which affect your taxes. And, you will receive regular correspondence from Mrs. Jarvis and Joel Fox, the Association's president, on Association sponsored, tax-fighting projects and ballot initiatives.

Most importantly, your membership will enable us to carry on the work started by Howard Jarvis — protecting Proposition 13 and *saving you thousands of tax dollars.*

MEMBERSHIP FORM

Yes, Mrs. Jarvis, I want to help the Howard Jarvis Taxpayers Association continue the fight to defend Proposition 13 and protect me from higher taxes.

My name and address is:

NAME

STREET

CITY/STATE/ZIP

- I have enclosed my annual dues of \$25. Please send my first issue of "Taxing Times" and enroll me in the Legislative Alert Network.

Please make your check payable to: HJTA, or Howard Jarvis Taxpayers Association.

Contributions or gifts to Howard Jarvis Taxpayers Association are not tax deductible.

PLEASE MAIL YOUR MEMBERSHIP FORM AND DUES TO:

Howard Jarvis Taxpayers Association
621 South Westmoreland Ave.
Suite 202
Los Angeles, CA 90005

Per Andy Mitrussi at Federal Reserve for Larry Lindsey --

In the last ten years: we've lowered the top tax rate from 70% to 31%. We've taken millions low-to-moderate income people off the tax rolls all together. We raised the standard deduction. We've cut the tax rates across the board.

(Duggan/Nix)
June 12, 1992
Draft Two
Jarvis

PRESIDENTIAL REMARKS: HOWARD JARVIS TAXPAYERS ASSN.
 UNIVERSAL CITY HILTON
 UNIVERSAL CITY, CALIFORNIA
 SATURDAY, JUNE 20, 1992
 [TIME]

[Acknowledgments, humor] Estelle Jarvis, it is a special privilege to be with you and with members of the Howard Jarvis Taxpayers Association. Estelle, your late husband was a true pioneer. In the little Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple and profound. He said, "Our freedom depends on four words: Government must be limited." \\
\\

Here in California 14 years ago, Howard Jarvis won a famous victory -- the tax limitation plan called Proposition 13. History will mark this as the first shot in the Reagan Revolution. \\
\\ And we're still feeling the reverberations today as we keep fighting to expand our freedom and hold back unnecessary burdens of government. \\
\\

Our revolution isn't the work of a single presidency -- it's the mission for a whole generation of reform. Since 1980, we've lowered taxes, made them flatter and fairer. We've made landmark reforms to get big government regulation off the backs of our families and businesses. \\
\\

But we've got much more to do. With tax-and-spend liberals still in charge of Congress, government keeps growing. Congress now spends more than 25 percent of what people in this country

work to produce: That's right, 25 percent of the Gross Domestic Product. The habit of deficit spending has brought us to the point that this year, every family of four in the United States on average will have to pay \$3,300 just in interest payments on the national debt. Those facts alone tell us we're not really as free a society as we can and should be. You and I know that government is too big -- and it spends too much. \\\

Americans are clamoring for stricter limits on the power and cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I'm mad as hell." \\\

What it comes down to is this: Ordinary Americans are plain fed up with pressure to be "politically correct." Aren't you tired of hearing the liberal know-it-alls drone on, demanding that you believe things that defy common sense? Aren't you sick of moralistic demands that you surrender to some bureaucracy freedoms that enabled our ancestors to make this country great?

Maybe you're like millions of other Americans. You shop at Wal-Mart, you eat at Big Boy. You've worked all your life to get your kids through school and pay off a mortgage. You know it's not only your right -- it's your duty to your family -- to fight high taxes and government waste. And when the liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back. \\\

Our fighting spirit has brought us to a turning point.

We're on the threshold of something big. We'll have to put up with a few more months of frustration from the lame-duck liberal Congress, but after that I see a clear road and powerful acceleration for the changes we want.

We're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations. \\

I'm pushing hard to reform our civil justice system. Americans want to stop nuisance lawsuits. \\ ((Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers?)) \\ \\

I'm committed as strongly as ever to win more tax relief and reform. \\ We need to lift the dead weight that punishes homeowners and prevents more investment and job creation -- those sky-high taxes on capital gains. \\ We need to enact my other proposals to ease tax burdens on families and homeowners. \\

I'm fighting for fundamental change in our education and welfare systems. Parents deserve to exercise all their rights in their children's education. Now it's time for parents to have real financial freedom to choose their kids' schools -- public, private or religious. \\ More involvement by parents, restored respect for traditional values, and more competition in the marketplace will renew our whole system of education. \\

Right now, we have a welfare system designed by liberal politicians and social theorists. It's a burden on taxpayers, but that's not the worst of it. Much of the time, this system hurts the very people it claims to help. The system punishes

single mothers who want to work their way out of dependency. The system takes benefits away from single mothers who get married. Because of our current system, countless young women and children are denied the stability of a two-parent home.

I'm working to transform this failed welfare system into something that makes sense -- into something all Americans can be proud of. \\ Right now, I'm working with tough-minded, creative governors like Pete Wilson here, and Tommy Thompson in Wisconsin, to give them flexibility under federal laws to turn their state welfare programs around. With governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering the dignity and the rewards of work. \\ And we'd help a lot more families come together and stay together. \\

My proposal for health insurance reform is a model of the new way of thinking about welfare. The big news media haven't told you much about my plan -- they're too busy beating the drum for that stale old idea of a Ted Kennedy-style national system of socialized medicine. \\ Like my education plan, my health care proposal would help working people and needy people with vouchers and tax credits -- employing free markets and choice. \\

Reforming education and welfare alone would go a long way toward solving our fiscal crisis. When we get these reforms in place, we will realistically be able to balance the federal budget without raising taxes -- and without piling new burdens onto state and local taxpayers. \\

Hand in hand with these reforms goes our crusade to enforce

fiscal discipline with the power of the United States

Constitution. \\ Now more than ever, it's clear that Americans want a Balanced Budget Amendment. \\ Forty-four states follow some form of balanced budget requirement. Most state legislatures are on record supporting a federal Balanced Budget Amendment.

Standing in our way is the liberal hard core of the Democratic Congress -- barely more than one-third of the membership. Read the roll call from last week's vote in the House -- you'll see who I'm talking about. Better yet, make them read some startling vote tallies this November -- then they'll finally understand what we're talking about. \\

Can I count on each one of you to get to work on this? \\ Can I count on you to deliver the liberals some bad news this November? \\ \\ Thanks! \\ I knew I could! \\

Before I finish, I want say a word about that historic summit meeting Boris Yeltsin and I just completed in Washington. There were thousands of visitors on the White House lawn to welcome him, the first democratically elected president of Russia. I wish each and every one of you could have been there to join us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\ Today, ordinary Russians thank God that ordinary Americans stood fast

against the Communist dictatorship that threatened us and oppressed them. \\

If you have the will, if you have perseverance, it's never too soon or too late to make a difference. Howard Jarvis spent 16 years fighting for the concept of Proposition 13. He was 76 years old when at last he won -- when he shook the political establishment of this entire country.

I've highlighted for you my agenda for a new term, working with a new Congress: Revolutionize our schools -- put parents and kids and traditional excellence ahead of bureaucrats. Overhaul the welfare system -- give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against new spending and taxes. \\

With a new Congress that shares our values, we can use the next four years to set our country on the right track for the next forty years. \\ With your help, I know we can. \\ Thank you. God bless you and the United States of America. \\

#

Per Andy Mitrussi at Federal Reserve for Larry Lindsey --

In the last ten years: we've lowered the top tax rate from 70% to 31%. We've taken millions of people of low-to-moderate income people off the tax roles all together. We raised the standard deduction. We've cut the tax rates across the board.

(Duggan/Nix)
June 12, 1992
Draft Two
Jarvis

02 JUN 15 11:52

PRESIDENTIAL REMARKS: HOWARD JARVIS TAXPAYERS ASSN.
 UNIVERSAL CITY HILTON
 UNIVERSAL CITY, CALIFORNIA
 SATURDAY, JUNE 20, 1992
 [TIME]

[Acknowledgments, humor] Estelle Jarvis, it is a special privilege to be with you and with members of the Howard Jarvis Taxpayers Association. Estelle, your late husband was a true pioneer. In the little Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple and profound. He said, "Our freedom depends on four words: Government must be limited." \\
5

Here in California 14 years ago, Howard Jarvis won a famous victory -- the tax limitation plan called Proposition 13. History will mark this as the first shot in the Reagan Revolution. \\
And we're still feeling the reverberations today as we keep fighting to expand our freedom and hold back unnecessary burdens of government. \\
5

Our revolution isn't the work of a single presidency -- it's the mission for a whole generation of reform. Since 1980, we've lowered taxes, made them flatter and fairer. We've made landmark reforms to get big government regulation off the backs of our families and businesses. \\
5

But we've got much more to do. With tax-and-spend liberals still in charge of Congress, government keeps growing. Congress now spends more than 25 percent of what people in this country

work to produce: That's right, 25 percent of the Gross Domestic Product. The habit of deficit spending has brought us to the point that this year, every family of four in the United States on average will have to pay \$3,300 just in interest payments on the national debt. Those facts alone tell us we're not really as free a society as we can and should be. You and I know that government is too big -- and it spends too much. \\\

become Americans are clamoring for stricter limits on the power and cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I'm mad as hell." \\\

What it comes down to is this: Ordinary Americans are plain fed up with pressure to be "politically correct." Aren't you tired of hearing the liberal know-it-alls drone on, demanding that you believe things that defy common sense? Aren't you sick of moralistic demands that you surrender to some bureaucracy freedoms that enabled our ancestors to make this country great?

Maybe you're like millions of other Americans. You shop at Wal-Mart, you eat at Big Boy. You've worked all your life to get your kids through school and pay off a mortgage. You know it's not only your right -- it's your duty to your family -- to fight high taxes and government waste. And when the liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back. \\\

Our fighting spirit has brought us to a turning point.

*all understood where
Don't let anyone fool you every time every nickel every penny
Reason I tried to stop it
line-item veto*

We're on the threshold of something big. We'll have to put up with a few more months of frustration from the lame-duck liberal Congress, but after that I see a clear road and powerful acceleration for the changes we want.

We're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations. \\

I'm pushing hard to reform our civil justice system.

Americans want to stop nuisance lawsuits. \\ ((Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers?)) \\ \\

I'm committed as strongly as ever to win more tax relief and reform. \\ We need to lift the dead weight that punishes homeowners and prevents more investment and job creation -- those sky-high taxes on capital gains. \\ We need to enact my other proposals to ease tax burdens on families and homeowners. \\

I'm fighting for fundamental change in our education and welfare systems. Parents deserve to exercise all their rights in their children's education. Now it's time for parents to have real financial freedom to choose their kids' schools -- public, private or religious. \\ More involvement by parents, restored respect for traditional values, and more competition in the marketplace will renew our whole system of education. \\

Right now, we have a welfare system designed by liberal politicians and social theorists. It's a burden on taxpayers, but that's not the worst of it. Much of the time, this system hurts the very people it claims to help. The system punishes

Examples of something that was stopped

only choice is govt schools

single mothers who want to work their way out of dependency. The system takes benefits away from single mothers who get married. Because of our current system, countless young women and children are denied the stability of a two-parent home.

I'm working to transform this failed welfare system into something that makes sense -- into something all Americans can be proud of. \\ Right now, I'm working with tough-minded, creative governors like Pete Wilson here, and Tommy Thompson in Wisconsin, to give them flexibility under federal laws to turn their state welfare programs around. With governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering the dignity and the rewards of work. \\ And we'd help a lot more families come together and stay together. \\

My proposal for health insurance reform is a model of the new way of thinking about welfare. The big news media haven't told you much about my plan -- they're too busy beating the drum for that stale old idea of a Ted Kennedy-style national system of socialized medicine. \\ Like my education plan, my health care proposal would help working people and needy people with vouchers and tax credits -- employing free markets and choice. \\

Reforming education and welfare alone would go a long way toward solving our fiscal crisis. When we get these reforms in place, we will realistically be able to balance the federal budget without raising taxes -- and without piling new burdens onto state and local taxpayers. \\

Hand in hand with these reforms goes our crusade to enforce

*health care
now our
plan helps
them*

*cost of health care
& insurance*

fiscal discipline with the power of the United States

Constitution. \\ Now more than ever, it's clear that Americans want a Balanced Budget Amendment. \\ Forty-four states follow some form of balanced budget requirement. Most state legislatures are on record supporting a federal Balanced Budget Amendment.

Standing in our way is the liberal hard core of the Democratic Congress -- barely more than one-third of the membership. Read the roll call from last week's vote in the House -- you'll see who I'm talking about. Better yet, make them read some startling vote tallies this November -- then they'll finally understand what we're talking about. \\

Can I count on each one of you to get to work on this? \\ Can I count on you to deliver the liberals some bad news this November? \\ \\ Thanks! \\ I knew I could! \\

Before I finish, I want say a word about that historic summit meeting Boris Yeltsin and I just completed in Washington. There were thousands of visitors on the White House lawn to welcome him, the first democratically elected president of Russia. I wish each and every one of you could have been there to join us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\ Today, ordinary Russians thank God that ordinary Americans stood fast

discipline themselves! not me tell you what happened how it really works this is how close we got 11 co-sponsored for congress in their districts 2 from your own state!

Discipline? They've been in charge!

House -- you'll see who I'm talking about. And pay attention to the Democrats who belong in a special Hall of Shame. I'm talking about the ^{twelve} ~~seven~~ Democrats who listed themselves as sponsors of the amendment: They did that to look good to the folks at home. Then these ^{twelve} ~~seven~~ Democrats switched sides and voted to kill the amendment they had sponsored: They did that to curry favor with their party bosses in Washington.

we have better than to expect to discuss this later
 How about it if we send them a message in November? || *And these people say they don't need a con-2-*

Can I count on each one of you to get to work on this? || Can I count on you to deliver the liberals some bad news at the polls this November? \\ \\ Thanks! \\ \\ I knew I could! \\ \\ *Play Sing Play on Lizzy! Hey! sales!*

Before I finish, I want say a word about the summit meeting Boris Yeltsin and I just completed in Washington -- where we reached historic agreements for peace and security. Thousands of visitors joined Barbara and me on the White House lawn to welcome the first democratically elected president of Russia. I wish each one of you could have been there with us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\ Today, ordinary Russians thank God that ordinary Americans stood fast against the Communist dictatorship that threatened us and oppressed them. \\

If you have the will, the perseverance, there's always a chance to make a difference. Howard Jarvis spent 16 years

This is a name that I been in contact for decades!

(Duggan/Nix)
June 16, 1992
Draft Three
Jarvis

PRESIDENTIAL REMARKS: HOWARD JARVIS TAXPAYERS ASSN.
 UNIVERSAL CITY HILTON
 UNIVERSAL CITY, CALIFORNIA
 SATURDAY, JUNE 20, 1992
 [TIME]

[Acknowledgments] ((It's a shame I don't have time to go across the way and take the Universal Studio tour. \\ But then again, if I want to witness behind-the-scenes tricks, heart-stopping scares, and outrageous fantasy, I don't have to visit Hollywood. \\ All I need to do is go up to Capitol Hill and see Congress deal with the budget. \\))

Estelle Jarvis, it is a special privilege to be with you and with members of the Howard Jarvis Taxpayers Association. Estelle, your late husband was a true pioneer. In the little Utah mining town where he grew up, he learned from his parents to love freedom, to take on responsibility, to dream dreams as big as the desert horizon. His political credo was simple and profound. He said, "Our freedom depends on four words: Government must be limited." \\

Here in California 14 years ago, Howard Jarvis won a famous victory -- the tax limitation plan called Proposition 13. History will mark this as the first shot in the Reagan Revolution. \\ And we're still feeling the reverberations today as we keep fighting to expand our freedom and hold back unnecessary burdens of government. \\

Our revolution isn't the work of a single presidency -- it's the mission for a whole generation of reform. Since 1980, we've

lowered taxes, made them flatter and fairer. We've made landmark reforms to get big government regulation off the backs of our families and businesses. \

But we've got much more to do. With tax-and-spend liberals still in charge of Congress, government keeps growing. Congress now spends more than 25 percent of what people in this country work to produce: That's right, 25 percent of the Gross Domestic Product. The habit of deficit spending has brought us to the point that this year, every family of four in the United States on average will have to pay \$3,300 just in interest payments on the national debt. Those facts alone tell us we're not really as free a society as we can and should be. You and I know that government is too big -- and it spends too much. \

Americans are clamoring for stricter limits on the power and cost of government. From coast to coast, people are mobilizing for change. The air is crackling with the feeling that Howard Jarvis made his battle cry: "I'm mad as hell." \

What it comes down to is this: Ordinary Americans are plain fed up with pressure to be "politically correct." Aren't you tired of hearing the liberal know-it-alls drone on, demanding that you believe things that defy common sense? Aren't you sick of moralistic demands that you surrender to some bureaucracy freedoms that enabled our ancestors to make this country great?

