RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Kim H. Burke (BURKE_K) (OMB)

CREATION DATE/TIME:20-OCT-1993 11:40:00.00

SUBJECT: FYI-Chris Lewis' review of Conference

TO: William C. Menth (MENTH_W) (OMB)
READ: UNKNOWN

TO: Theodore Wartell (WARTELL_T) (OMB)
READ: UNKNOWN

TO: Dennis L. Stout (STOUT_D) (OMB)
READ: UNKNOWN

TO: Peggy R. Kuhn (KUHN_P) (OMB)
READ: UNKNOWN

TO: Lisa Calise Signori (CALISE_L) (DEFAULT)
READ: UNKNOWN

TEXT:

=================== ATTACHMENT 1 ===================
ATT CREATOR: Christopher M. Lewis (LEWIS_CM)

ATT CREATION DATE/TIME:20-OCT-1993 08:55:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: Highlights of the Cleveland Fed Conference on Federal Credit

ATT TO: Alan B. Rhinesmith (RHINESMITH_A)
READ: UNKNOWN

ATT TO: Francis S. Redburn (REDBURN_F)
READ: UNKNOWN

ATT TO: Larry R. Matlack (MATLACK_L)
READ: UNKNOWN

ATT TO: Thomas L. Arthur (ARTHUR_T)
READ: UNKNOWN

ATT TO: Douglas A. Criscitello (CRISCITELL_D)
READ: UNKNOWN

ATT TO: Alice S. Cho (CHO_A)
READ: UNKNOWN

ATT TO: Robert W. Kilpatrick (KILPATRICK_R)

READ: UNKNOWN

ATT TO: Rodney G. Bent (BENT_R)
READ: UNKNOWN

ATT TO: Joseph Minarik (MINARIK_J)
READ: UNKNOWN

ATT TO: Ahmad Al-Samarrie (ALSAMARRIE_A)
READ: UNKNOWN

ATT TO: Justine F. Rodriguez (RODRIGUEZ_J)
READ: UNKNOWN

ATT TO: Robert B. Anderson (ANDERSON_RB)
READ: UNKNOWN

ATT TO: Laurence R. Jacobson (JACOBSON_LR)
READ: UNKNOWN

ATT TO: Randolph M. Lyon (LYON_R)
READ: UNKNOWN

ATT TO: Mark A. Wasserman (WASSERMAN_M)
READ: UNKNOWN

ATT TO: Burget Ann Marie (BURGET_A)
READ: UNKNOWN

ATT TO: Ophelia D. West (WEST_O)
READ: UNKNOWN

ATT TO: Patricia A. Baker (BAKER_P)
READ: UNKNOWN

ATT TO: Kim H. Burke (BURKE_K)
READ: UNKNOWN

ATT TO: Harry G. Meyers (MEYERS_H)
READ: UNKNOWN

ATT TO: Debra J. Cammer (CAMMER_D)
READ: UNKNOWN

ATT CC: Christopher M. Lewis (LEWIS_CM)
READ: UNKNOWN

ATT TEXT:

These are the highlights of the Federal Reserve Bank of Cleveland/Journal of Money, Credit, and Banking conference on Federal Credit Allocation:
1. General Analysis of Credit Subsidies: The first paper presented at the conference reasserted the fact that even in the

presence of market failures, asymmetric information, and other imperfect information environments, Federal intervention in credit markets through direct loans or loan guarantees is usually welfare decreasing. The discussion centered attention on the fact that policy makers often justify Federal credit programs with apparent "information or market failures". However, the existence of market failures is not justification for Federal intervention. Even if these conditions exist, only under extremely rigid circumstances can Federal intervention improve the market allocation of credit.

2. The second paper gave a history of the 1930's proposal for a Federal Monetary Authority (FMA) and the separation of deposit taking from lending activities at banks - conceptually related to the concept of a narrow bank. This lead to a discussion of "narrow banks" and Community Development Banks. Attendees at the conference tended to be slightly negative with respect to community development banks. However, two leading financial economists, Zvi Bodie(Harvard/BU) and George Pennacchi(Illinois), were in favor of some form of collateralization of insured deposits and the expansion of interstate banking. (Privately, they were also supportive of linking the collateralization of deposits with the expansion of investment/lending activities.

This paper was also followed by a brief discussion of the need to re-examine the Federal government's exposure to Federal Reserve credit policy.

3. The third paper analyzed a sample of over 600,000 observations of bank lending activity over the 1979-1992 period, in an attempt to identify if regulatory requirements or examinations contributed to the slow down in bank lending during the 1990-1992 period. The basic result of the model was that most of the slow down in lending seemed to be attributable to demand side or other secular factors and not regulation or higher capital standards. This result, while not definitive, provides even more evidence against the notion that there was a credit "crunch".