Maybe you're like millions of other Americans. You shop at Wal-Mart, you eat at Big Boy. You've worked all your life to get your kids through school and pay off a mortgage. You know it's

not only your right -- it's your duty to your family -- to fight high taxes and government waste. And when the liberal elitists ridicule you and say we have social problems because of you -- because you're "greedy" -- well, naturally, you stand up and fight back. \\

Our fighting spirit has brought us to a turning point. We're on the threshold of something big. We'll have to put up with a few more months of frustration from the lame-duck liberal Congress, but after that I see a clear road and powerful acceleration for the changes we want.

We're rolling back needless restrictions on innovation and job creation through my moratorium on new federal regulations. \\

I'm pushing hard to reform our civil justice system. Americans want to stop nuisance lawsuits. \\
 ((Someone asked me the other day, if an apple a day keeps the doctor away, what works for lawyers?)) \\

I'm committed as strongly as ever to win more tax relief and reform. \\
 We need to lift the dead weight that punishes homeowners and prevents more investment and job creation -- those sky-high taxes on capital gains. \\
 We need to enact my other proposals to ease tax burdens on families and homeowners. \\

I'm fighting for fundamental change in our education and welfare systems. Parents deserve to exercise all their rights in their children's education. Now it's time for parents to have real financial freedom to choose their kids' schools -- public, private or religious. \\
 More involvement by parents, restored

respect for traditional values, and more competition in the marketplace will renew our whole system of education. \\

Right now, we have a welfare system designed by liberal politicians and social theorists. It's a burden on taxpayers, but that's not the worst of it. Much of the time, this system hurts the very people it claims to help. The system punishes single mothers who want to work their way out of dependency. The system takes benefits away from single mothers who get married. Because of our current system, countless young women and children are denied the stability of a two-parent home.

I'm working to transform this failed welfare system into something that makes sense -- into something all Americans can be proud of. \\ Right now, I'm working with tough-minded, creative governors like Pete Wilson here, and Tommy Thompson in Wisconsin, to give them flexibility under federal laws to turn their state welfare programs around. With governors in all 50 states like Pete and Tommy, we'd soon be making major progress fostering the dignity and the rewards of work. \\ And we'd help a lot more families come together and stay together. \\

My proposal for health insurance reform is a model of the new way of thinking about welfare. The big news media haven't told you much about my plan -- they're too busy beating the drum for that stale old idea of a Ted Kennedy-style national system of socialized medicine. \\ Like my education plan, my health care proposal would help working people and needy people with vouchers and tax credits -- employing free markets and choice. \\

Reforming education and welfare alone would go a long way toward solving our fiscal crisis. When we get these reforms in place, we will realistically be able to balance the federal budget without raising taxes -- and without piling new burdens onto state and local taxpayers. \\

Hand in hand with these reforms goes our crusade to enforce fiscal discipline with the power of the United States Constitution. \\ Now more than ever, it's clear that Americans want a Balanced Budget Amendment. \\ Forty-four states follow some form of balanced budget requirement. Most state legislatures are on record supporting a federal Balanced Budget Amendment.

Standing in our way is the liberal hard core of the Democratic Congress -- barely more than one-third of the membership. Read the roll call from last week's vote in the House -- you'll see who I'm talking about. Better yet, make them read some startling vote tallies this November -- then they'll finally understand what we're talking about. \\

Can I count on each one of you to get to work on this? \\ Can I count on you to deliver the liberals some bad news this November? \\ \\ Thanks! \\ I knew I could! \\

Before I finish, I want say a word about that historic summit meeting Boris Yeltsin and I just completed in Washington. There were thousands of visitors on the White House lawn to welcome him, the first democratically elected president of Russia. I wish each and every one of you could have been there

to join us. That's because it's patriotic people like you who helped make this moment possible. Now the Russian people can worship freely, compete in free markets, and choose their own government. And our kids and grandkids won't live in the shadow of nuclear war that haunted us for forty years. \\ Today, ordinary Russians thank God that ordinary Americans stood fast against the Communist dictatorship that threatened us and oppressed them. \\

If you have the will, if you have perseverance, it's never too soon or too late to make a difference. Howard Jarvis spent 16 years fighting for the concept of Proposition 13. He was 76 years old when at last he won -- when he shook the political establishment of this entire country.

I've highlighted for you my agenda for a new term, working with a new Congress: Revolutionize our schools -- put parents and kids and traditional excellence ahead of bureaucrats. Overhaul the welfare system -- give needy people opportunity instead of dependency. Adopt a balanced budget amendment. And hold the line against new spending and taxes. \\

With a new Congress that shares our values, we can use the next four years to set our country on the right track for the next forty years. \\ With your help, I know we can. \\ Thank you. God bless you and the United States of America. \\

#

DOUG GAMBLE

June 12/92

424 - 36th Place
Manhattan Beach, CA 90266
(310) 546-6409

TO: CHRISTINA MARTIN

*ROB Teeter
COPY*

JARVIS TAXPAYERS ASSOC., UNIVERSAL CITY, CA (Joe Duggan)

CONTRARY TO ANY RUMORS YOU MAY HAVE HEARD, IT'S NOT TRUE THAT I'M IN TOWN TO PLAY A MUSICAL INSTRUMENT ON THE ARSENIO HALL SHOW. AND BESIDES, I COULDN'T GET ONE OF MY GRANDKIDS TO LEND ME HIS KAZOO.

I CAN TELL I'M IN HOLLYWOOD. A GUY OUTSIDE ASKED ME IF I THOUGHT SERIOUS PEACE TALKS MIGHT GET UNDERWAY. I SAID "THE WARRING FACTIONS IN YUGOSLAVIA?" HE SAID "NO, THE VICE PRESIDENT AND MURPHY BROWN."

I MENTIONED TO A REPUBLICAN TV EXECUTIVE THAT I STILL KEEP IN TOUCH WITH THAT POPULAR ELDER STATESMAN NOW IN RETIREMENT IN LOS ANGELES. HE SAID HE DIDN'T THINK I KNEW JOHNNY CARSON THAT WELL.

I'M SORRY I WON'T HAVE TIME TO TAKE THE UNIVERSAL STUDIO TOUR. I UNDERSTAND IT LETS THE TRAM RIDERS SEE BEHIND-THE-SCENES TRICKS, HEART-STOPPING SCARES, CLEVER STUNTS AND OUTRAGEOUS FANTASY. OF COURSE, I CAN SEE THAT JUST WATCHING CONGRESS DEAL WITH THE BUDGET.

June 9, 1992

Joe --

Here is some background on Howard Jarvis -- particularly articles that came out at the time of his death in 1986. There are also references to the Howard Jarvis Taxpayers Association and discussions of the impact Proposition 13 had on the country.

The articles are all interesting; I've highlighted some of the more interesting points. There are a few quotes, which I've starred, which could work well into the speech.

Michael

62
15
—
77

1978
16
—
62

1978
1903
—
75

1979
1903
—
76

4TH STORY of Level 1 printed in FULL format.

Copyright (c) 1986 The New York Times Company;
The New York Times

August 14, 1986, Thursday, Late City Final Edition

NAME: Howard Jarvis

CATEGORY: Business and Finance; Social Activism

SECTION: Section D; Page 23, Column 4; National Desk

LENGTH: 825 words

HEADLINE: HOWARD JARVIS, 82, TAX REBEL, IS DEAD

BYLINE: By ROBERT LINDSEY, Special to the New York Times

DATELINE: SAN FRANCISCO, Aug. 13

BODY:

Howard Jarvis, the burly, cantankerous Californian who at the age of 76 came out of obscurity to help touch off a nationwide tax revolt, died in a Los Angeles hospital Tuesday night. He was 83 years old.

Mr. Jarvis died of complications of a blood disease that in recent months had progressively incapacitated him but had not halted his efforts to cut taxes.

In the early 1960's, retired after a career as a small-town newspaper publisher and a successful entrepreneur, Mr. Jarvis joined a small citizens' group in Los Angeles that was monitoring spending by local governments and campaigning for lower taxes.

Although he became the group's principal spokesman and had run several times for public office, including an unsuccessful race for Mayor of Los Angeles in 1977, Mr. Jarvis attracted little public attention.

Tax-Cutting Petition Circulated

That changed in 1978 when he teamed with Paul Gann, a retired businessman who lived in the Sacramento area, to circulate a petition aimed at putting a measure on the state election ballot that would curb soaring property taxes.

At the time, housing prices in California were going through a period of rapid inflation. Since property taxes increase in step with the assessed value of a home, tax revenue for cities, counties and schools were burgeoning.

Despite complaints from many homeowners that higher taxes were threatening to force them from the homes, municipal, county and school district administrators successfully blocked efforts to reduce their tax windfall.

Mr. Jarvis and Mr. Gann, who headed separate taxpayers groups, easily collected enough signatures to place a proposed state constitutional amendment on the ballot as Proposition 13 in June 1978.

(c) 1986 The New York Times, August 14, 1986

The measure was opposed by Edmund G. Brown Jr., then Governor of California, and most of the state's political leaders, as well as by labor unions, the League of Women Voters and most of the state's major newspapers. They questioned its legality and equity, contending that it would cause massive social dislocations and primarily benefit commercial owners.

Despite their opposition, the measure was approved by a nearly 2-to-1 margin, with 4.2 million voters in favor and 2.3 million opposed.

The immediate effect of the measure was to slash property taxes by about 58 percent. Governor Brown, who had supported a less drastic plan for tax reduction, called the Legislature into special session and persuaded the legislators to allocate \$5 billion of the almost \$6 billion surplus in the state treasury to solve the financial emergency facing schools and local governments because of Proposition 13. But the measure had deep and long-lasting effects on California and other states.

By all but eliminating the ability of schools, cities and counties to raise more revenue on their own, Proposition 13 shifted substantial political power to the California Legislature in Sacramento. And its passage led to similar tax-reduction efforts in Massachusetts, Michigan and other states.

In the wave of publicity that accompanied the tax revolt in California and elsewhere, Mr. Jarvis, a blunt-spoken man with a ready quip, overshadowed the more austere Mr. Gann.

"I've been called a right-wing extremist, a gadfly, a tax advocate, a demagogue, an anarchist and a populist," Mr. Jarvis said in an interview shortly after the passage of Proposition 13. "They're all true in a way."

'Government Must Be Limited'

He often summarized his political views by saying, "Our freedom depends on four words: Government must be limited."

Yet, in recent years, there were indications that some Californians had grown weary of Mr. Jarvis's boisterous style. They rejected two of the three subsequent tax-cutting proposals he placed on the ballot. And yet, as recently as last month, he was still campaigning for a measure that he and his supporters placed on the November election ballot that would overturn court decisions limiting the scope of Proposition 13.

Howard Arnold Jarvis was born on Sept. 22, 1902, in Magna, Utah, a copper-mining town. His father, John Ransome Jarvis, was a State Supreme Court judge. After graduating from the University of Utah, Howard Jarvis bought The Magna Times, a weekly newspaper, and eventually owned a chain of 11 papers.

In 1932 he worked as a press officer in Herbert Hoover's campaign, where he met Earl Warren, then a district attorney in California who would later become Chief Justice of the United States.

They became friends, and Mr. Jarvis later moved to California, where he bought a small chemical plant and aluminum factory and developed it into a prosperous company, the Femco Corporation. He retired in 1962.

Good
Quote
for
POTUS
Speech

*

(c) 1986 The New York Times, August 14, 1986

Mr. Jarvis is survived by his third wife, Estelle; a daughter, Elaine, and a brother, Robert, all of whom live in California. He also is survived by a sister, Hazel Webb of Ogden, Utah.

A memorial service is scheduled to be held Friday in Los Angeles.

GRAPHIC: photo of Howard Jarvis (AP)

TYPE: Obituary

59TH STORY of Level 1 printed in FULL format.

Copyright 1986 The Bond Buyer, Inc.
The Bond Buyer

August 14, 1986, Thursday

SECTION: Pg. 4

LENGTH: 362 words

HEADLINE: Howard Jarvis, 83, Dies; Was Co-Author Of Proposition 13

BYLINE: By Dennis L. Walters

DATELINE: LOS ANGELES, Aug. 13

BODY:

Howard Jarvis, who spearheaded a taxpayers revolt by co-sponsoring California's Proposition 13 in 1978, died here Tuesday night of a blood disease. He was 83.

Proposition 13, an amendment to the state constitution, changed the face of municipal finance in California. By limiting to 1% the tax rate on real property's full cash value, the measure prevented local governments from pledging property tax revenue to repay general obligation debt, effectively eliminating it as a borrowing option.

As a result, cities and counties shifted to higher-cost borrowing methods, including revenue bonds and lease-purchase agreements supported by certificates of participation.

The resulting loss of revenue "introduced a lot of uncertainty to finance in government in California, which I think is finally working out now," said Richard Larkin, managing director of municipal finance at Standard & Poor's Corp.

In 1980, Standard & Poor's and Moody's Investors Service lowered the state's triple-A ratings to AA-plus and Aa, respectively, in response to deteriorating financial conditions caused by Proposition 13. California regained its AAA rating from Standard & Poor's late last month.

"From an observer who had to look at the credit consequences of tax-limiting propositions, I'd say [Mr. Jarvis] has a pretty big legacy," Mr. Larkin said. "He was a leader in the whole tax revolt movement, which spread to other states. I think he engineered a lot more consciousness in elected officials as to how the taxpayers' money should be spent and how much we should spend.

Mr. Jarvis used the Proposition 13 landslide - 65% of the voters approved it - as a springboard for sponsoring other spending and tax-cutting initiatives.

He placed an initiative on California's upcoming November ballot that seeks to overturn two state Supreme Court decisions interpreting Proposition 13. If it is passed, the initiative would require majority voter approval before a local government or district could impose any general tax, such as payroll or business taxes and would require two-thirds voter approval for imposing taxes for special purposes.

61ST STORY of Level 1 printed in FULL format.

Copyright (c) 1986 The Washington Post

August 14, 1986, Thursday, Final Edition

SECTION: Metro; C8

LENGTH: 82 words

HEADLINE: DEATHS ELSEWHERE

BODY:

HOWARD JARVIS, 82, the crusader who led the 1978 Proposition 13 property tax uprising in California that shook up state bureaucracies across the country, died of a blood disease July 12 at a hospital in Los Angeles.

A colorful and cantankerous man, Mr. Jarvis devoted about 25 years to fighting property taxes. Proposition 13 reduced state property tax coffers by 60 percent, shaking worried political leaders, and exploding like a land mine on the political path of then-Gov. Jerry Brown.

58TH STORY of Level 1 printed in FULL format.

Copyright (c) 1986 The Times Mirror Company;
Los Angeles Times

August 15, 1986, Friday, Late Final Edition

SECTION: Part 1; Page 1; Column 4; Late Final Desk

LENGTH: 184 words

HEADLINE: REAGAN, NIXON EULOGIES READ AT JARVIS RITE

BYLINE: By RONALD L. SOBLE, Times Staff Writer

BODY:

President Reagan and former President Richard M. Nixon and several of his conservative supporters today eulogized tax crusader Howard Jarvis, who died Tuesday night at the age of 83.

"Taxes must have gotten high in heaven, because God has called back the greatest tax-cutter of them all," said Republican state Sen. William Campbell, a longtime friend of the Proposition 13 author.

About 300 people attended memorial services for Jarvis, including Proposition 13 co-author Paul Gann, at Forest Lawn Memorial Park.

Many of those present, including Campbell, were political and economic conservatives who backed Jarvis' 1978 ballot measure, which slashed billions of dollars in state property taxes and thrust Jarvis into the national spotlight.

Bruce Herschensohn, television commentator and former candidate for the Republican nomination for the U.S. Senate, read messages from Reagan and Nixon.

"Howard's tireless battle to cut the tax burden for California had repercussions across the entire nation," Reagan wrote.

"Like all pioneers, he was brash, iconoclastic, gutsy and tough," Nixon said.

GRAPHIC: Photo, Attending the memorial service for tax crusader Howard Jarvis were, from left, his brother Bob, in dark glasses, his widow Estelle, sister-in-law Dolores Tuttle, and his daughter Elaine. IRIS SCHNEIDER / Los Angeles Times

57TH STORY of Level 1 printed in FULL format.

Copyright (c) 1986 The Times Mirror Company;
Los Angeles Times

August 16, 1986, Saturday, Home Edition

SECTION: Metro; Part 2; Page 1; Column 2; Metro Desk

LENGTH: 671 words

HEADLINE: JARVIS EULOGIZED AS A TIRELESS BATTLE

BYLINE: By RONALD L. SOBLE, Times Staff Writer

BODY:

"Taxes must have gotten high in heaven, because God has called back the greatest tax cutter of them all," state Sen. William Campbell (R-Hacienda Heights) said Friday in eulogizing tax crusader Howard Jarvis, who died Tuesday night at the age of 83.

Campbell was among 300 friends and supporters who gathered to pay their last respects to Jarvis at a memorial service at Forest Lawn Memorial-Park in the Hollywood Hills.

The group -- mainly the political and economic conservatives who supported him during his landmark Proposition 13 campaign -- heard Jarvis praised as a scrapper who, said broadcaster George Putnam, became "a true American folk hero."

Proposition 13 co-author Paul Gann said his sidekick proved "that we, the people, are the government, if we're willing to get off the seat of our pants and get out there and fight."

For years, Jarvis had been considered a political gadfly brushed off by the state's lawmakers, corporate establishment and much of the media. Finally, in 1978, Jarvis clicked.

A combination of soaring property taxes, legislative inaction and a "give-'em-hell" campaign resulted in a landslide victory for the property tax-limiting Proposition 13 initiative.

Homeowners, particularly the elderly on fixed incomes facing steep property tax increases, had a new idol.

But the campaign also spawned bitter political enemies, particularly among liberals, who said that Jarvis was bankrupting the state with the loss of billions of dollars in property tax revenues to benefit a land-owning elite.

When Jarvis died, no flags were flown at half-staff in Sacramento, where Jarvis never felt comfortable and where he ridiculed the lawmakers as "know-nothings" who were out to line their own pockets.

'An Old Soldier'

Few lawmakers said anything publicly when Jarvis died. An exception was state Senate leader David A. Roberti (D-Los Angeles), a Jarvis opponent. "It's tough

(c) 1986 Los Angeles Times, August 16, 1986

to see old soldiers die," he said.

So it was hardly surprising that the political establishment was sparsely represented at Friday's service. Only a handful of incumbents showed up, including longtime Jarvis supporter Campbell, who said that politicians had generally regarded Jarvis' early tax forays as a "pain in the neck."

Republican Gov. George Deukmejian, who was not a Proposition 13 supporter, was invited to the memorial service but decided instead to send a condolence note to Jarvis' wife, Estelle, said a source close the Jarvis family.

The eulogies were delivered by longtime Jarvis backers like Campbell, Putnam and Ray Briem, whose overnight radio talk show on KABC was one of the first to give Jarvis a forum; conservative economist Arthur Laffer, who had been part of the Jarvis brain trust, and television commentator and recent unsuccessful Republican U.S. Senate candidate Bruce Herschensohn.

Hours of Work

Behind seated family members and close friends stood some of Jarvis' supporters, who years ago worked long hours at shopping centers getting signatures to qualify Jarvis initiatives, including Proposition 13, for the ballot.

A few others at the memorial told a reporter they never knew Jarvis and never worked for any of his initiatives, but were grateful for Proposition 13.

"He saved our home from the tax collector," said an elderly woman who declined to be identified.

President Reagan, former President Richard M. Nixon and California Republican Sen. Pete Wilson sent notes praising the feisty Jarvis.

'Tireless Battle'

"Howard's tireless battle to cut the tax burden for California had repercussions across the entire nation," Reagan wrote in a letter read by Herschensohn.

→ "Howard Jarvis fired the first shot in the Reagan Revolution," Nixon wrote. "Like all pioneers he was brash, iconoclastic, gutsy and tough."

Gann, 74, the quiet half of the Jarvis-Gann Proposition 13 team, said it was always "a comfort" to have the bombastic, intimidating Jarvis on his side during the bitter debates on the initiative. "You knew he was going to win," Gann said.

GRAPHIC: Photo, . . . and three of the faces in the crowd of mourners; from the left, Estelle Jarvis, the tax crusader's widow; Dolores Tuttle, his sister-in-law, and his daughter, Elaine Jarvis. IRIS SCHNEIDER / Los Angeles Times; Photo, Proposition 13 co-author Paul Gann eulogizing Jarvis at Forest Lawn Memorial-Park . . .

SUBJECT:

JARVIS, HOWARD

56TH STORY of Level 1 printed in FULL format.

Proprietary to the United Press International 1986

August 17, 1986, Sunday, AM cycle

SECTION: Regional News

DISTRIBUTION: California

LENGTH: 616 words

HEADLINE: Howard Jarvis leaves nationwide imprint on the initiative process

BYLINE: By REBECCA LaVALLY

DATELINE: SACRAMENTO

KEYWORD: Scene

BODY:

Cranky Howard Jarvis, who died last week at the age of 82, spurred citizens across the country to take power into their own hands, circumventing politicians to place initiatives directly on the ballot.

Government in California was never the same after Jarvis and retired car salesman Paul Gann teamed in 1978 to successfully push Proposition 13 to slash property taxes.

Although the two split up after that, they never stopped placing anti-government initiatives before voters. The Nov. 4 ballot will include Jarvis' last initiative and another promoted by Gann.

Jarvis' measure would make it more difficult for cities to enact tax increases; Gann's would limit the salaries of high-paid public officials.

Fed up with rapidly spiraling property taxes triggered by high inflation, voters in 1978 simply ignored warnings from politicians that city and county governments would be crippled by the loss of \$7 billion in property tax revenue.

After Proposition 13 passed, the state channeled much of its multibillion-dollar surplus to local governments, not only easing effects of the initiative but making politicians who had warned of dire consequences look foolish. A national movement was born.

'One need only look at the impact of ... Proposition 13 to see that a single state's vote could have an impact on the legislative agenda in virtually every state and at the national level,' says the Council of State Governments in its spring 1986 journal.

Since 1981, the journal report says, legislation has been introduced to establish an initiative process in 24 of the 27 states that do not have the procedure.

In California and across the nation, initiatives are an increasingly popular way to avoid contact with politicians.

Proprietary to the United Press International, August 17, 1986

Besides the Jarvis and Gann measures, California voters in November must decide three other typically controversial initiatives to curb toxics, make English the official state language and restrict activities of AIDS victims.

Proponents must gather hundreds of thousands of signatures from registered voters to qualify initiatives for the ballot, but the process is becoming increasingly sophisticated in an age of computerized mailings. It can be simpler than getting a politically divided Legislature to act on a sensitive subject. It also can be more effective.

California legislators, for instance, for years rejected a state lottery. But when a lottery games supplier, Scientific Games Inc. of Georgia, put a lottery initiative on the ballot in 1984, it passed over the objections of most elected leaders in state government.

Voters in June passed a liability initiative placed on the ballot by the insurance industry after it failed to win passage of legislation to ease its burdens in some liability cases.

"In terms of initiatives adopted by the voters, the 1980s could set an all-time high," says the journal report.

One of the most striking new uses of the initiative, it says, is to attempt to limit or change the way a state legislature works. California voters in 1984 passed Gann's proposal to curb legislative spending and revise legislative procedures but it failed to survive a court challenge.

A California Poll in 1982 found that large percentages of voters agree initiatives can help citizens become more involved in government and issues, but those surveyed also acknowledged the process can have severe drawbacks.

Seventy-seven percent agreed that many issues are too complicated to be decided by a simple "yes" or "no" -- the only way anyone can vote on an initiative. And 84 percent said special interests can gain power by qualifying initiatives for the ballot, then spending huge sums to promote their side of the issue.

8TH STORY of Level 1 printed in FULL format.

Copyright 1992 PR Newswire Association, Inc.
PR Newswire

April 27, 1992, Monday

SECTION: State and Regional News

DISTRIBUTION: TO STATE AND POLITICAL EDITORS

LENGTH: 584 words

HEADLINE: GOV. WILSON SUBMITS 1 MILLION SIGNATURES TO QUALIFY 'TAXPAYERS PROTECTION ACT' FOR NOVEMBER BALLOT

DATELINE: SACRAMENTO, Calif., April 27

KEYWORD: bc-Wilson-tax-reform

BODY:

Gov. Pete Wilson announced at a press conference today that signatures of over 1 million California voters are being submitted to County Registrars of Voters statewide to qualify his "Taxpayers Protection Act" for the November ballot.

"Around the state today, we're submitting petitions signed by over a million Californians -- a million people who think the time is now to put an end to finger-pointing and political gamesmanship and bring real reform to Sacramento," said Wilson.

Standing before a crowd of supporters at the Sacramento County Registrar's office, the governor cited the changing demographics of California's population, and the Legislature's unwillingness to support structural reforms to contain runaway spending, as reasons for the initiative.

"When the Legislature fails to pass a budget, it fails in its most basic responsibility. We're going to make the system more responsive and more realistic. And we're going to insist that if Legislators can't do the job, they won't get paid. It's that simple," Wilson said.

→ "Welfare is one of the fastest growing programs in our state budget -- growing at four times the rate of our state's population growth. That's why welfare reform is an integral part of budget reform. In California, with only 12 percent of the nation's population, we bear 26 percent of the nation's total welfare spending by all the states," Wilson said.

Joining the governor were supporters of the initiative including Joel Fox, president of the Howard Jarvis Taxpayers Association, who has pledged to work for the initiative's passage.

"California's taxpayers need the protection offered by this measure; without such reform, the burden placed on the California taxpayers will become dangerously high," said Fox. "We will continue to lose businesses, jobs and, with these, the revenue necessary to provide adequate public services."

1992 PR Newswire, April 27, 1992

The initiative, unveiled Dec. 9, 1991, will dramatically reform autopilot government spending, which threatens to bankrupt taxpayers, as well as crowd out essential funding for our schools, health care, and public safety.

The initiative, sponsored by United California Taxpayers -- the committee chaired by Wilson to collect the necessary signatures and campaign for its passage in November, provides flexibility in the state budget process to deal with fiscal crises, and implements significant reforms in the state's welfare program to encourage personal responsibility and gainful employment.

The measure also imposes new responsibilities on the Legislature and governor, including the forfeiture of their salaries and travel and living expenses if a balanced budget is not passed by June 15.

Wilson said that unless action is taken to control autopilot spending on public assistance programs, California will be forced to reduce spending on both higher and basic education, public safety, and prevention programs that can make the difference between success or failure for our children.

In order to qualify the initiative as an amendment to the California Constitution, 615,958 valid signatures must be gathered and submitted to County Registrar's offices in the state's 58 counties. Twenty-two weeks are allotted by the Secretary of State to gather the necessary signatures and the United California Taxpayers' campaign was able to collect over 1 million signatures in just 16 weeks. CONTACT: George Gorton of United California Taxpayers, 707-939-8761

ORGANIZATION: United California Taxpayers

GEOGRAPHIC: California

5TH STORY of Level 1 printed in FULL format.

Copyright 1990 The Times Mirror Company
Los Angeles Times

August 5, 1990, Sunday, Home Edition

SECTION: Book Review; Page 7; Book Review Desk

LENGTH: 952 words

HEADLINE: THE CALIFORNIA TEA PARTY;
SMALL PROPERTY VERSUS BIG GOVERNMENT SOCIAL ORIGINS OF THE PROPERTY TAX REVOLT
BY CLARENCE Y.H. LO (UNIVERSITY OF CALIFORNIA PRESS: \$30; 270 PP.;
0-0520-05971-9)

BYLINE: By Gladwin Hill, Hill, a consultant on writing at USC, has reported on California and national politics for many years.

BODY:

A weak link in democracy is politicians' extravagance with public funds, in combination with their occupational adroitness in avoiding public accountability. Individually, all spending proposals seem plausible; they all benefit somebody. But add them all up and you have the national debt and more.

Twice in American history has this baneful phenomenon precipitated spectacular outbursts of citizen indignation. One occasion was the Boston Tea Party. The other was the California taxpayers' revolt of 1978 that produced Proposition 13, the statutory brake on property taxes.

To this day, politicians and bureaucrats tend to turn green at the mention of Prop. 13. It represents not only a leash on their extravagance, it also represents the persisting potential of an enraged citizenry to stomp on governmental excesses.

The politicians, and others, think of Prop. 13 as an aberration -- an undercurrent of public vexation with taxes that just converged fortuitously with the messianic energies of Howard Jarvis to form a critical mass.

Clarence Lo, currently a sociobiologist at the University of Missouri, demonstrates trenchantly that the Prop. 13 revolt was far more than that. It was truly, he says, "a reenactment of the Boston Tea Party" -- an uprising against taxation without representation.

Not only in California but across the nation, property taxes had become the politicians' bottomless bank account. Need money for some boondoggle? Just raise property assessments or the tax rate. If citizens protested, spit in their eye. (Los Angeles County Assessor John R. Quinn, Lo says, chortled sadistically to one protest group in 1957: "If you think taxes are high now, wait till next year." And when a tax objector raised a question of constitutionality, the assessment appeals board's snotty response was: "Constitution overruled!")

California's real-estate boom after World War II threatened to put many a homeowner in the poorhouse. A house that cost \$40,000 might be repeatedly reassessed on its presumed market value until an original \$200 annual tax soared to a back-breaking \$6,000. The system was capricious. At the same time Beverly Hills residents were paying \$1.05 per \$100 assessed valuation, far less

1990 Los Angeles Times, August 5, 1990

affluent people in Alhambra were being dinged \$3.98. (Prop. 13 established a basic limit of 1%.)

A number of books have been written about the pros and cons of Prop. 13, but none has delved deeply into the grass-roots origins of the tidal wave of sentiment that Jarvis rode into history. As a UCLA faculty member, Lo obtained grants to finance seven years of exhaustive research. Taking Los Angeles County, the heart of the tax revolt, as his laboratory, Lo combed newspapers for reports of taxpayer protests back to the 1950s. He tabulated these, correlating them with economic levels by census tracts. From newspapers and other sources, he pinpointed hundreds of "activists" in the tax-reduction movement, leading to about 120 interviews by him and several assistants.

Organized tax resistance surfaced a full generation before its culmination in 1978. But for two decades middle-class protestations -- including tax-reduction campaigns by Jarvis and others, even County Assessor Philip Watson -- came to naught. Then in the 1970s, two new elements entered the picture. Small-business people and affluent homeowners became aware that they too were being crunched by property taxes. (Big business, from the Bank of America on down, fought Prop. 13 to the end.)

Jarvis was a businessman of many parts who had ended up in 1972 as executive director of a Los Angeles apartment-house-owners' association. In collaboration with Prop. 13 co-author Paul Gann, Jarvis, Lo recounts, "succeeded in forging a consensus between small residential property owners and community leaders." The resulting three-way alliance of middle-class homeowners from West Covina to Van Nuys, and small-businessmen and upper-middle-class people from Palos Verdes to Los Angeles' affluent West Side, ultimately proved invincible. The San Fernando Valley alone produced more than half the 500,000 signatures needed statewide to put Prop. 13 on the ballot. It carried by a 2-1 margin, yielding \$7 billion in tax relief the first year. It didn't seem to bother many people, then or now, that business gained twice as much from the reduction as homeowners.

Prop. 13 not only carried California but touched off a nationwide prairie fire. Within the next couple of years, nearly all 50 states enacted tax-reduction or tax-limiting laws. The movement ballooned into current pressures for a federal constitutional amendment requiring balanced budgets, and had many other impacts. California enacted the Gann Amendment, tying state spending to state revenues. Lo sees the Prop. 13 revolt as a significant strand in the recent upsurge of business activism in politics, and the new focus of citizen attention on the Internal Revenue Service as "a symbol of abusive government."

The momentum of Prop. 13 can be seen in the Prop. 103 attack on auto-insurance rates. Jarvis died in 1986, but his spirit marches on in the Howard Jarvis Taxpayers Assn., spearheading opposition to the ceaseless attempts to water down Prop. 13.