4. The fourth paper in the conference provided a survey and analysis of government interventions in the housing credit market. The paper proposed several possible goals behind interventions in housing finance, outlined possible market imperfections, and analyzed the incentive effects created by specific programs. This paper lead to a heated discussion concerning whether testing or targeted subsidies are the most efficient method for reducing discrimination in housing finance. Robert Van Order of Freddie Mac lead the discussion, arguing for testing, and noted that their research had only found housing discrimination in the South.

5. The fifth paper at the conference discussed the "bartering" position of the Federal government in using the umbrella of deposit insurance to extract concessions from banks to meet public policy objectives. The paper showed that the government could leave some banks in at "trap", with earnings lower than other competitive banks, but higher than the alternative of leaving the deposit insurance umbrella.

The focus of this paper and the ensuing discussion was to highlight the interconnectedness of the deposit insurance protection with the CRA requirements. The conclusion: Extending

CRA requirements to non-FDIC institutions (including non-banks) will place a higher tax on these companies than on banks and place banks at a competitive advantage -- an adverse situation if one concludes that there are already too many banks.

6. The sixth paper showed that while the passage of ERISA may have had some small effect in increasing pension contributions in private defined benefit and defined contribution pension plans, the 1987 reforms seemed to actually have a marginal negative impact on pension funding (consistent with the PBGC's task force conclusions concerning the 1987 funding rules). The discussion of the paper lead to a very heated and unresolved debate over whether or not pension funding has any impact on the national savings and the capital stock.

7. Finally, our PBGC paper received a very favorable response. The one suggestion that we plan to include in the paper is a section on volatility comparative statics. The one dispute that surfaced with our discussant was the time period over which to analyze the insurance contract: one-year renewable versus the indefinite maturity option that we have specified. We remain convinced, however, that our specification is the correct one. We also received useful insights for our upcoming paper for the AFA meetings in Boston this January. Specifically, that in estimating expected premium revenue, the expected revenue stream should be contingent on both firm bankruptcy and the possibility of a standard termination (fully funded plan termination). Standard terminations reduce PBGC's premium base as fully-funded plans leave the system. We are examining this issue now.

Note: The Wharton/University of Pennsylvania publication, The Future of Pensions in the United States, will be available in early January 1994. If anybody would like to order a copy, I would be happy to order a copy for you at an author's discount. Please just let me know.

Thanks.
Chris

================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:22-OCT-1993 15:36:00.00

SUBJECT: A NOTE ABOUT A MEETING ABOUT PBGC INVESTING IN ZEROES

TO: FAX (92194975,MARK WICHLIN) (TLXA1MAIL_\F:92194975\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
PRINTER FONT 12_POINT_COURIER
EXECUTIVE OFFICE OF THE PRESIDENT

Office of Management and Budget

Washington, D. C. 20503

April 26, 1991

MEMORANDUM FOR THE FILES
FROM: TOM ARTHUR,
LVE
SUBJECT: TREASURY MEETING ON PBGC INVESTMENT IN ZEROES

Bob Kilpatrick reports the following today.
PBGC's goals: make money; balance durations of assets and liabilities; get more interest rate sensitivity on its asset side because it has fewer assets than liabilities; not use trust funds to invest in Treasury zeroes because it wants to make more with trust funds by investing in equities; buy Treasury zeroes of different lengths so it will have asset flexibility to play the market.
[Note: Zeroes provide the most market value sensitivity since the coupon pays at end and is fixed. Therefore, the market value fluctuates more in the near term.]
Bob failed to understand why the PBGC is concerned about its asset/liability match problem in present value terms. (I suggested that the concern could arise because of counting for reporting its assets and liabilities.)
PBGC agreed with Treasury that it could live with a very limited number of separate issues of Treasury zeroes.
An accounting quirk that may be of interest to OMB: If accounting is done on a market value basis for the zeroes, there could be months when negative interest accruals might occur; e. g., if a decrease in market value of a particular zero exceeded an interest accrual the PBGC would post for a particular month, the reduction in the value of the zero would be responsible for a reduction in recorded offsetting collections and therefore an increase in net outlays of the PBGC's revolving fund. How much of a reduction would be posted would depend on the amount of the reduction in value of the zero. Whether it

would ever exceed the interest accrual was not discussed

No decision was made whether the Treasury will issue and sell the Treasury zeroes to the PBGC. Jim Murphey, the Fiscal Assistant Secretary will make the decision whether to issue the zeroes.
Attending were Lou Faircloth (PBGC), Anita Parent (PBGC), Bill Kerley (PBGC Deputy Comptroller), Ray Tachoir (PBGC Budget), Bob Kilpatrick (OMB), Faye McCreary (Treasury, Budget Reports Branch of Fiscal Management Service), Kathy Winchester (Treasury, Finance Management Branch of FMS), Cathie Blewitt (Treasury, Finance Management Branch of FMS), John Crowley (Treasury, Public Debt Accounting), Bart Derrick (Treasury, OFAS), Pat Wrenn (Treasury, FMS Finance Management Branch, Jill Ouseley (Treasury, Domestic Finance), and Andy Tracy (Treasury, Bureau of Public Debt).
TA WORK\WP51\PBGC\ZEROMEET.NOT