Lo's book, while it has many dramatic vignettes, is hardly spicy recreational reading, but it is a fine example of practical scholarship -- a brass-tacks inquiry into a political eruption that has been short-shrifted and oversimplified. It could be a useful handbook for citizen groups on the perils and promise of fighting City Hall. And it documents the fact that California's citizenry truly deserves a place in history alongside the be-feathered colonists of the Boston Tea Party.

1ST STORY of Level 1 printed in FULL format.

Copyright (c) 1991 The New York Times Company
The New York Times

July 7, 1991, Sunday, Late Edition - Final
Correction Appended

SECTION: Section 10; Page 3; Column 2; Real Estate Desk

LENGTH: 1321 words

HEADLINE: Focus: Proposition 13;
California's 'Tax Revolt' Faces Challenge

BYLINE: By MORRIS NEWMAN

DATELINE: LOS ANGELES

BODY:

A CASE challenging Proposition 13, California's "tax revolt" law, is wending its way toward the U.S. Supreme Court. If the court agrees to hear the case, its decision is likely to affect every homeowner in California.

At issue is the law's way of taxing property. Its critics say it lets homeowners of long standing pay far less in property tax than newcomers. Stephanie Nordlinger, the Los Angeles lawyer who is asking the High Court to hear her case, says the law creates enormous disparities in property taxes.

Ms. Nordlinger bought a two-bedroom tract house in suburban Baldwin Hills in 1988 for \$170,000. Under Proposition 13, which limits property taxes to 1 percent of the purchase price plus negligible annual increases, she pays about \$1,700 a year in property taxes.

But some of her neighbors, who live in identical houses that they bought years before, pay a fixed tax of little more than \$300, reflecting the lower prices then.

"I'm paying the same tax as the owner of a \$2 million house in Malibu," an exclusive beachfront area, she said.

Her situation is common among home buyers. A survey of 10,000 recent property buyers in Los Angeles County shows that the new homeowners commonly pay 5 to 17 times the property tax of their neighbors, according to a study commissioned by Ms. Nordlinger's lawyers, Hall & Phillips of Los Angeles. The study was prepared by an economist, David Gold.

Ms. Nordlinger acknowledges that she has "always been against Prop 13." She voted against the measure in 1978, and, as a Los Angeles County public defender in the late 70's, participated in an earlier, unsuccessful suit brought by county employees denied promotions and raises because of budget cuts prompted by Proposition 13.

Yet Ms. Nordlinger said she did not set out to make a test case of Proposition 13 until she discovered the difference between her tax payments and those of her neighbors while perusing public records.

(c) 1991 The New York Times, July 7, 1991

After the Center for Law in the Public Interest, a local nonprofit advocacy group, agreed to pay the legal fees for the challenge, Ms. Nordlinger sued Los Angeles County and County Supervisor Kenneth Kahn, seeking declaratory relief under the equal-protection clause.

Her case lost in both Superior Court here and on appeal; in both cases, judges cited a 1978 decision by the State Supreme Court upholding Proposition 13. In June, Ms. Nordlinger asked the United States Supreme Court to hear the case, since the justices had agreed to hear R. H. Macy & Company's challenge to the same law this spring. Macy's later withdrew the suit, saying other California taxpayers could suffer ill effects if the law were overturned.

Before Proposition 13, property taxes set county by county were 2 to 3 percent of assessed value, high by California standards, and varied with location. Those high rates posed hardships for the two most vulnerable classes of homeowners -- first-time buyers and retirees on fixed incomes, said Mack Powell, a Sacramento broker and president of the state's Association of Realtors.

"Taxes were becoming outrageous," Mr. Powell said. "Some homeowners were not able to hold onto their properties."

Antitax and antigovernment sentiments prevailed in 1978, when Howard Jarvis, who has since died, rallied California voters with his slogan, "I'm mad as hell." The proposition passed with the approval of 66 percent of the electorate.

The law "gave people security in keeping their property, and continues to give them certainty on their tax payments," said Joel Fox, president of Howard Jarvis Taxpayers Association, a local nonprofit advocacy group.

AMENDMENTS to Proposition 13 have enlarged the powers -- and the loopholes -- available to taxpayers. Under one amendment, tax rates can be passed on from generation to generation by allowing parents to transfer their tax rates to their children along with property.

"We are creating this feudal class of people who will go into the next century not paying any higher taxes, simply because they were lucky enough to own property at the right time," said Ms. Nordlinger.

The biggest beneficiaries have been homeowners who bought their houses in 1978, when tax levels were rolled back to 1975 levels. Carlyle Hall, the lawyer who represents Ms. Nordlinger, called this the "welcome stranger" provision of Proposition 13.

"The entire tax increase is being carried on the backs of the newcomers," he said. "Everybody who was fortunate enough to own a house in 1975 pays very little more than they did in that base year."

Mr. Fox of the Jarvis group defends the wide tax differentials. "When newcomers come in, they enjoy the schools and infrastructure paid for by the taxes of those who have been there for a long time," he said.

Proposition 13's effect on consumers is difficult to gauge. Some people say they are reluctant to sell their current home and buy a new one, fearing a

(c) 1991 The New York Times, July 7, 1991

heavier tax burden, said Richard Peiser, director of the Lusk Center of Real Estate Development at the University of Southern California in Los Angeles.

Empty-nesters, he said, are "holding onto their houses when their kids have moved, and are 'consuming' more housing than they need, because if they move their costs will go up, even if they go to smaller housing."

Yet Proposition 13 has not led to the same grassroots protest as did high taxes in the 70's. The promise of fixed tax rates has lulled many taxpayers "into accepting an inequitable tax structure," said the Report of the Senate Commission of Property Tax Equity and Revenue to the California State Senate, which appeared in June.

The study says the new property owner "may wince at learning that her neighbor in an identical house pays significantly less in property taxes," yet may acquiesce to the tax rate when she realizes that she will be "paying relatively less taxes as time passes."

Many California home buyers, indeed, seem unaware that they are paying a disproportionate amount of property tax. Mr. Powell said he finds it "amazing" that home buyers rarely quiz him on taxes when viewing homes for sale. Ira Norris, an Orange County home builder who specializes in the first-time market, said buyers are primarily concerned about price, not taxes. Instead, he said, when he talks to buyers, "they ask only, 'Is this the place I want to live? Does my builder have a good reputation? How much do I have to put down, and how much do I have to pay a month?'"

Home sales agents are nervous about what may happen to the home market if the court or the legislature changes Proposition 13. If taxes are to be based on market value rather than original purchase price, "older people on fixed income will be forced to move out of their homes," said Barbara Baerg, a sales associate with First National Realty-Gribin Von Dyl of Sherman Oaks. Buyers, on the other hand, may feel some anxiety about their inability to predict the future costs of homeownership.

If the Supreme Court strikes down Proposition 13, the Senate Commission offers several possible remedies to be enacted by the California legislature.

ONE is to slowly raise property values to market level while protecting against overall tax increases by lowering local tax rates, county by county. To shield low-income homeowners from a crushing tax burden, the study would raise the property tax exemption to \$50,000 from the current \$7,000. Owners of income property would pay a higher rate than homeowners, to redress the current tilt on the tax rolls toward new homeowners. And children would no longer be allowed to inherit tax rates along with property.

Mr. Powell of the realtors' group said he had no opinion on the choice of remedy but wants to preserve at least the predictability of Proposition 13. Ms. Nordlinger, however, rates "fairness" above predictability.

"People ask for certainty, but life is uncertain," she said. "The most important issue is equitable taxation."

CORRECTION-DATE: August 11, 1991, Sunday

(c) 1991 The New York Times, July 7, 1991

CORRECTION:

An article on July 7 about a suit challenging Proposition 13 in California misidentified a defendant and his office, and omitted the identity of a second defendant. A recent letter from the plaintiff, Stephanie Nordlinger, notes that the defendants are Kenneth E. Hahn, the Los Angeles County Tax Assessor (not Supervisor), and the county itself.

GRAPHIC: Drawing

SUBJECT: HOUSING; SUITS AND CLAIMS AGAINST GOVERNMENT; LAW AND LEGISLATION;
PROPERTY TAXES

NAME: NORDLINGER, STEPHANIE; NEWMAN, MORRIS

GEOGRAPHIC: CALIFORNIA; LOS ANGELES (CALIF)

5TH STORY of Level 1 printed in FULL format.

Copyright 1991 The Times Mirror Company
Los Angeles Times

October 27, 1991, Sunday, Home Edition

SECTION: Westside; Part J; Page 1; Column 2

LENGTH: 1482 words

HEADLINE: TERM LIMITS SPELL THE END OF OLD ORDER;
GOVERNMENT: THE STATE SUPREME COURT'S UPHOLDING OF PROPOSITION 140 PAVES THE WAY
FOR A NEW GENERATION OF LEGISLATORS.

BYLINE: By MARK GLADSTONE, TIMES STAFF WRITER

DATELINE: SACRAMENTO

BODY:

For the better part of a decade, Westside voters have been offered few real choices in state legislative contests.

The nine Democrats who make up the area's Sacramento delegation have seldom faced challenges in their own party primaries and have consistently coasted to reelection against token Republican opposition.

But the Westside's cast of political characters appears headed for a shake-up as a result of two unrelated but parallel developments -- the state Supreme Court's recent decision upholding legislative term limits and the ongoing battle over redrawing district boundaries.

The high court ruled on Oct. 10 that Proposition 140, passed by voters last November, does not unduly restrict a lawmaker's right to run for office or a voter's right to choose a candidate.

The proposition limits Assembly members to three two-year terms and senators to two four-year terms. The provisions mean that all five of the Westside's state Assembly members and one state senator -- David A. Roberti of Los Angeles -- must give up their current jobs by the end of 1996. The area's other three senators -- Herschel Rosenthal and Diane Watson of Los Angeles and Gary K. Hart of Santa Barbara -- may leave their seats by the end of 1998.

The ban is for life: Lawmakers may never again run for the same office after reaching their term limits. That means that in the coming years, California's political stage will likely be clogged with former Assembly members and state senators seeking new roles.

Some Democrats have indicated they intend to carry their fight against Proposition 140 to the U.S. Supreme Court. But most legislators are making plans to cope with its restrictions.

Even before the state high court upheld the initiative, the winds of change were in the air.

Fueling the change has been the once-a-decade redrawing of legislative and congressional boundaries. Republican Gov. Pete Wilson last month vetoed

1991 Los Angeles Times, October 27, 1991

plans sent to him by the Democrat-controlled Legislature, throwing the remapping dispute to the state Supreme Court.

With redistricting on the horizon, several members of the Westside's legislative delegation have been considering whether to run for other public offices. And aspiring candidates, like hungry young actors anticipating choice parts, have been poised to step into the political spotlight.

Together, the double whammy of reapportionment and term limits is expected to help raise the curtain on a new generation of state politicians.

One Westside legislative aide said the Proposition 140 decision "changes the natural progression in the political process."

The aide noted that previously, "you sat and waited your turn" to run for office.

"Now, the turn is coming a lot more quickly for people, and between reapportionment and term limits you'll see a lot more movement a lot more quickly," said the aide, who asked not to be identified.

Another anticipated impact of the court's decision is a further reduction in services available to constituents.

Proposition 140 reduced the Legislature's operating budget by \$70 million. Lawmakers predicted that for Westside constituents, the most immediate impact of the initiative will be a cut in staff members to field constituent complaints, ranging from pension checks to sound walls. Although the details are not known, Assemblywoman Barbara Friedman of Los Angeles deplored the "really dramatic effect" the initiative will have on staffing levels.

Just as Proposition 140 causes the ranks of aides to dwindle, reapportionment is expected to cause the number of lawmakers representing the Westside to drop.

The area's population growth in the 1980s failed to keep pace with the statewide rate, making it probable that fewer districts will be based on the Westside. As one local official said, "There's a plethora of candidates and a shortage of seats."

The exact impact of reapportionment remains unclear. For example, plans approved by the Legislature would have erased the coastal district of Assemblyman Tom Hayden. But a plan released earlier this month by a bipartisan panel appointed by Gov. Wilson underscores how difficult it is for politicians to make firm election plans. Under the panel's plan, much of Hayden's Santa Monica-based district would be kept intact.

The Supreme Court is expected to resolve such disputes by issuing its map by the end of the year.

Although the 51-year-old Hayden has been widely regarded by colleagues as a possible congressional candidate, he has said he plans to seek to retain his Assembly seat next year. But with Proposition 140 requiring that he leave office in 1996, Hayden, first elected in 1982, is undecided about whether he would run again in 1994.

1991 Los Angeles Times, October 27, 1991

Other area lawmakers have publicly voiced an interest in running for different offices. Most maintain that their thinking has not been influenced by deadlines set by Proposition 140.

Watson, 57, who was first elected to the Senate in 1978, has announced plans to run next year for the Los Angeles County Board of Supervisors seat now held by Kenneth Hahn.

Hart, whose district includes Malibu, has expressed interest in running for Congress, depending on the new shape of those seats. The 48-year-old Hart, first elected to the Senate in 1982, lost a hard-fought congressional campaign to incumbent Robert J. Laomarsino (R-Ojai) in 1988.

Neither Roberti nor the Westside's other senator, Rosenthal, 74, have plans to run for other offices. Roberti, 52, first elected to the Senate in 1971, plans to run for reelection next year for what will be his last term under Proposition 140. He has not discussed what he might do after being forced from office in 1996, according to an aide.

Rosenthal, first elected in 1982, said he plans to seek reelection in 1994. He indicated he would likely retire from public life when forced to leave the Senate in 1998.

In the Assembly, Los Angeles Democrat Gwen Moore has been mentioned as a potential successor to Watson or Rep. Julian C. Dixon (D-Los Angeles) if he chooses to run for supervisor. Moore, 50, first elected in 1978, acknowledged that she is reassessing her political options, but said that as of now she plans to seek reelection in 1992.

Friedman, elected last summer to succeed longtime Assemblyman Mike Roos (D-Los Angeles), said that having just arrived in the Assembly, she has not begun to think about her departure. Instead, the rookie lawmaker said she is focused on formulating a legislative package for her first full year in office.

But veteran Assemblymen Burt Marqolin and Terry B. Friedman, both Los Angeles Democrats, definitely have their eyes on other offices. Marqolin, 41, first elected in 1982, is raising money for a possible congressional campaign. The 42-year-old Friedman, who is not related to Barbara Friedman, has said he is interested in running for city attorney if James Hahn should step aside.

Terry Friedman added that he doesn't "view with terror the prospect of not being in office. I think there are other ways to have a productive life." Friedman, who practiced law before first winning his Assembly seat in 1986, said he might consider teaching at a law school in the future.

While the incumbents weigh their options, a drumbeat is beginning to sound for their prospective Democratic replacements (Westside districts are expected to remain overwhelmingly Democratic, regardless of the final reapportionment plan adopted). Among the names being mentioned are Mark Slavkin, who represents most of the Westside on the Los Angeles school board; Connie Jenkins, a member of the Santa Monica-Malibu school board; Peter Taylor, a former legislative aide who is now finance chairman of the state Democratic Party; J.J. Kaplan, an aide to Sen. Roberti, and Dennis Zane, senior member of the Santa Monica City Council, who has announced he will resign Jan. 1 to concentrate on his career and family life.

1991 Los Angeles Times, October 27, 1991

In addition, several candidates who lost to Barbara Friedman in the Democratic primary for the 46th Assembly District have the resources to mount another campaign, according to consultants. They include John Emerson, chief deputy city attorney; Tong Soo Chung, a founding partner in the area's largest Korean-American law firm, and Bob Burke, a land-use planning expert and a member of the board of the Human Rights Campaign Fund, the nation's largest lesbian and gay organization.

Term Limits: Who's Leaving When

Under the term-limit initiative upheld earlier this month by the state Supreme Court, all of the 80 members of the Assembly must give up their current seats in 1996. But the term limits for California's 40 state senators takes effect on a staggered schedule, with some required to give up their current seats in 1996 and others in 1988. Here are the departure years for Westside legislators.

1996: David Roberti

1998: Gary Hart

1998: Herschel Rosenthal

1998: Diane Watson

GRAPHIC: Photo, David Roberti; Photo, Gary Hart; Photo, Herschel Rosenthal; Photo, Diane Watson; Table, Term Limits: Who's Leaving When

TYPE: Infobox

14TH STORY of Level 1 printed in FULL format.

Copyright 1992 The Times Mirror Company
Los Angeles Times

February 5, 1992, Wednesday, Home Edition

SECTION: Part A; Page 3; Column 1; Metro Desk

LENGTH: 1232 words

HEADLINE: DRIVE TO REDUCE WELFARE GAINING;
FINANCES: GOV. WILSON IS AMONG STATE LEADERS FROM AROUND THE COUNTRY WHO ARE WEIGHING AN OVERHAUL IN THE FACE OF BUDGET SHORTFALLS. THE MOVEMENT CROSSES PARTY LINES.

BYLINE: By GEORGE SKELTON, TIMES SACRAMENTO BUREAU CHIEF

DATELINE: WASHINGTON

BODY:

Call it "reform" or simply "cutbacks," but when two governors from opposite sides of the country and the political world sit across the table from each other and agree that welfare needs an overhaul, it is evidence that a national trend may be developing.

Republican Gov. Pete Wilson of California and Democratic Gov. James J. Florio of New Jersey did just that at the annual winter conference of governors, which ended Tuesday. They were not alone among their colleagues in seeking reductions in traditional public assistance.

Democratic Gov. Roy Romer of Colorado, the incoming chairman of the National Governors Assn., said at a White House meeting that welfare reform probably was one issue the governors could unite behind regardless of party.

Wilson aides reported counting 40 states that either cut or froze welfare benefits last year. Several governors are proposing further reductions.

The attack on welfare is largely in response to projected budget deficits greatly aggravated by the recession. Thirty-seven states are facing revenue shortfalls, according to the National Conference on State Legislatures. But many governors -- including Wilson and Florio -- contend also that welfare has become overly generous and counterproductive by encouraging perpetual dependence on the dole.

During a five-day visit to the nation's capital, Wilson was like a poised cat, ready to leap at any opportunity to push his welfare reform plan.

On Monday at a White House meeting between President Bush and the governors, Wilson pressed the Administration for waivers of federal welfare requirements -- waivers that will be needed before any state can implement reforms or significant cuts. Bush was receptive, reiterating a pledge made during his State of the Union address.

Wilson added that "the real answer" is for Congress to vote outright repeal of the requirements. He asked Bush for his help, conceding that this election year "may not be the perfect season" for such an effort.

Los Angeles Times, February 5, 1992

The President asked, in turn, whether the governors -- Republicans and Democrats alike -- could agree on a bipartisan package of welfare changes that he could push. "It would make a tremendous impact on Congress," he said.

Romer, who moments earlier had attacked Bush's economic recovery plan as "qimmickry," said he expected that governors could unite behind such legislation.

Earlier, on CBS-TV's "This Morning," Wilson complained that the states "are experiencing an explosion in welfare costs" that is taking money away from other programs such as education. "It's just not right," he said.

"We (governors) think we know what our people need. Children need education. . . . Instead of enriching human potential for individuals, we're spending too much money on public assistance, really maintaining them on dependence."

Wilson, therefore, is proposing to go far beyond simple cuts in welfare, and Florio already has.

Two weeks ago, Florio signed the nation's first law denying additional benefits to mothers on welfare who continue to have children. Able-bodied recipients who refuse to take part in educational or training programs also will lose all or part of their benefits unless they have a child under age 2.

Wilson's sweeping proposal -- which also would give him more control over the state budget -- would reduce family benefits by an immediate 10%, followed by another 15% cut after six months if an able-bodied recipient had not found a job. Recipients could earn as much as \$694 per month in other income without losing commensurate benefits.

Teen-age mothers would get a \$50-per-month bonus to stay in school and a \$50-per-month penalty if they dropped out. But they would receive welfare benefits only if they lived with a parent or a legal guardian, provided the adult was deemed fit. Unwed welfare mothers who gave birth to another child would receive no extra aid.

Families moving to California would be eligible for the first year only for the same benefits they could have received in their former state.

Realizing that the Democratic-controlled Legislature is highly unlikely to pass this package, Wilson is trying to place an initiative on the November ballot. His longtime political adviser, George Gorton, is directing a \$1-million drive to collect the necessary 615,958 voter signatures by the April 17 deadline to qualify the measure for the ballot.

On Sunday afternoon, Florio, generally regarded as a liberal, and Wilson, a self-described "compassionate conservative," sat across the conference table from each other and described their remarkably similar welfare reform proposals to fellow governors. No governor defended the status quo -- or, for that matter, even welfare.

"The welfare system, however well motivated, is, in fact, not working," Florio said. "It has become a prison of perpetual dependency . . . a system that breaks families apart."

Los Angeles Times, February 5, 1992

Wilson said that in California, a mother on welfare with two children would have to find a job paying about \$1,400 a month to make it worthwhile for her to get off relief, counting such non-cash benefits as Medi-Cal, child care and transportation she now is entitled to.

Answering an insinuation at the National Press Club on Friday that his proposals are mean-spirited, Wilson said:

"If the mother never leaves the home even for a part-time job, what signal does that send? What message is there for the child in that? I think the most mean-spirited thing we could do is to leave the system the way it is."

There are competing claims for the taxpayer's dollar, Wilson said repeatedly, and in his view, welfare ranks below education, fighting crime and such preventive programs as prenatal health care.

Wilson and Florio also share something else. Like other big-state governors who recently have raised taxes to balance budgets, their popularity has dropped dramatically.

"There isn't a whole lot that I can do about it," Wilson told The Times. "I do the best job that I can under very difficult circumstances. . . . I've been compelled to administer bitter medicine and people don't like bitter medicine. I think it's about as simple as that. . . ."

"In a time of recession, people don't like any of the alternatives. They don't want higher taxes, they don't want service cuts. None of the alternatives that are available are palatable."

But he and other governors are betting that welfare cutbacks will be palatable.

"It's a winner," said William Schneider, political analyst for the Washington-based American Enterprise Institute. "Welfare's catching on. It's a national mood, a national movement."

Schneider noted that a CNN/ USA Today nationwide poll last month found that 80% of those surveyed said they would be "more likely" to vote for a presidential candidate who wanted to "require all able-bodied people on welfare, including women with small children, to do work for their welfare checks." That position was even more popular than the death penalty for murderers.

However, the California Poll directed by Mervin Field reported Tuesday that Californians regard Wilson's reform package with mixed views. They object to the benefit cuts by a 2-1 margin, the poll showed, but tend to agree with other features of the program, such as those dealing with teen-age mothers, the benefit restrictions for newcomers and the no-increase plan for unwed mothers who have more children.

TYPE: Analysis; Poll or Survey

SUBJECT: WELFARE REFORM; WELFARE PROGRAMS -- CALIFORNIA; WILSON, PETE; STATES -- FINANCES; CALIFORNIA -- FINANCES

9TH STORY of Level 1 printed in FULL format.

Copyright 1992 American Political Network, Inc.
Daily Report Card

March 6, 1992

SECTION: GOAL TWO: HIGH SCHOOL COMPLETION

LENGTH: 440 words

HEADLINE: CALIFORNIA TEEN MOTHERS: CAUGHT IN CYCLIC WELFARE SYSTEM

BODY:

CA's teenaged mothers are receiving increasing attention from social welfare officials and policy-makers who think the girls account for too much of the state's spiraling welfare caseloads (Carla Rivera, L.A. TIMES). According to the CA Health and Welfare Agency:

- The chance that a child born to a teen mother will become dependent on welfare is two times greater than for other kids.
- Over 10% of all CA births are to teen mothers.
- More than 50% of mothers receiving benefits from Aid to Families with Dependent Children had their first child as a teen.
- Teen moms account for 11% of current AFDC applicants and cost CA \$225M in AFDC grants each year.

Gov. Pete Wilson (R) recently announced his welfare reform proposals, which include: expanding family planning programs for teens at risk of becoming pregnant; expanding counseling programs for school-age parents; creating an education program for 12- to 14-year-olds, emphasizing abstinence and goal-setting; requiring minors eligible for AFDC to live with their parents; and coupling awards of \$50-per-month to teens who remain in school, with a \$50 decrease for dropouts.

Proponents say the reforms would encourage family units to remain intact. "If we can effect a change, get girls to delay pregnancies and stay in school, it will minimize the numbers that end up on welfare," said Kassy Perry, of the CA Health and Welfare Agency. Critics say the "disincentive" parts of the proposal affect females and immigrants disproportionately and fall hard on women of color. "These are entitlement programs and we don't play God and determine who is worthy," said Angelo Doti of the Orange County Social Services Agency (3/6).

8TH STORY of Level 1 printed in FULL format.

Copyright 1992 Newsday, Inc.
Newsday

March 18, 1992, Wednesday, CITY EDITION

SECTION: VIEWPOINTS; Pg. 80

LENGTH: 526 words

HEADLINE: Conservatives Must Become Reformers

BYLINE: MONA CHAREN

KEYWORD: COLUMN; OPINION

BODY:

THE CONSERVATIVE movement has lately become absorbed by intra-congregational disputes. Sectarianism has broken out now that Ronald Reagan, the unifying leader, no longer holds the pulpit. Pat Buchanan claims the conservative leadership crown for himself. William Bennett fires warning flares. Reps. Vin Weber and Newt Gingrich reach for their six-shooters. And conservatives all over America shake their heads wondering how all this destructive infighting is possible.

Sure, give President George Bush some of the blame for failing his conservative supporters and leaving enough frustration sloshing about to dampen spirits and submerge comity. But conservatives need to shake themselves dry and remember that the most important task facing the movement is now one of reform. The conservative movement must provide the intellectual energy and spiritual strength to repair the damage that 30 years of liberal supremacy have done to the nation.

Nowhere has the liberal world view gone more haywire than in welfare policy. With the best possible intentions liberals have made the lives of the poor infinitely worse and have created for the rest of society a seething underclass which threatens to destroy our major cities.

Rather than firing on one another or seeking the illusory comfort of 1930s policies and habits of mind, conservatives would do well to focus on undoing the welfare mess.

Several states are already moving in that direction. In Wisconsin, the "Learnfare" program requires a minimum level of school attendance as the condition for receiving welfare benefits. Other states are holding grandparents responsible for the costs of their teen-aged children's babies.

California's Gov. Pete Wilson alienated his state's conservatives as much as President George Bush did nationally by raising taxes after pledging not to. But he has taken an important first step toward redeeming himself by proposing a 1992 ballot initiative that reforms the worst aspects of California's welfare program.

Under Wilson's reform proposal, Aid to Families with Dependent Children (AFDC) benefits will no longer increase when the number of children increases.

Newsday, March 18, 1992

It is only common sense. When a working mother is expecting another child, she cannot march into her boss' office and demand a raise. She or her husband may have to work a second job or cut back on certain luxuries to afford the new child. Most working families consider whether they can manage the cost of another child before becoming pregnant. Why should those on public assistance be insulated from the same considerations?

New Jersey's Gov. Jim Florio, another tax-raising miscreant, has also embraced welfare reform. The New Jersey package, like California's, eliminates the increase in AFDC benefits with each new child born and also focuses on removing the disincentives to marriage that have proved the most destructive aspect of the welfare state. The New Jersey law now permits welfare mothers to keep some of their benefits after they marry. It also allows welfare recipients who find jobs to remain eligible for Medicaid for 24 months after AFDC eligibility ends.

2ND STORY of Level 1 printed in FULL format.

Copyright 1992 The Times Mirror Company
Los Angeles Times

April 3, 1992, Friday, Home Edition

SECTION: Part A; Page 3; Column 5; Metro Desk

LENGTH: 1002 words

HEADLINE: WIDE RANGE OF INITIATIVES LIKELY ON NOVEMBER BALLOT;
VOTING: CALLS FOR CONGRESSIONAL TERM LIMITS, WELFARE CUTS AND A SCHOOL VOUCHER
SYSTEM ARE AMONG THE ISSUES EXPECTED TO QUALIFY.

BYLINE: By JERRY GILLAM, TIMES STAFF WRITER

DATELINE: SACRAMENTO

BODY:

Noting that the timing could not be better, former Los Angeles County Supervisor Pete Schabarum, the prime mover behind state legislative term limits, Thursday threw his influence and money-raising ability behind a new initiative to extend term limits to California's members of Congress.

Schabarum said that supporters, buoyed by the congressional check-writing scandal, have gathered two-thirds of the signatures needed to qualify the measure for the November ballot, which is likely to be laden with several major issues.

Among others expected to qualify are Gov. Pete Wilson's measure to severely restrict welfare benefits and one that would revolutionize the way in which public funds for schools are allocated. Supporters of the so-called school voucher plan say they have three-fourths of the signatures they need.

Two others far enough along to be headed for likely qualification would expand California's right-to-die law for terminally ill patients and repeal the state sales tax on snack foods.

Also aimed at the November ballot are initiatives to provide health care coverage for more than 5 million Californians who do not have it and to substantially increase taxes on businesses and high-income wage earners. Others would set up a no-fault automobile insurance program, restrict state park fees, protect state worker pension funds and allow casino-type gambling in Adelanto in San Bernardino County.

In all, proponents are pushing more than 30 initiatives for the fall ballot, a heavy dose of intended lawmaking by ballot box that continues a trend of recent years.

Schabarum said the congressional check-writing scandal is working to make life easier for signature gatherers for the term-limit initiative petition. "They (voters) are asking: 'Where do I sign?'" he said. Further scandals surely lie ahead, he added, "all of which will validate in the minds of the public what a sorry group we have serving in the Congress."

Los Angeles Times, April 3, 1992

Schabarum was a main force behind Proposition 140, approved by voters in November, 1990, which imposed state legislative term limits. He said he will help push and finance a congressional term-limit proposal sponsored by Anita Anderson of San Francisco, who needs to collect 384,974 voter signatures by April 17 to qualify the initiative for the November ballot.

Her measure would prohibit California House members from seeking reelection after serving six or more of the previous 11 years. It would similarly restrict U.S. senators from California who have served for 12 or more of the previous 17 years. The limitation periods would start from 1993.

"Congress will try to do a similar job of trying to defeat this initiative as Willie Brown, et al, did in attempting to defeat Proposition 140," Schabarum said, referring to Assembly Speaker Willie Brown (D-San Francisco), who led the fight against the state legislative term-limit measure.

Brown and state Senate President Pro Tem David A. Roberti (D-Los Angeles) had appealed to the U.S. Supreme Court to have Proposition 140 found unconstitutional on grounds that it would deprive voters of the right to cast a ballot for the candidate of their choice. The high court dismissed their challenge last month but left unanswered whether federal elections fell into a different constitutional category from state races.

If history is a guide, about one-third of the 31 initiatives proposed will go before voters in November. The rest will fail to gather enough signatures.

Gov. Wilson is the primary sponsor of the welfare initiative, which would allow him to slash aid payments and grant him new state budgetary controls.

The governor's forces must gather the valid signatures of 615,958 registered voters by April 17 to qualify the initiative constitutional amendment for the November ballot.

The measure would cut benefits to welfare families by 25% and discourage the growth of welfare cases with a variety of incentives and penalties.

At the same time, the welfare initiative would empower the governor to take over the budget process under certain "emergency" conditions and require legislators to produce a balanced budget by June 15, the date set by the state Constitution, or face a loss of salary and daily expense money.

Opponents charge that the governor is trying to work a "power grab" designed to strip the Legislature of its authority over state spending.

The parental choice school voucher initiative constitutional amendment would throw out the way in which the state apportions funds for kindergarten through 12th grade. Instead of paying for the upkeep of public schools, the state would provide every school-age child with a \$2,500 "scholarship" to be used in the school of the parents' choice -- private, church-run or public.

Supporters say the initiative would provide students and parents with more choice and would breathe life into the public schools by providing excellence models. They need to collect 615,958 signatures to qualify the measure.

Los Angeles Times, April 3, 1992

Opponents, including state Supt. of Public Instruction Bill Honig, argue that the measure would deprive public schools of revenue and would lead to "David Duke academies" and other undesirable kinds of schools.

On the health insurance issue, of three proposed initiatives, the one with the heaviest backing is sponsored by the powerful California Medical Assn., which has said it will spend "whatever it takes" to obtain the 384,974 voter signatures needed to qualify by the April 17 deadline. It is expected to qualify.

The plan would require all California employers to provide a bare-bones health insurance policy for all employees who work more than half time. Employers would pay at least 75% of the premiums and employees would pay the rest.

A number of insurance companies, small business groups, nurses and a coalition of labor, religious and consumer groups oppose the measure.

The other two would leave it up to the governor and Legislature to set up health care for all state residents by Jan. 1, 1997.

SUBJECT: INITIATIVES -- CALIFORNIA; BALLOTS; CALIFORNIA -- ELECTIONS -- 1992

8TH STORY of Level 1 printed in FULL format.