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:22-OCT-1993 15:34:00.00

SUBJECT: THE EFFECT OF INTEREST ON OFFSETTING COLLECTIONS

TO: FAX (92194975,MARK WICHLIN) (TLXA1MAIL_\F:92194975\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
PRINTER FONT 12_POINT_COURIER
EXECUTIVE OFFICE OF THE PRESIDENT

Office of Management and Budget

Washington, D. C. 20503

April 30, 1992

MEMORANDUM FOR THE FILES
FROM: TOM ARTHUR

SUBJECT: PBGC INTEREST

For ordinary zero coupon bonds, interest would be calculated using the bonds' rate and amortized evenly over years.

For redeemable Treasury zeroes, interest is amortized differently because of a provision in the debt limit law requiring that if zeroes are sold at a discount and are redeemable, accrued interest must be counted at redemption value instead of at face value: the interest income on redeemable Treasury zeroes is the monthly change in value.

For long-term zeroes (the kind the PBGC bought in FY 1991 from the Treasury to help partially immunize its portfolio), the interest is very sensitive to changes in redemption value. Therefore, the PBGC's increases in offsetting collections arising from these changes in redemption value since the zeroes were bought are also large.

By buying the zeroes and through the subsequent increase in their value, the PBGC got the partial portfolio immunization it wanted. It also is getting this year a substantial increase in its already positive cash flow that is now showing up in the Monthly Treasury Statements. This increase was not anticipated in the projections used for the 1993 Budget.

c: chron
file: 91/92 - PBGC - Investments
LMatlack

TA C:\WORK\WP51\PBGC\ZROINTRS.NOT

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Constance J. Bowers (BOWERS_C) (OMB)

CREATION DATE/TIME:01-NOV-1993 10:54:00.00

SUBJECT: Retirement Protection Act

TO: FAX (9-219-6896,Steve Silbeger) (TLXA1MAIL_\F:9-219-6896\C:STEVe SilbegeR\\ ) (DEFAULT)
READ: UNKNOWN

CC: Thomas L. Arthur (ARTHUR_T) (OMB)
READ: UNKNOWN

TEXT:
PBGC has advised me that the draft bill Retirement Protection Act was transmitted to Congress on 10/26, and introduced on 10/28 as HR 3396, by Rostenkowski and Ford.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:17-NOV-1993 09:54:00.00

SUBJECT: PBGC CONTRACT STUDY

TO: FAX (92194975,MARK WICHLIN) (TLXA1MAIL_\F:92194975\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
I DIDN'T RECEIVE YOUR FAX YESTERDAY.
THANKS!
TOM

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:17-NOV-1993 13:56:00.00

SUBJECT: PBGC CONTRACT STUDY

TO: FAX (92194975,MARK WICHLIN) (TLXA1MAIL_\F:92194975\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
YOUR SECOND ATTEMPT WAS SUCCESSFUL.
I DON'T KNOW WHAT HAPPENED TO THE FIRST ONE.
THANKS!
TOM

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:18-NOV-1993 15:54:00.00

SUBJECT: PBGC APPORTIONMENT

TO: FAX (92194975,MARK WICHLIN) (TLXA1MAIL_\F:92194975\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
DON'T WE HAVE TO REAPPORTION THE PBGC?
THANKS!
TA

RECORD TYPE: PRESIDENTIAL (RECONSTRUCTED EMAIL)

CREATOR: Ellen S. Seidman (SEIDMAN_E) (OPD)

CREATION DATE/TIME:22-NOV-1993 07:55:00.00

SUBJECT: civil service pension talking points

TO: Raymond P. Kogut (KOGUT_R) (OMB)
READ: UNKNOWN

CC: Larry R. Matlack (MATLACK_L) (OMB)
READ: UNKNOWN

CC: Robert B. Rideout (RIDEOUT_R) (OMB)
READ: UNKNOWN

TEXT:
Ray, I'd appreciate your corrections/ideas on this as soon as possible. It will probably be used as the basis for Dee Dee Meyer's response to questions at noon today. Ellen
==================== ATTACHMENT 1 ====================
ATT CREATOR: Ellen S. Seidman (UNKNOWN)