Copyright 1992 The Chronicle Publishing Co.
The San Francisco Chronicle

MAY 7, 1992, THURSDAY, FINAL EDITION

SECTION: NEWS; Pg. A12; INITIATIVE INSIDER

LENGTH: 488 words

HEADLINE: INITIATIVE INSIDER

BYLINE: Vlae Kershner, Chronicle Sacramento Bureau

BODY:

SCHOOL CHOICE FIGHT MOVES

TO COUNTY ELECTIONS OFFICES

Sacramento It's a close call whether the school choice initiative will qualify for the November ballot, so close that public educators will try to fight it out signature by signature in county elections offices.

The measure, backed by some business leaders, will provide parents with about \$ 2,500 a year from the state for private-school tuition. It also reduces the Proposition 98 public school financing guarantee by the amount of the scholarships.

The backers are turning in more than 900,000 signatures this week, two weeks after the secretary of state's suggested deadline for November ballot measures. To make it on the ballot this fall, a random sample count must indicate that at least 677,554 signatures are valid. That is the legally required 615,958 signatures plus a 10 percent margin of error.

Opponents have asked county officials to let them monitor the verification process, in which counties spot-check a random sample of signatures. "It's a very arcane set of rules about what constitutes a valid signature," says Bob Wells of the Association of California School Administrators.

For example, if signers do not print their names below their signatures, they are not supposed to count. By helping the counties identify invalid signatures, the opponents hope to keep the measure from qualifying.

But the sponsoring Los Angeles-based Choice in Education League complains that the educators' real purpose is to gum up the works so that county registrars cannot finish their checks before the June 25 deadline. If the counts are delayed beyond that date, the measure would be delayed until the June 1994 ballot.

"We are guaranteed to be on a ballot, whether it's the '92 or '94, predicts campaign director Kevin Teasley. To make it for '92, "We have to protect county registrars from CTA (California Teachers Association) harassment."

WELFARE AID

The San Francisco Chronicle, MAY 7, 1992

Opponents of Governor Wilson's budget and welfare initiative are asking that he withdraw the measure because of Los Angeles rioting. The initiative reduces Aid to Families with Dependent Children grants up to 25 percent and gives the governor emergency powers to make budget cuts.

"I think that in the spirit of healing the governor should withdraw the initiative. There will be tremendous job loss in the area," making it next to impossible for welfare recipients to find work to replace the lost grants, said Lenny Goldberg of the California Tax Reform Association.

But Wilson spokeswoman Kassy Perry replies that "what happened in L.A. does not affect the need for welfare reform."

She said that the "opportunistic looting" that took place last week points to the need for welfare recipients to take greater personal responsibility for their actions and added that the administration is trying to bring more jobs to the affected area.

SUBJECT:
ELECTIONS 1992; WELFARE; EDUCATION; CA

2ND STORY of Level 1 printed in FULL format.

Copyright 1992 The Times Mirror Company
Los Angeles Times

May 29, 1992, Friday, San Diego County Edition

SECTION: Metro; Part B; Page 1; Column 2; Metro Desk

LENGTH: 1424 words

HEADLINE: LOCAL ELECTIONS / S.D. SCHOOLS TAX;
FUNDS SOUGHT TO EASE CRUNCH IN CLASSROOMS;
EDUCATION: TAX TO BUILD NEW SCHOOLS IS CALLED UNNECESSARY BY THOSE WHO FAVOR
CREATING A STUDENT VOUCHER SYSTEM.

BYLINE: By DAVID SMOLLAR, TIMES STAFF WRITER

BODY:

Supporters of Proposition 0 see it as a straightforward and vital ballot measure for San Diego city schools that promises, in return for a modest increase in property taxes, a major step toward reducing the number of crowded schools by raising \$215 million.

Despite the troubled economic times facing many San Diego residents, school district administrators hope that a simple majority of voters next Tuesday will approve the measure, which would increase property taxes as much as \$87-per-year for every \$100,000 assessed valuation but would provide as many as 4,500 new construction jobs over a decade.

However, those in favor of educational choice in California -- the concept under which public funds could be used to send children to schools of their choice, even private schools -- have thrown the Proposition 0 campaign a curve.

The choice proponents have mounted an organized opposition, arguing that the tax proposal is at best premature. Should a statewide ballot initiative for parental choice qualify as expected for the November ballot and be approved, the need for Proposition 0 could change dramatically, they argue.

Privately, many public school teachers and administrators express worry that Proposition 0 will not pass in the face of combined skepticism, however differently expressed, among choice proponents, financially strapped citizens or those against tax increases in general.

"It's very difficult to debate the choice issue at this time because it really detracts from the very straightforward needs that exist now for increasing the capacity of our schools to serve a growing enrollment," said schools Supt. Tom Payzant, with more than a touch of exasperation in his voice.

"The schools that are going to serve our growth from the present 124,000 students to 140,000 by the turn of the century are overcrowded right now, and need attention. Even if choice qualifies for the ballot and is passed, its (major) impact won't be felt for five to 10 years down the line."

But Brian Bennett, principal of Blessed Sacrament Catholic School in East San Diego, maintains that the "whole question surrounding Proposition 0 comes at

Los Angeles Times, May 29, 1992

an extremely inappropriate moment."

"Before we commit \$215 million in new taxes to essentially perpetuate the institutions and the public bureaucracy that is in place, what we ought to do is devote our energies to alternative approaches, and the most obvious of those is the voucher choice system.

"Freeing up whatever dollars are necessary to give low-income parents in particular the choice to attend non-public schools is an opportunity to decrease the strain on public schools right now."

Other choice proponents, such as Jack Sanders of United Taxpayers of San Diego, go beyond Bennett's points and assert that the public school system should not be rewarded with new construction money because of its dismal record in educating minority students, who, however, come from the more crowded district schools.

Proposition O is the school board's answer to the strain that sees campuses such as Sherman Elementary in Golden Hill struggle with 1,310 students on year-round sessions despite a capacity almost one-third less.

The school has five lunch periods and a playground shrunk to two-thirds of normal size by the placement of 18 portable classrooms, yet it still must ship its 150 sixth-graders to a special overflow school in Clairemont and watch 240 other primary-grade students bus voluntarily to other less-crowded schools.

Approval by voters would authorize construction bonds for projects that include four new schools and major renovation of six others in the Mid-City, Golden Hill and Barrio Logan, totaling more than \$100 million.

In addition, every middle and junior-high school citywide would be remodeled for 21st-Century educational technology. In that way, residents in the Point Loma and North City areas, who are more likely to vote than predominantly minority residents in areas south of Interstate 8 that are overflowing with pupils, will be given more of a stake in the issue, administrators believe.

"The kids of color are not going to go away, and we need to make them productive citizens," Sherman principal Cecelia Estrada said. "And there is a direct correlation between overcrowded schools and dropouts. And we are going to still need our public schools, even if the voucher plan passes."

"The school board understands how politics work, and they have been fair about allocating something for everyone in the community," said Terry Churchill of Pacific Bell, who is co-chairing a citizens' committee for Proposition O.

"Voters in San Diego have shown they will vote for something like this when they clearly see where the money is going, and that not a dollar can be spent on anything other than these projects."

The construction would cover a 10-year period through 2003, but the most expensive projects would be planned immediately after voter approval, giving a boost to the region's depressed building trades industry. An estimated \$400 million in less-critical capital projects for the district would remain unfunded under the proposal.

Los Angeles Times, May 29, 1992

Passage of the measure will require only a simple majority vote because the school district is asking for permission to implement unused taxing authority originally authorized by voters in 1974 to run through 2003.

That authorization was approved before the passage of Proposition 13 in 1978, which requires a two-thirds vote for new property tax levies. A state law passed in 1987 clarified the issue by saying any additional tax asked for under the original authorization would not be a new tax and therefore needed only a simple majority for approval.

A similar bond measure, Proposition Y, was passed with a 61% simple majority vote in June, 1988, which has raised almost \$150 million during the past four years for construction of eight schools -- including Scripps Ranch High and Challenger Junior High School in North City -- as well as reconstruction of eight elementary schools and 10 secondary school science labs.

The new proposal would build an elementary school and a middle school in the Mid-City area around Hoover and Crawford high schools; an elementary school in Golden Hill to relieve pressure on Sherman and Brooklyn elementary schools; and an elementary school near crowded Balboa Elementary in Barrio Logan.

The single most expensive project would be the estimated \$50-million Mid-City middle school to relieve crowding at Wilson and Mann middle schools. The Mid-City elementary would cost about \$23.5 million, the Golden Hill school \$20.45 million and the Barrio Logan school \$14.35 million. The total new-schools costs of \$108 million, including land acquisition, would account for about half the amount of the bond measure.

Permanent additions would be made to Wangerheim and Challenger junior highs in Mira Mesa, to De Portola Middle School in Tierrasanta, to Morse High School and Bell Junior High in Paradise Hills and to San Diego High School downtown. The total cost would be \$28.4 million and eliminate dependence on cramped portable classrooms that are now an unwelcome fixture on those campuses.

The district would remodel existing facilities at Wilson Middle School and Hamilton Elementary in Mid-City, San Diego High, Morse High and Balboa Elementary, many of which are 25 or more years old and straining from enrollments far greater than originally planned.

Garfield Alternative School in Normal Heights would be converted into an elementary school, and Garfield's programs would be transferred to another still-undetermined site.

In addition, every other district middle and junior high school would be modernized to have an educational technology center and be able to accommodate the latest technology as it becomes available. That would cost \$46.2 million.

Until the passage of Proposition Y in 1988, the district was collecting only \$25 per \$100,000 assessed valuation under the original 1974 measure. Under the 1988 vote, that level will reach a maximum of \$77 in 1994 and then drop gradually. This year it is at \$38 and will rise to \$55 next year as approved construction from 1988 continues.

If Proposition O is successful, the district will immediately raise its collections to the maximum \$95 per \$100,000 assessed valuation.

Los Angeles Times, May 29, 1992

If it is defeated, Payzant says, the district will place a similar measure on the November ballot, but it will not be able to raise as much money, even if approved, because tax collections would be delayed a year.

1ST STORY of Level 1 printed in FULL format.

Copyright 1992 The Times Mirror Company
Los Angeles Times

May 31, 1992, Sunday, Home Edition

NAME: BILL CLINTON

SECTION: Part A; Page 1; Column 5; National Desk

LENGTH: 4033 words

HEADLINE: QUESTION & ANSWER;

CLINTON SKETCHES SCENARIOS FOR EASING URBAN PROBLEMS

BYLINE: By Robert Scheer, Times staff writer

BODY:

The following edited dialogue between Arkansas Gov. Bill Clinton, candidate for the Democratic presidential nomination, and Times staff writer Robert Scheer was drawn from a two-hour interview with Clinton in his office in Little Rock.

Scheer: In the aftermath of the Los Angeles riots, the mayors of large cities proposed a \$35-billion fund for urban areas, which they argue have been neglected. Jerry Brown has endorsed this proposal, but I gather you're not as supportive of this?

Clinton: No, that's not true. I am very supportive of it. What I'm trying to do is figure out how we're going to pay for it. You know, a panel of 100 economists recommended a similar proposal -- slightly bigger, \$50 billion -- that they say we should just tack onto the deficit. And I'm concerned about doing that. I think there ought to be a way to increase the infrastructure funding to the cities without doing that. I'm contacting folks in the Congress and others working on the budget to see how we could pay for it.

Q: The week of the riot, Rep. Maxine Waters (one of Clinton's national chairpersons) gave a speech at the First AME Church in Los Angeles demanding to know why is it so difficult to find money for urban areas. She pointed out we didn't have any great difficulty finding it for the military budget. We don't seem to have a great difficulty in bailing out the Russian republics, or the savings and loans. Why is it when it comes to the cities, suddenly it's so difficult to find this money?

Clinton: Oh, I think we can find the money in the budget in a combination of places. In the S&Ls we just added to the debt. And we did it because there was a contractual obligation to the depositors. With regards to the Russian proposal, it's a much smaller proposal in terms of money. And it's virtually all from loans. Some of it is being given through our food programs, so it's a different issue. I think the money can be found and the money should be there.

Q: The point Maxine Waters raised, though, was how come when it comes to the cities, when it comes to solving the problems of the poor, suddenly we get fiscally very responsible. We didn't get so responsible when it came to spending all the military money. Even with the Russian loans -- there is some chance the loans won't be paid back. We are talking about tens of billions of dollars that we've committed. . . .

Los Angeles Times, May 31, 1992

Clinton: On an annual basis you're looking at a much smaller . . . I mean, what we recommended there is a couple billion bucks, as opposed to \$35 billion. But I think we will find the money. But I'm not responsible for what Congress and the President have done for the last 11 years. They have always managed to find the money just by increasing the deficit. The money is there. The money is there in defense reductions, the money is there in controlling health care costs, the money is there in asking upper-income people to pay for entitlements, like Medicare, in return for a comprehensive national health program, the money is there in terms of excessive administrative costs in government, the money is there in terms of asking the very wealthy to pay their fair share again because their incomes went up and their taxes went down in the '80s. I'm not looking for an excuse not to do it.

The difference between me and other people is that I agree with Maxine's rhetorical point. But I'm not a part of that problem, I'm coming at it from the outside. And I want to realign, dramatically, America's spending priorities. I just want to do it in a way that is responsible.

Q: We did once have the so-called War on Poverty, yet critics charge it with being a bureaucratic program that failed to solve the urban problem.

Clinton: Their rap on the War on Poverty is bogus. The best programs were those that emphasized one-on-one contact and had a grass-roots basis. The Head Start programs, if you look at them even today, the ones that show permanent benefits are those that do the best grass-roots work.

Q: Do you think there was a War on Poverty? Do you really think we spent a significant amount of money?

Clinton: Well there started to be one and then it fell apart in the economic cross fire -- President Johnson's domestic agenda and the Vietnam War and paying for both and the inflation that ensued. And then the reaction to both, which produced Richard Nixon's victory and later moved us even further to the right.

Q: But the programs tried back then, in the '60s in the aftermath of the Watts riot, sound very much like what you have proposed. Or for that matter, what (Housing Secretary Jack) Kemp proposes: local community based, private investment, tax credits. All of these things were tried and they failed in South-Central Los Angeles. And they have been tried by others since. The question is what is going to happen now, in Los Angeles and elsewhere, that is going to be different? Why will it work? And one suggestion, one possibility is maybe we weren't serious. We didn't really empower local people, didn't think through the programs, and soon the money stopped.

Clinton: That's exactly what happened. We treat these things . . . Americans are too fad-oriented. We don't want to pay the price of time. And that's a mistake. I believe very strongly that if in the late 1960s, if there had been a combination of intense public investment that was sustained, and education and job training, and a banking system that would have actually loaned money to people and made deposits in that neighborhood to start a small business economy, there is a very good chance that these riots would not have occurred. There would have been greater domestic ownership, neighborhood ownership of the economy. And there would have been fewer empty storefronts and more thriving businesses. And the ownership would have reflected the rainbow of the community. We didn't stay after it until we figured out how to do it. What went into that

Los Angeles Times, May 31, 1992

community depended on shifting political winds nationally. And economic pressures . . .

Q: There was much talk about loans and combatting redlining, but evidently the money was insufficient. They weren't serious.

Clinton: It didn't last long enough, and it wasn't serious.

Q: Your welfare reform proposals don't really seem much different than California Gov. Pete Wilson's, which among other things would cut AFDC (Aid to Families With Dependent Children) payments to women and children by 25%.

Clinton: Well on the cut . . . the across-the-board cut of the benefits, I know that California's revenues are running 25% below projections. And I don't know what else his options are. One of the things that I would want to emphasize is that all these governors and all these legislatures are facing budget cuts because there is a national recession.

Q: You're saying that you are sympathetic to the idea that the first place to look is in welfare cuts?

Clinton: No. No, that's exactly what I'm not saying. I haven't said anything supportive of the across-the-board cut in welfare. What I am in favor of doing is breaking the chain of dependency through putting more people to work. You're going to have to provide family supports. When a person is on welfare and their youngest child reaches the age of a year, when it can be safe to put in child care, I would provide for education . . .

Q: Why did you decide that it would be better to get a woman who had a 1-year-old child to leave the home?

Clinton: Because more than half of the non-welfare mothers with kids over a year old are in the work force.

Q: Well, isn't it true that the women on welfare, particularly in the ghetto communities, have a harder problem of parenting and that a little more supervision may be needed?

Clinton: I have no problem with parenting. But I think that over the long run of a child's life, a mother becomes a better parent when she has a higher level of self-confidence, develops basic learning skills and believes that she can provide for the welfare of her children on her own. So I believe if there is quality child care available, it is not inconsistent with the duties of motherhood to ask people to be in an education and training program, and then to take a job when they can get it.

Q: Right, but the rub in these reform programs, whether it's yours or Wilson's, is what happens after two years of training if the woman doesn't get a job and you cut her and her children off?

Clinton: No, he wants to cut them off. What I want to do is to give people community service jobs in return for income.

Q: So you would guarantee employment?

Los Angeles Times, May 31, 1992

Clinton: Yeah. Community service . . . I don't propose to cut people off of benefits.

Q: One important difference then between your position and Wilson's is, if I understand you correctly, that to do welfare reform properly, at least in the short run, requires spending more rather than less money. He sees it as a budget saving . . .

Clinton: Yes. But you have to understand that I believe the federal government has a responsibility in that regard too. I think that the present welfare reform act would work much better if the government funded it at an appropriate level and every state embraced it.

Q: But just in the last year, 40 states have either cut or frozen payments to women on welfare with children. And they're doing it as a cost-cutting thing.

Clinton: Totally unrelated to welfare reform. But let me tell you how it works, and let me tell you why they did it. And I'm neither condemning nor applauding it. But we just went through a budget cutting exercise here (in Arkansas) and bent over backward to avoid cutting AFDC.

Q: What is the AFDC payment in Arkansas? Isn't it \$203 a month for a woman with two children?

Clinton: That's about right.

Q: How does one live . . .

Clinton: Let me finish the thing. Here's what happens. Here's the problem. A lot of this is visited on us by Congress. Congress pays for part of the welfare budget, we pay for part. It's a matching fund deal. Real welfare benefits in America have been declining since the mid-'70s.

Half the people on welfare get on and get off in a few months. Of the ones that are left, about half of them get off in a few more months. About 25% are more or less permanently dependent. And most all of them are younger women with little children who literally do not have the capacity to earn a good living. So, most welfare reform really worthy of the name should be directed at those people, to try to empower them to support their children and to support themselves and then to require them to move from welfare to work. To do it, you need more money than is now in the act for education, training, transportation and child care.

I think the next step is to develop over the next few years a combination of public and private child support, a uniform child support standard in the country. And then require people who can't get private sector jobs, after a while to move into public sector employment.

Q: What you are talking about is a very bold program saying the government is going to be the employer of last resort, you're also going to have national child care standards maintained and financed . . . is that right?

Clinton: The child care standards are all right now, but the program is not properly funded. And in terms of employer of last resort, I don't see what the difference is when now we're the unemployer of last resort. Now we are paying

Los Angeles Times, May 31, 1992

people to be idle. I think that after a certain amount of idleness in return for the check, they ought to do community service work.

Q: The proposed California welfare reform would deny extra money to support a child born to a mother on welfare. Do you approve of that particular provision?

Clinton: I have mixed feelings about it. I would permit the states that passed the law to do it, to try it and see if it makes a difference.

Q: You hold up Western European countries as models of a better functioning economy. Yet when we look at Germany and the other countries there is a much stronger social welfare support with a much heavier tax burden than here.

Clinton: They have basic education standards nationally, basic health care systems, basic lifetime retraining for the labor market systems, and a much higher level of cooperation between the public and the private sectors. You have to fashion American solutions to American problems. But I think that when you ignore what other nations with higher productivity rates, higher growth rates, are saying or doing, I think that you do so at your peril.

Q: They provide more of these very same benefits that people here say is such a drag on our economy.

Clinton: They are higher. But they are in the context of a society that basically works, that has a preference for work and a tradition that is organized toward building a high-wage, high-growth country. Unemployment would drop in America and welfare would drop if we adopted an investment-oriented, partnership-oriented, high-wage, high-growth strategy. But we have to change a lot of what we are doing. I think America is very much out of step with the rest of the world in not investing more in its people.

Q: Some now blame the Europeans and Japanese for our problems and call for protectionism. Are you sympathetic to such calls?

Clinton: They have some protectionism. The Germans certainly. The fact is the Europeans now are closing their markets to the 16% limit on cars. And I think we are going to have to look at modulating competition. But to be fair, the biggest problems we have in maintaining the manufacturing base are our failures to work together to achieve high levels of productivity, to control health care costs, to have a tax system which is pro-manufacturing. Our tax system now is anti-manufacturing. And it was all during the Reagan/Bush years. I think, you know, it rewarded money making money and not production, not jobs, not goods and not services.

Q: Well, that's what we say now. But when the last tax reform package was passed, many Democrats supported it. It was supposed to help production.

Clinton: I never thought it would. I never thought the '86 tax act would. And the '81 tax act just fosters too much speculation. You know the elemental principle of taxation should be people should pay according to their ability to pay. And you should have incentives that do specific things. Those ought to be the two driving, in my view, principles of the tax system.

Los Angeles Times, May 31, 1992

Q: We have these reports now that the wealthiest top 1% got 60% of the tax benefit of the cuts. Is it possible that this middle class has disappeared before our eyes? If the top 1% of the people in this country, according to a recent Federal Reserve report, have assets equal to the bottom 90% . . .

Clinton: For the first time since the '20s.

Q: Yeah. So what has happened?

Clinton: Well, what happened is poverty increased in the '80s. The number of people in upper-income groups increased and the middle class declined. And taxes were raised on the middle class because Social Security taxes went up seven times, more than offsetting any income tax reductions, especially when consumers lost their interest deductions. And tax rates went down for people at the upper income levels while their incomes went up. So you had increasing unfairness, and we lost growth.

Bush's theory -- and it was the Reagan theory, but Bush interestingly enough has tried to carry beyond where Reagan did -- was if you kept taxes low on upper-income people and corporations and loaded the burden off onto the middle class, and in America's case, onto the deficit, then good investment decisions would be made and jobs would bloom and the economy would grow. The problem was that the system favored money making money rather than money making products, goods, services, jobs.

That is one of the big issues in this race. That is an absolutely flawed way to run an economy. All you're going to do is make more income inequality. And you won't have real economic growth. And that is why our productivity rates have been declining and our wage rates have dropped from first to 10th in the world.

Q: So what would be wrong with taxing these wealthy people . . .

Clinton: We should. The Wall Street Journal bags me once a week for advocating taxing. You know, I think you have to raise tax rates, I like the tax bill that (Sen. Lloyd) Bentsen (D-Tex.) and (Rep. Dan) Rostenkowski (D-Ill.) hammered out in the Congress last time. Which had . . . raised marginal rates on incomes roughly above \$200,000 to 35% or so and then had a surtax on millionaires of another 10%. Bush vetoed it because it violated his theology of economics, which is under no circumstances should the very wealthy be asked to pay more.

Q: But isn't there something absurd, that we have all this rhetoric about the poor ripping off the system and so forth? When in fact the money going to the poor has steadily declined. At the same time the top 1% have been getting enormously wealthy?

Clinton: I think so. That's why I talk about them both. I think what you want for the poor, though, is to restore the ability of them to move into the middle class. In order to do that you have to have a growing economy. I think the most irresponsible people of all in America in the 1980s were the politicians and the executives who conspired to give us a tax system and an economic system that threw wealth way up to the top of the ladder and didn't increase growth, jobs and incomes for middle-class and poor people.

Los Angeles Times, May 31, 1992

Q: You have said that Democrats should concede that Bush had acted wisely in the Persian Gulf. Now we have had in the Los Angeles Times detailed investigative stories showing that Bush was much more involved with Saddam Hussein than anyone had thought. We have congressional testimony and so forth. Would you be interested in re-evaluating that statement?

Clinton: Let's get what I really said. I said that I thought he was right to throw Saddam Hussein out of Kuwait. I did not agree with what he did beforehand nor what he did after. And I mean immediately after. I think they obviously played politics with the war. They left the Kurds and the Shiites to twist, and everything that happened after I think was wrong. They mishandled it, by and large.

And of course we now know, thanks to The Times, a lot more about what happened before than we did. And I'm just appalled by it. If you look at what he did, it's easy to understand why Saddam Hussein thought he could march into Kuwait or any place else he wanted. I mean we treated him like our last best friend, right up until we bombed him.

And it just makes you wonder what they were thinking about or whether they knew this would happen. I mean it is a bewildering thing. And, yeah, I'm interested in reassessing what I said about what happened leading up to that. It's even worse than I ever dreamed it was. Even though I still agree that we would be worse off if Saddam Hussein had not been kicked out of Kuwait. But you realize it is almost like a monster we created.

Q: So as President you're going to . . .

Clinton: . . . make sure we get the facts to make the decision. You can make sure that I'm not going to be out there dancing with guys like that, then setting them up so we can go to war. I won't do that.

Q: The biggest problem that you're up against, and I don't think this is personal to you, is that people just don't believe politicians. You know that. You say all these things and it sounds like just words. The appeal of Jerry Brown at one point and now Ross Perot is clearly that people say, well, at least these people sound a little different.

Clinton: Yeah, but there is a big difference between me and them. I paid 11 years of my life to get up every day and come to this (governor's) office and work on these things. And one of the things that really hacks me off is when people only evaluate politicians based on words. You know, anybody can say anything.

Now we got somebody who says, "Vote for me, I was never in office. I don't know anything about this. I'll come back in a few months and tell you what I think." And you know there is a big difference, and by the way, I like a lot of what Ross Perot says. And he says a lot of what I say. But I'll tell you something and the American people had better recognize this: Change is hard.

It is hard. It does not come overnight. And it does not come through words alone. I ought to have credibility because I have worked at this, I mean worked. Now it doesn't count for much in this day and age because modern politics is all about images and words and positioning. But work still matters. It will matter who gets elected President and whether the President knows the first thing

Los Angeles Times, May 31, 1992

about any of these problems and has paid the price of time.

Q: Jerry Brown could make the claim that he ran a much tougher state, a much bigger state, for eight years.

Clinton: You look at the difference . . . yeah, he sure did, he was governor in the '70s, he had qobs of money and he was widely criticized for not paying attention to the details of his job. The California economy was exploding and growing.

There was no place tougher to govern in America than a poor, rural Southern state in the 1980s, when rural income dropped dramatically. Let me say, I've always kind of liked Jerry Brown. He always felt he was great at figuring where the next wave was in political change. And when he came out early in the campaign, I told people he might be the last one here, because the great thing about the 800-number that is even more important than the \$100 contribution, is that it empowers people to access the system which seems bureaucratic, remote, unresponsive and broken.

Q: Yes, but he would claim an ideological difference that you represent an effort to take the Democratic Party back toward the Republicans, and he was going to speak to the constituencies that you were ignoring: the poor, the women and so forth. And the people that you have defined as . . .

Clinton: What is the evidence of that? I have said more about the poor. You know, he was in the campaign for eight months before he had as much to say about the poor and the family income as I did. When I announced my candidacy, early on, I said the first thing we ought to do is have a refundable, earned-income tax credit enough to lift the working poor out of poverty. I came out for a housing program that would help. I came out for health care programs that would help. I came out for preschool programs and child care and family leave. That is a bum rap.

Q: So you don't think there is a philosophical difference between you and Jerry Brown?

Clinton: There is a philosophical difference . . .

Q: I mean in terms of where the party should be headed, in terms of its . . .

Clinton: He always tried to run to the right of everybody in the 1970s. The California teachers put out this statement that I had a better record on education than he did, because all he did was try to cut education. I don't know what his philosophy is. I just know he's really . . . he's bright, and he's always on the cutting edge of change. But I don't know, I can't tell you what his philosophy is. In 1990, when we were capping campaign expenditures in Arkansas, he was taking the caps off in court in California.

I also agree that Brown did some good things. But I mean the way he's tried to sort of compare Arkansas to South Africa and call it a bush-league state, I think that was way out of line.

Q: He terms this race a battle for the soul of the Democratic Party because you have defined as special interests the very groups that are most vulnerable in the economy and that he wants to support. And he lists them as workers in

Los Angeles Times, May 31, 1992

cities where the plants have closed . . .

Clinton: No, the difference between me and him is I think if you go in and just tell people what they want to hear, then you're sounding like just another Democratic politician and you're going down the same road that we've been down. I don't acknowledge that you've got to give people the same old rhetoric to win an election.

Tomorrow: An interview with Democratic presidential candidate Edmund G. (Jerry) Brown Jr.

GRAPHIC: Photo, Arkansas Gov. Bill Clinton, the likely Democratic presidential nominee, greets supporters in Orange County on Friday after a speech in Irvine. ; Photo, (Bulldog Edition, A32) Democratic presidential candidate Bill Clinton addresses various women's groups Friday in Sacramento. Associated Press

TYPE: Interview

SUBJECT: PRESIDENTIAL ELECTIONS -- 1992; PRESIDENTIAL CANDIDATES; POLITICAL CAMPAIGNS; WELFARE REFORM; TAX REFORM; CITIES -- FEDERAL AID

Strategies for Welfare Reform

By Robert Rector

INTRODUCTION

The United States welfare system has failed. Both the public and decision makers increasingly recognize that the current welfare system has harmed rather than helped the poor. Welfare has undermined the American family and promoted long-term dependency.

In the states, however, we see welfare reforms designed to reverse these patterns. These reforms focus on three themes: requiring responsible behavior from welfare recipients as a condition of receiving benefits; requiring some able-bodied welfare recipients to work in exchange for the benefits they receive; and finally, altering the welfare incentive structure by reducing the current rewards for non-work and single parenthood and increasing the relative rewards for work and marriage.

TWO TYPES OF POVERTY

The welfare system is intended to address the problem of poverty in the U.S. But welfare policy must begin with an understanding of two separate concepts of poverty: "material poverty" and "behavioral poverty." Material poverty means, in the simplest sense, having a family income below the official poverty income threshold, which was \$12,675 for a family of four in 1991. To the average man on the street, to say someone is poor implies that he or she is malnourished, inadequately clothed, and lives in inadequate housing.

In reality there is little material poverty in the U.S. in this sense generally understood by the public.¹ Today the fifth of the population with the lowest incomes has a level of economic consumption higher than that of the median American family in 1955.² There is little or no poverty-induced malnutrition in the U.S. Persons defined by the U.S. government as "poor" have almost the same average level of consumption of protein, vitamins, and other nutrients as persons in the upper middle class.³ Children living in "poverty" today, far from being malnourished, actually grow up to be one inch taller and 10 pounds heavier than the average

Robert Rector is a policy analyst on welfare and family issues at The Heritage Foundation.

This is his testimony before the Domestic Task Force of the Select Committee on Hunger, U.S. House of Representatives, April 9, 1992.

ISSN 0272-1155. ©1992 by The Heritage Foundation.

-
- 1 Robert Rector, "How the Poor Really Live: Lessons for Welfare Reform," Heritage Foundation *Backgrounders* No. 875, January 31, 1992.
 - 2 Robert Rector, Kate Walsh O'Beirne, and Michael J. McLaughlin, "How Poor Are America's Poor?" Heritage Foundation *Backgrounders* No. 791, September 21, 1990, p. 2.
 - 3 Robert Rector, "Food Fight: How Hungry Are America's Children?" *Policy Review*, Fall 1991, pp. 38-43.
Robert Rector, "Hunger and Malnutrition Among American Children," Heritage Foundation *Backgrounders* No. 843, August 2, 1991.

child of the same age in the general population in the late 1950s.⁴ The principal nutrition-related problem facing poor persons in the U.S. today is obesity, not "hunger"; the poor are more likely to be obese than are other persons in the U.S.

Similarly, a "poor" American has more housing space and is less likely to be overcrowded than is the average citizen in Western Europe.⁵ Nearly all of the American poor live in decent housing that is well-maintained. In fact, nearly 40 percent of the households defined as "poor" by the U.S. government actually own their own homes.

"Behavioral poverty," by contrast, refers to a breakdown in the values and conduct which lead to the formation of healthy families, stable personalities, and self-sufficiency. Behavioral poverty is a cluster of social pathologies including: eroded work ethic and dependency, lack of educational aspiration and achievement, inability or unwillingness to control one's children, increased single parenthood and illegitimacy, criminal activity, and drug and alcohol abuse. While there may be little material poverty in the United States, behavioral poverty is abundant and growing.

COMPETING APPROACHES TO WELFARE

There are three distinct approaches to dealing with the inter-related problems of material poverty and behavioral poverty.