ATT CREATION DATE/TIME:22-NOV-1993 07:53:00.00

ATT BODY PART TYPE: P

ATT SUBJECT: PC -BINARY- -postpen.mem-

ATT TEXT:
1. This is a very old story, which, contrary to the allegations in the Post, the government does not hide. Each year, the Treasury publishes the United States Government's annual financial statements, which show the contingent liability. The financial
statements for fiscal 1993, which ended September 30, will be published ________________. Business Week carried a similar story several months ago.
1a. All current pension liabilities are fully accounted for in the annual budget and deficit figures. This is in accord with government accounting in general, which is on a cash flow basis.
1b. This is to be distinguished from the issue of PBGC underfunding, which involves government responsibility for the pension promises of PRIVATE employers, and which is the subject of pending Administration

sponsored legislation. As noted in the Post
article, when a private employer goes bust with an underfunded pension plan, the current and future pensions of workers at that company are at risk. (NOTE: The private deficit is much smaller than the federal one, but it is also more meaningful. See
point 4)
2. The real issue here is the size of military and civilian retirement benefits. In the early 1980s, Congress terminated the eligibility of NEW civilian employees for the old Civil Service defined benefit pension system, which -- together with the
military retirement system

- is what has generated these liabilities. Some changes were also made in military pensions, primarily prohibitions against military retirees drawing both military pensions and government civilian salaries (this has actually hurt the Clinton Administration's recruiting in a few cases). Congress, at that time also (i) passed a number of incentives to try to get old civilian employees to move out of the system (some of these were at one point under attack by Penny-Kasish); and

(ii) required that the pension liability represented by CURRENT service, in both the military and civilian side, be appropriated as part of current salary accounts.

3. The Administration [has/has not - Gene, you know better than I, but I will check in the morning] proposed a number of reforms to the retirement system, particularly on the civilian side, to moderate the future liability. Congress [has/has not] enacted these.

4. For the federal government, "funding" its pension liability is far less meaningful than for private employers and state and local governments. Since the government runs the fiscal system, it "funds" future pension liability by establishing a book-keeping account, which will eventually have to be paid by taxes or borrowing when the liabilities come due. The new civilian employee retirement program is a defined contribution plan, in which employees make investments, some in government bonds, but also in corporate bonds and equity. Even here, however, the government bonds represent a future liability of the government, which will have to be financed by taxes or borrowing. You can't get away from the fact that the government prints the money.

The best you can do is understand and make sensible decisions about the level of benefits and disclose the future liability, which we do.

================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Isabel Sawhill (SAWHILL_I) (OMB)

CREATION DATE/TIME:16-DEC-1993 19:00:00.00

SUBJECT: pension offsets for dislocated worker proposal

TO: Gene B. Sperling (SPERLING_G) (DEFAULT)
READ: UNKNOWN

TEXT:
Gene - I thought you mind be interested in the attached. I don't know enough to have a particular view myself but think we have to look hard at every option.
Another idea I'm ruminating about is combining EB reform and income support for DW in a single package that costs between $500 million and $1 billion per year. The argument would be that we think anyone who has been unemployed after 6 months needs training or other assistance to find a new job, not just UI. Continued income support would be conditioned on willingness to participate in training (and a certified need for it) not just on the fact of being out of work. Unemployment insurance for the longer-term unemployed not in a training program would cease to exist. This would pick up on the Secretary's theme that we need to convert unemployment insurance into reemployment insurance. It's also consistent with evidence that unconditional long-term unemployment insurance simply delays the return to work.
=================== ATTACHMENT 1 ===================
ATT CREATOR: Thomas L. Arthur (ARTHUR_T)

ATT CREATION DATE/TIME:16-DEC-1993 17:35:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: Gene Sperling's Pension Offset for Dislocated Workers

ATT TO: Isabel Sawhill (SAWHILL_I)
READ: UNKNOWN

ATT CC: Larry R. Matlack (MATLACK_L)
READ: UNKNOWN

ATT CC: Barbara S. Selfridge (SELFRIDGE_B)
READ: UNKNOWN

ATT TEXT:
PRINTER FONT 12_POINT_COURIER
At the NEC pre-briefing on DOL's budget, Gene Sperling suggested a "pension reform" offset to help finance the dislocated worker program. This memo discusses briefly the "reform" Gene cited and its problems.

Compensation Limits

The Tax Code limits the amount of an employee's compensation that can be counted to determine pensions under both defined benefit and defined contribution [(401(k)-type] pension plans. More importantly, for BEA scoring purposes it also limits the tax-deductible annual employer contributions that fund the plans.

Reconciliation reduced the annual amount of compensation that could be counted to determine pension benefits and contributions from $236 thousand to $150 thousand. The rationale provided by the Treasury was ensuring that the government's tax loss resulting from pension contributions primarily benefits workers who might not otherwise save at adequate levels for retirement -- presumably, lower income workers. The enacted proposal is expected to raise $2.7 billion in revenue between 1994-98.

Comment

Gene Sperling has suggested that the administration might again lower the compensation limit to raise revenue and provide an offset to pay for the dislocated worker program. This should not be undertaken lightly. Lowering the pension compensation limit is controversial and regarded by pension professionals and companies sponsoring pension and being "anti-pension" and "anti-savings." A second shot at this proposal will generate opposition at the same time as PBGC reform and other, still-to-come DOL pension reforms are on the Hill.

The main problem with lowering the limit is that, in addition to lowering the pension savings for the highly compensated, it also affects the pension savings for workers who make much, much less than $150 thousand. This happens because of the interaction between the compensation limit and other funding rules in the Tax Code, most notably the complex anti-discrimination rules intended to protect against plans that benefit only highly paid employees. Jack VanDerhei at the Employee Benefit Research Institute has calculated that, due to this year's lowering of the contribution limit, companies may now be reducing pension contributions for workers as young as twenty-five who make between $22 and $35 thousand a year.

================ END ATTACHMENT 1 ================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Douglas L. Steiger (STEIGER_D) (OMB)

CREATION DATE/TIME:23-DEC-1993 08:48:00.00

SUBJECT: S 540 letter

TO: FAX (95143999,Maria Olsen) (TLXA1MAIL_\F:95143999\C:Maria Olsen\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
After consultations between the NEC (Ellen Seidman) and Labor/PBGC, I'm to ask you to drop all the mention of section 220 (payments to retirees) from the letter on S 540. While Ellen S. has some sympathy for Justice's concerns on the substance, she has been persuaded that objection to the provision at all will cause the Administration "more trouble than it's worth" in the general area of pension reform.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:07-JAN-1994 14:05:00.00

SUBJECT: YOUR PBGC ERROR MESSAGES

TO: FAX (92195506,MARK WICHLIN) (TLXA1MAIL_\F:92195506\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
PLEASE CALL. I CAN'T SEEM TO REACH YOU BY PHONE.
THANKS!
TA

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Allison H. Eydt (EYDT_A) (OMB)

CREATION DATE/TIME:26-JAN-1994 15:12:00.00

SUBJECT: PBGC Rules Meeting

TO: John F. Morrall, III (MORRALL_J) (OMB)
READ: UNKNOWN

TO: Shannah Koss-McCallum (KOSSMCCALL_S) (DEFAULT)
READ: UNKNOWN

TEXT:
F.Y.I. Tom Arthur and I will be meeting with PBGC staff tomorrow at 2:30 p.m. in rm. 3201 to discuss the significant rules list. It will be a staff level meeting. Both of you are invited to attend.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:24-FEB-1994 16:37:00.00

SUBJECT: PBGC OPENING STATEMENT

TO: FAX (92195506,MARK WICHLIN) (TLXA1MAIL_\F:92195506\C:MARK WICHLIN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
NO OBJECTIONS.
HOWEVER, YOU MIGHT WANT TO POINT OUT THAT ON PAGE 6 IT MIGHT SOUND
A LITTLE STUPID TO SOME PEOPLE FOR HIM TO SAY THAT THE WHOLE
INCREASE FROM $135.7M TO $139.1M IS FOR INFLATION AND IN THE NEXT
SENTENCE SAY THAT ARE ASKING FOR AN FTE INCREASE. YOU CAN THINK
OF AN APPROPRIATE CORRECTION, I'M SURE.
TA

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: The White House (1=US@*RFC-822\PUBLICATIONS(A)RESEARCH.AI.MIT.EDU@3=INTERNET@2=TELEMAIL@MRX@EOPMRX) (DEFAULT)

CREATION DATE/TIME:19-MAR-1994 05:17:00.00

SUBJECT: 1994-03-18 NPR: Labor Department Performance Agreement

TO: UNKNOWN (1=US@*RFC-822\Public-Distribution(a)Research.AI.MIT.EDU@3=internet@2=telemail@MRX@EOPMRX) (DEFAULT)
READ: UNKNOWN

TEXT:
RFC-822-Headers:
Errors-To: Mail-Server@Research.AI.MIT.EDU
Delivered-By-The-Graces-Of: White House Electronic Publications
Precedence: Bulk
Keywords: Directive, Economy, Executive-Act, Government, Labor, Organization
Document-ID: PDI://OMA.EOP.GOV.US/1994/3/19/4.TEXT.1
==================== ATTACHMENT 1 ====================
ATT CREATOR: UNKNOWN (UNKNOWN)

ATT CREATION DATE/TIME:19-MAR-1994 05:17:00.00

ATT BODY PART TYPE: A

ATT SUBJECT:

ATT TEXT:

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release March 18, 1994

PERFORMANCE AGREEMENT
BETWEEN
THE PRESIDENT OF THE UNITED STATES
WILLIAM J. CLINTON
AND
THE SECRETARY OF LABOR
ROBERT B. REICH

I. Introduction

The American people deserve a government that works better and costs less. The departments and agencies of the federal government hold vital keys to improving performance and to restoring the faith of the American people in their government. Many changes will need to take place for this broad goal to be realized. The purpose of performance agreements with senior officials is to establish clarity and consensus about the priorities for departmental management. They are intended to improve the management of the Executive Branch and are not intended to and do not create any legally enforceable rights. From these agreements should flow the program and management priorities of the departments. These agreements represent a beginning, a basis for continuous improvement as we reinvent our government to meet the needs and expectations of the American people.