- 1) **The first approach**, which could be called "liberal," maintains that decreasing material poverty leads to decreasing behavioral poverty. Thus raising the incomes of the poor through cash, food aid, and housing assistance will cause an increase in emotional stability, educational success, and so forth.
- 2) **The second approach**, which could be called "redistributionist," posits no clear link between raising incomes and reducing behavioral problems. This theory promotes welfare expansion to raise the incomes of the less affluent for its own sake. While this approach focuses initially on dealing with vital needs such as eliminating malnutrition, its aims are open-ended. Thus although welfare spending is already more than twice the amount needed to eliminate all poverty in the U.S., demands for more spending are as vociferous as ever. Many advocates of this position believe strongly that income redistribution is a positive goal in and of itself, and seek to use welfare policy as a means of attaining that goal. The more income redistributed the better.
- 3) **The third approach** might be termed "conservative." It rests on the belief that spending on most welfare programs actually has increased behavioral poverty. In particular, welfare has led to an increase in prolonged dependency and has undermined family structure, thereby contributing to increases in other dysfunctional behaviors.

The assumptions behind the first, or liberal, approach to welfare policy are decisively refuted by historical experience. Throughout most of the twentieth century the incomes of Americans of

4 Bernard D. Karpinos, *Height and Weight of Military Youths* (Medical Statistics Division, Office of the Surgeon General, Department of the Army, 1960), pp. 336-351. Information on the current height and weight of youths provided by the National Center for Health Statistics of the U.S. Department of Health and Human Services based on the National Health and Nutrition Examination Survey.

5 Rector, "How the Poor Really Live," pp. 12-13.

all social classes have increased dramatically. As noted, after adjusting for inflation, the per capita economic consumption of the least affluent 20 percent of households today exceeds the per capita income of the median income U.S. family in 1955. In 1950, some 32 percent of Americans were "poor," having incomes below today's poverty income thresholds adjusted for inflation—in 1990, 13.5 percent of the population was poor. Going back further in time, we find that in the late 1920s the median income of American households was \$1,606 (or \$11,000 in 1990 dollars); in that year half of the population was probably poor by today's standards.⁶ According to the axioms of liberal welfare policy, as incomes in all social classes rose dramatically throughout the century, we should have seen increases in cognitive ability, increases in emotional stability, increases in marital stability, and decreases in crime.⁷ Instead we have seen the opposite.

The fact is that most people alive today had at least one parent or grandparent who was "poor" by the current government definition adjusted for inflation. But most of these individuals were not poor in the sense understood by the general public because, although their incomes were low, their values, disciplines, and behavior were middle class—as were the values they passed on to their children. Merely raising someone's income does not inculcate middle class values and behavior; in fact, most welfare programs do exactly the opposite.⁸

THE KEY WELFARE PROBLEM

Following the liberal and redistributionist approaches to welfare, the present welfare system is designed almost exclusively to raise the material living standards of less affluent Americans. The federal government provides cash, food, housing and medical assistance, and other benefits through 75 separate welfare programs. Total federal, state, and local welfare spending reached \$225 billion in 1990, excluding all middle class entitlement programs such as Social Security and Medicare. This figure was more than twice the amount needed to raise the income of every American above the current poverty income thresholds.

But for the general public the real problem with welfare is not merely the rapidly expanding cost, which now absorbs over 4 percent of the entire national economy—but the sense that welfare actually harms rather than helps the poor.

-
- 6 In the late 1920s an average size household with an income at the national median would have had an income below today's poverty threshold measured in constant dollars.
 - 7 In one limited respect, higher income did lead to an increase in the average number of years of school attendance throughout the century. In earlier periods, many young people left school to obtain employment and help support their families. Thus in the past we could expect that an increase in family income would increase average number of years of schooling attained by a child. However, at the present time, leaving school to obtain employment to support one's family is scarcely a major cause of the school dropout problem.
 - 8 The belief that raising incomes reduces behavioral poverty is not grounded in historical reality but is instead based on superficial and misleading statistical analyses. In many studies "family income" is correlated or regressed against behavioral variables; the analysis then shows that school failure, for example, is more likely among children in families with average incomes of \$15,000 than in families with incomes of \$25,000 of similar family type and educational standing. The study then concludes that if we give the lower income families an extra \$10,000 in income we can expect the average school performance of the lower income children to increase to the same level as that of the higher income children. This is spurious reasoning. Income correlates closely with other psychological variables such as parents' family background, self control, motivation, and cognitive and interpersonal skills. These psychological variables generally will not be quantified and included in the regression analysis, but it is these non-measured psychological variables which cause the higher average school performance or higher behavioral stability among children in higher income families, not the bigger monthly paycheck.

The key dilemma of the welfare state is that the prolific spending intended to alleviate material poverty has led to a dramatic increase in "behavioral poverty." The War on Poverty may have raised the material standard of living of some Americans, but at a cost of creating whole communities where traditional two-parent families have vanished, work is rare or non-existent, and multiple generations have grown up dependent on government transfers.

HOW WELFARE UNDERMINES WORK AND MARRIAGE

Current welfare may best be conceptualized as a system which offers each single mother a "paycheck" worth an average of between \$8,500 and \$15,000, depending on the state.⁹ The mother has a contract with the government: She will continue to receive her "paycheck" as long as she fulfills two conditions:

- 1) she must not work; and
- 2) she must not marry an employed male.¹⁰

The current welfare system has made marriage economically irrational for most low-income parents. Welfare has converted the low-income working husband from a necessary breadwinner into a net financial handicap. It has transformed marriage from a legal institution designed to protect and nurture children into an institution which financially penalizes nearly all low-income parents who enter into it.

Across the nation, the current welfare system has all but destroyed family structure in the inner city. Welfare establishes strong financial disincentives, effectively blocking the formation of intact, two-parent families. Example: Suppose a young man in the inner city has fathered a child out of wedlock with his girlfriend. If this young father abandons his responsibilities to the mother and child, government will step in and support the mother and child with welfare. If the mother has a second child out of wedlock, as is common, average combined benefits will reach around \$13,000 per year.

If, on the other hand, the young man does what society believes is morally correct (i.e., marries the mother and takes a job to support the family), government policy takes the opposite course. Welfare benefits would be almost completely eliminated. If the young father makes more than \$4.50 per hour, the federal government actually begins taking away his income through taxes. The federal welfare reform act of 1988 will permit the young father to marry the mother and join the family to receive welfare, but only as long as he does not work.¹¹ Once he takes a

9 This sum equals the value of welfare benefits from different programs for the average mother on AFDC.

10 Technically the mother may be married to a husband who works part-time at very low wages and still be eligible for some aid under the AFDC-UP program. However, if the husband works a significant number of hours per month even at a low hourly rate, his earnings will be sufficient to eliminate the family's eligibility to AFDC-UP and most other welfare.

11 The 1988 federal welfare law required all states to establish an AFDC-UP program by October 1, 1990. Prior to passage of the 1988 welfare law, 23 states did not have an AFDC-UP program and those states were allowed to limit AFDC-UP cash benefits to six months, but were required to continue to provide Medicaid as long as the family was otherwise eligible for AFDC. The 1988 law allowed states to require full-time participation by one parent in Job Opportunities and Basic Skills (JOBS) program, while mandating that the states require one parent to spend at least 16 hours per week in work activity. States must enroll at least 40 percent of their AFDC-UP caseload in work programs by fiscal 1994 and up to 75 percent by fiscal 1997 and 1998. Both the

full-time job to support his family, the welfare benefits are quickly eliminated and the father's earnings are subject to taxation.

The onset of the War on Poverty directly coincided with the disintegration of the low-income family—and the black family in particular. At the outset of World War II, the black illegitimate birth rate was slightly less than 19 percent. Between 1955 and 1965 it rose slowly, from 22 percent in 1955 to 28 percent in 1965. Beginning in the late 1960s, however, the relatively slow growth in black illegitimate births skyrocketed—reaching 49 percent in 1975 and 65 percent in 1989. If current trends continue, the black illegitimate birth rate will reach 75 percent in ten years.¹²

Generous welfare benefits to single mothers directly contributed to the rise in illegitimate births. Recent research by Shelley Lundberg and Robert D. Plotnick of the University of Washington shows that an increase of roughly \$200 per month in welfare benefits per family causes the teenage illegitimate birth rate in a state to increase by 150 percent.¹³ Similarly, high benefits discourage single mothers from remarrying. Research by Dr. Robert Hutchens of Cornell University shows that a 10 percent increase in AFDC benefits in a state will cause a decrease in the marriage rate of all single mothers in the state by 8 percent. Welfare programs discourage young men and women from marrying and promote the disintegration of existing two-parent families.

Penalizing Work. For the poor, another devastating legacy of the past 25 years has been the dramatic reduction in work effort. For a growing number of poor Americans, the existence of generous welfare programs makes not working a reasonable alternative to long-term employment. During the late 1960s and early 1970s, social scientists at the Office of Economic Opportunity (OEO) conducted a series of controlled experiments to examine the effect of welfare benefits on work effort. The longest running and most comprehensive of these experiments was conducted between 1971 and 1978 in Seattle and Denver, and became known as the Seattle/Denver Income Maintenance Experiment, or "SIME/DIME."

Advocates of expanding welfare had hoped that SIME/DIME and similar experiments conducted in other cities would prove that generous welfare benefits did not adversely affect work effort. Instead, the SIME/DIME experiment found that every \$1.00 of extra welfare given to low-income persons reduced labor and earnings by \$0.80.¹⁴ The results of the SIME/DIME study are directly applicable to existing welfare programs: Nearly all have strong anti-work effect like those demonstrated in the SIME/DIME experiment.

The effects of welfare in undermining the work ethic are readily apparent. In the mid-1950s nearly one-third of poor households were headed by an adult who worked full time throughout the year. Today, with greater welfare benefits available, only 16.4 percent of poor families are headed by a full-time working adult.

requirement for AFDC-Up coverage and the work requirement end September 30, 1998.

12 U.S. Department of Health and Human Services, National Center for Health Statistics. Note: The black illegitimate birth rate is available only from 1969 on. The pre-1969 black illegitimate birth rates were calculated using the very similar "Non-White" rate.

13 Shelley Lundberg and Robert D. Plotnick, "Adolescent Premarital Childbearing: Do Opportunity Costs Matter?" June 1990, a revised version of a paper presented at the May 1990 Population Association of America Conference in Toronto, Canada.

14 Gregory B. Christiansen and Walter E. Williams, "Welfare Family Cohesiveness and Out of Wedlock Births," in Joseph Peden and Fred Glahe, *The American Family and the State* (San Francisco: Pacific Institute for Public Policy Research, 1986), p. 398.

Inter-Generational Dependence. Of the over 4 million families currently receiving assistance through Aid to Families with Dependent Children (AFDC), well over half will remain dependent for over ten years, many for fifteen years or longer.¹⁵ Dependency on welfare also appears to spread from one generation to another. Children raised in families that receive welfare assistance are themselves three times more likely to be on welfare than other children when they become adults.¹⁶ This inter-generational dependency is a clear indication that the welfare system is failing in its goal to lift the poor from poverty to self-sufficiency.

Effects of Family Disintegration. The collapse of family structure has crippling effects on the health, emotional stability, educational achievements, and life prospects of low-income children. Children raised in single-parent families, when compared to those in intact families, are one-third more likely to exhibit behavioral problems such as hyperactivity, antisocial behavior, and anxiety. Children deprived of a two-parent home are two to three times more likely to need psychiatric care than those in two-parent families.¹⁷ And they are more likely to commit suicide as teenagers. Absence of a father increases the probability that a child will use drugs and engage in criminal activity.¹⁸

Because the father plays a key role in a child's cognitive development, children in single-parent families have lower IQs and score less well on other tests of aptitude and achievement.¹⁹ Children in single-parent families are three times as likely to fail and repeat a year in grade school as are children in two-parent families. In all respects, the differences between children raised in single-parent homes and those raised in intact homes are profound, and such differences persist even if single-parent homes are compared with two-parent homes of exactly the same income level and educational standing.²⁰

But the greatest tragedy is that family instability and its attendant problems are passed on to future generations. Children from single-parent homes are far less likely to establish a stable married life when they in turn become adults. White women raised in single-parent families are 164 percent more likely to bear children out of wedlock themselves; they are 111 percent more likely to have children as teenagers. If these women do marry, their marriages are 92 percent more likely to end in divorce than are the marriages of women raised in two-parent families. Similar trends are found among black women.²¹

GROPING FOR A SOLUTION

By nature, Americans believe that all problems have solutions. Therefore, American politicians and the public have difficulty believing that there are no easy solutions to the

15 David Elwood, *Targeting "Would-be" Long-term Recipients of AFDC* (Washington, D.C.: U.S. Department of Health and Human Services, January 1986), p. 5.

16 M. Anne Hill and June O'Neill, *Underclass Behaviors in the United States: Measurement and Analysis of Determinants* (New York: City University of New York, Baruch College, March 1990).

17 Dr. Deborah A. Dawson, "Family Structure and Children's Health and Well-being: Data From the 1988 National Health Interview Survey on Child Health," paper presented at the Annual Meeting of the Population Association of America, Toronto, May 1990, Table 5.

18 Nicholas Davidson, "The Daddy Dearth," *Policy Review*, Winter 1990, p. 43.

19 Marybeth Shinn, "Father Absence and Children's Cognitive Development," *Psychological Bulletin*, Vol. 85, No. 2 (1978), pp. 295-324.

20 Dawson, *op. cit.*; Davidson, *op. cit.*

21 Irwin Garfinkel and Sara S. McLanahan, *Single Mothers and Their Children: A New American Dilemma* (Washington, D.C.: The Urban Institute Press, 1986), p. 31.

anti-marriage, anti-work incentives provided by the current welfare system. But no easy solutions exist.

In the current public debate there are a number of quick fixes to welfare which fall short of true reform—the most common of these is the current liberal drive to encourage work and reduce dependency by “making work pay.” Under these proposals, the key to welfare reform is to ensure that all single mothers will be financially better off in the job market than on welfare. While a step in the right direction, there are two problems with this idea. First, the average welfare mother receives around \$11,000 per year in welfare benefits plus Medicaid. Thus the mother must obtain a job with medical coverage paying more than \$11,000 per year (or \$5.50 per hour) in order to be even slightly better off with a job than on welfare. Second, even if every mother could be guaranteed of obtaining a job with medical coverage paying say \$7.00 per hour, the financial incentives for taking a job would remain slight. Example: if a mother gives up welfare benefits worth \$11,000 per year plus Medicaid and takes a full-time job with medical coverage paying \$14,000 per year (or \$7.00 per hour), she obtains an annual post-tax income increase of about \$2,500 in exchange for working 2,000 hours during the course of the year. This is an effective pay rate of \$1.25 per hour. The AFDC mother is expected to make a very large increase in labor for very little, if any, financial reward.

A similar recommendation is to reduce the disincentives to marriage by raising the earnings capacity of low-income fathers. While this would be another step in the right direction, it would not eliminate the anti-marriage effects of conventional welfare. Even if the earnings capacity of all low-income fathers were raised to the point where *every* working father could provide a standard of living for his family higher than the standard of living welfare provides to single mothers—low-income mothers and fathers would still be better off financially if they avoided marriage.

The economic logic of welfare is simple and cruel. If a mother and father do not marry, their joint income is the value of welfare benefits for the mother plus the father's earnings. If they do marry their joint income equals the father's earnings alone. Another way of expressing this dilemma is that the welfare system imposes an extraordinarily high marginal tax rate (i.e. income loss rate) on the act of marriage. If a man earning \$10,000 per year marries a mother on welfare their joint income (including the value of the welfare benefits) will fall by some 50 percent. If a man earning \$20,000 marries a mother on welfare, the couple's joint income will fall some 30 percent.

PRINCIPLES OF REAL REFORM

There is an emerging consensus on the need to change the welfare incentive structure. However, many current proposals fall short because they are limited to adding small new rewards for constructive behavior on top of the present welfare system while ignoring the huge rewards for idleness and single parenthood already embedded in that system. Serious welfare reform must not only provide new incentives for positive behavior, it must also reduce the huge rewards for destructive behavior that exist in the current system.

Welfare reformers have four basic tools available to restructure the welfare incentive system. The first two reduce the rewards provided for non-work and single parenthood, while the third and fourth increase the rewards for marriage and work. The four policy tools are:

- 1) **Reduce welfare benefits to non-working single mothers.** This is particularly important in states where the combined value of welfare benefits for the average AFDC family greatly exceeds the federal poverty income thresholds.