II. The Department of Labor

Section One: Purpose

This Agreement reflects the goals and priorities that Secretary of Labor Robert B. Reich has for the Department of Labor for fiscal year 1994 and supports his commitment to prepare America's workforce and workplaces for the 21st century.

Section Two: Department of Labor's Mission

The problem: Americans are working harder for less and are more anxious about their jobs and their children's futures.

Americans are working harder for less and are more anxious about their jobs and their children's futures than ever before. We can, however, ensure that all Americans will enjoy better living standards by creating a better prepared workforce and supporting high value-added work organizations. To do this, the Department of Labor has embraced four major departmental strategies to enhance worker preparedness and improve American workplaces.

The creation of a well-prepared workforce begins with "First Jobs" and our plan to prepare all Americans for good jobs at the start of their careers. Likewise, our workforce is strengthened when individual workers possess the skills to move between jobs as increasing globalization and advancing technologies change the way we work. Our second strategy, then, focuses on "New Jobs" and our commitment to ease the transition of Americans from job to job. Our third strategy recognizes that American success in a global economy also requires the development of "Better Jobs," and we will work diligently to create High Performance Workplaces throughout the country and to enhance the enforcement of labor laws that protect workers' rights, safety and health. Finally, we know that the successful creation of First, New and Better Jobs depends on the Department's willingness and ability to reinvent itself into a high performance work organization. Our fourth strategy, therefore, is to reaffirm our commitment to reinvent the Department through a labor-management partnership with our employee unions.

The following list of Fiscal Year 1994 goals represents the culmination of ideas that have been developed at all levels of the Department of Labor and reflect the Department's internal performance measures. Last June, for example, 150 Department managers, union representatives and field employees attended a leadership conference where many of these ideas were first posed. These ideas were analyzed and sharpened by reinvention teams looking at both agency specific suggestions and ideas that cut across agency lines. In addition, Department of Labor employees contributed over 1,500 Proposals to Reinvent and Improve Department of Labor Effectiveness (PRIDE), some of which have been included in our goals. Together with our employee unions, we have used these ideas to create an agenda for the effective delivery of First Jobs, New Jobs, and Better Jobs to the American workforce and workplace. Once signed, this document will be distributed to every employee of the Department of Labor and will lay the foundation for working performance agreements between the Secretary and his executive staff.

Section Three: Department of Labor Fiscal Year 1994 Goals

1. First Jobs: Prepare All Americans for Good Jobs

--Initiate School-to-Work: work with Congress to pass legislation; award eight competitive state grants and 15 to 25 competitive local grants; obtain ten corporate enrollments; the first youth will be enrolled for the 1994-95 school year

--Expand Job Corps: open two new centers; train an additional 350 enrollees for a total of 64,000; complete design on nine new sites

--Implement enriched 1994 Summer Program with increased private sector commitment; increase the number of summer job participants who receive education services

--Produce occupation specific Skill Standards in six industries

--Increase registered apprenticeships to 325,000 and increase new registrations of targeted groups by seven percentage points. Targeted groups include youth in registered apprenticeships, women and minorities

2. New Jobs: Ease the Transition of American Workers from Job to Job

--Develop comprehensive worker adjustment strategy for transmittal to the Congress early in 1994; work with the Congress with a goal of passing legislation by July 1994

--Initiate One-Stop Career Centers: work with the Congress to pass legislation; award grants in three to six states

--Participate in the Department's Defense Phasedown

Initiative: establish 15 transition centers and provide service to 6,000 employees

--Begin implementing the Department's Profiling Initiative for 100% of unemployment insurance claimants in participating states as part of converting to a re-employment system

3. Better Jobs: Create High Performance American Workplaces

A. Create High Performance Workplaces

--Establish the Department's Workplace Performance Measurement Initiative by September 30, 1994 and develop discussion guide on high performance workplaces for use by investors and managers

--Encourage the diversity of American workplaces by increasing "glass ceiling" reviews in Fortune 1000 Companies from 19 to 40

--Address changes in the American workplace and respond to recommendations made by the Dunlop Commission

--Create a database of more than 500 best workplace practices and give awards to recognize at least ten companies that have developed high performance workplaces

--Establish an institute to train 40 senior union staff to participate fully as partners with management and to train local union leaders in new forms of labor-management cooperation

--Deliver education programs and provide direct assistance to enable America's 40,000 labor organizations to meet federal reporting and disclosure requirements more easily

B. Enhance Enforcement

--Develop Department of Labor-wide enforcement plan; complete implementation strategy by the end of fiscal year 1994

--Review Occupational Safety and Health Administration (OSHA) activities with a view towards reform legislation and implementation of and reforms in fiscal year 1994

--Reassess OSHA inspection practices with a goal towards increasing OSHA inspections and penalties collected by 5%

--Implement OSHA's Regulatory Prioritization System. Promulgate three health and six safety standards in fiscal year 1994

--Issue one new health and two new safety standards in the Mine Safety and Health Administration

--Increase civil penalties assessed for mine safety and health violations

--Increase by 5% the proportion of investigations targeted to low wage industries (such as garment, agricultural and custodial services) and child labor violations

--Increase compliance reviews of employers with a history of deficiencies

C. Provide Benefit Security

--Work with the Congress to pass Pension Benefit Guaranty Corporation (PBGC) reform legislation

--Begin preparation for automated processing of Employee Retirement Income Security Act (ERISA) Form 5500 and complete preliminary planning in conjunction with the Internal Revenue Service and PBGC

--Encourage private investments that aid the American economy by distributing discussion guides and research results on high performance workplace practices to pension fund investors

--Participate in the implementation of health care reform and the resolution of ERISA issues in the health care area

4. Reinventing the Department of Labor to Help Create First, New, Better Jobs

A. Customer Service

--Complete customer survey action plans for all major programs by May 31, 1994

--Institute surveys of dislocated worker customer satisfaction and act on results by the end of fiscal year 1994

--Reduce backlogs in selected case processing systems by at least 25% without reducing quality

--Reduce pending exemptions and requests for interpretation under ERISA by 20%

B. Reinvention/Savings

--Save $5 million in Federal Employees' Compensation Act (FECA) benefits in fiscal year 1994 through the existing Periodic Roll Management project, and save an additional $4 million in FECA benefits in fiscal year 1994 through the expansion of the project, contingent on funding.

--Work towards accomplishing Department-wide personnel system reform

--Work towards accomplishing Department-wide procurement system reform

--Reduce internal reports by 33% and current internal regulations by 50%

--Reduce Advisory Committees and Independent Boards by one third

--Accomplish 90% of approved reinvention initiatives such as automated time and attendance procedures, paperwork reduction, authority delegations, etc. to support front line Department of Labor employees

--Accomplish all of the above while achieving staff reduction and savings goals in fiscal year 1994 as directed by the Presidential Memorandum dated September 11, 1993

C. Better Information

--Begin Consumer Price Index (CPI) Revision

--Plan Economics Statistics Initiative in fiscal year 1994

--Continue the Department's leadership role in improving the quality and accuracy of financial management information (including removal of qualifications from audited financial statements for fiscal year 1994) and in the effort to expand the use of program performance measures; volunteer to serve as a pilot agency under the Government

Performance and Results Act of 1993

--Expand the Women's Bureau's Clearinghouse service to provide answers about workers' rights directly to working women

--Prepare first State of the American Workforce Report

D. Increasing Ethnic and Gender Diversity in the Department of Labor

--Increase Hispanic representation at all levels

--Increase representation of women and minorities at GS/GM 13 and above

--Increase representation of people with disabilities

E. Make the Department of Labor a High Performance Workplace

--Make the Department of Labor an acknowledged "Reinvention Model"

--Increase training for all Department of Labor employees - to 1.5% of compensation costs; conduct reinvention training for all employees

--Provide each Department of Labor agency in the field with standard computer linkage to the Department's administrative systems

Section Four: Administration

1. Subsequent Agreements by the Secretary with Assistant Secretaries

The goals and priorities enumerated above will form the basis and focus of subsequent agreements between the Secretary, the Assistant Secretaries, the Commissioner of Labor Statistics and other agency heads.

2. Measurement and Monitoring of Performance

To measure progress against the above objectives, the Secretary is committed to the accomplishment of specific measurable results. Specific measures for Fiscal Year 1994 are described in the text of this agreement and will be elaborated in subsequent agreements within the Department.

To maintain focus and a sense of urgency and to have a real impact on performance, there will be periodic reviews of progress, discussion of difficulties encountered and agreement on appropriate actions.

These will be held between the President and/or his designees and Department officials and, with greater frequency, within the Department. Any specific reporting requirements will be developed jointly with the Department.

3. Miscellaneous

This Agreement is intended only to improve the internal management of the Executive Branch and is not intended to and does not create any right, benefit, trust or responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

4. Term of Agreement

This agreement will remain in effect until modified. It is expected that it will be updated at least annually to reflect significant changes in budget, policy, personnel or other factors that may effect the accomplishment of objectives.

This agreement represents our joint commitment to a Department of Labor that works better and costs less and fulfills our sacred trust to the American people.

Robert Reich Secretary of Labor	William J. Clinton President of the United States

================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:21-MAR-1994 14:45:00.00

SUBJECT: My First Try to Send This

TO: FAX (93264044,N. Anthony Calhoun) (TLXA1MAIL_\F:93264044\C:N. ANTHOny CalhOUN\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:

=================== ATTACHMENT 1 ===================
ATT CREATOR: Thomas L. Arthur (ARTHUR_T)

ATT CREATION DATE/TIME:21-MAR-1994 13:32:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: PBGC Investments

ATT TO: FAX (93264170,N. Anthony Calhoun) (TLXA1MAIL_\F:93264170\C:N. ANTHOny CalhOUN\\ )
READ: UNKNOWN

ATT TEXT:
I appreciate your fax. Thanks!
However, the paragraph contains far less than I need for the OMB exercise we're doing. Specifically, I need to be able to tell:
(1) The nature of the government's control; in other words, I need to briefly describe your processes of selecting and rewarding asset managers.
(2) Where the assets are held; not necessarily the names of individual broakerage houses (although that might be ok if there aren't many) but brief, descriptive information about the qualifications required by your policy, such as size of operation, or access to markets, etc.
(3) Who performs which functions; e. g., which decisions are made by the asset managers and which are reserved for the PBGC.
(4) The types of assets in the trust funds. I think I know the general distribution already.
Since I have to provide the information by tomorrow, I hope you won't take the time to write up anything new; rather, a fax of a few pages of something already done for some other purpose that contains the above is really all that I need.
Thanks for your help!
TLA

================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:24-MAR-1994 14:28:00.00

SUBJECT: PBGC Reform Legislation and the Deficit

TO: FAX (97756312,Kathy Stokes Murray) (TLXA1MAIL_\F:97756312\C:KAtHY STOkes MuRRAY\\ )
(DEFAULT)
READ: UNKNOWN

TEXT:
Referring to the "Washington Update" at page 7 of the March EBRI Notes:
I don't recall that the administration has ever claimed that its PBGC bill, HR3396/S1780, would reduce the federal budget deficit by $958 million. If you have seen such a statement, please let me know where so that I may try to correct it. (There is a mistake about the PBGC that shows up at page 102 of the Analytical Perspectives volume of the Budget. I hope it did not mislead you.)
The 1995 Budget has an estimate of $2.7 billion in revenue loss over five years from the proposed bill and $2.9 billion in revenue gains. In addition, it says there would be $1.9 billion in reduced outlays from the PBGC's revolving fund -- the budget effect of the bill. These do not add up to $958 million in deficit reduction.
Also, you should know that premiums go to the PBGC's on-budget revolving fund and not to its off-budget trust funds, as the EBRI Notes stated.
I am the OMB's Budget Examiner for the PBGC. Call me at 395-3262 if you want to talk about any of this.
I hope this is a help to you.
Tom Arthur

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:25-MAR-1994 15:34:00.00

SUBJECT: Your Influence!

TO: FAX (92194975,Mark Wichlin) (TLXA1MAIL_\F:92194975\C:MArk Wichlin\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
Look on page 240 at Table 7-6 in the 1999 column to see where she got it.
She called me today in answer to the fax I sent her yesterday. It looks like you're the culprit. Again.
Have a good weekend!
TA
=================== ATTACHMENT 1 ===================
ATT CREATOR: Thomas L. Arthur (ARTHUR_T)

ATT CREATION DATE/TIME:24-MAR-1994 11:15:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: PBGC Reform Legislation and the Deficit

ATT TO: FAX (97756312,Kathy Stokes Murray) (TLXA1MAIL_\F:97756312\C:KAtHY STOkes MuRRAY\\ )
READ: UNKNOWN

ATT TEXT:
Referring to the "Washington Update" at page 7 of the March EBRI Notes:
I don't recall that the administration has ever claimed that its PBGC bill, HR3396/S1780, would reduce the federal budget deficit by $958 million. If you have seen such a statement, please let me know where so that I may try to correct it. (There is a mistake about the PBGC that shows up at page 102 of the Analytical Perspectives volume of the Budget. I hope it did not mislead you.)
The 1995 Budget has an estimate of $2.7 billion in revenue loss over five years from the proposed bill and $2.9 billion in revenue gains. In addition, it says there would be $1.9 billion in reduced outlays from the PBGC's revolving fund -- the budget effect of the bill. These do not add up to $958 million in deficit reduction.
Also, you should know that premiums go to the PBGC's on-budget revolving fund and not to its off-budget trust funds, as the EBRI Notes stated.
I am the OMB's Budget Examiner for the PBGC. Call me at 395-3262 if you want to talk about any of this.
I hope this is a help to you.
Tom Arthur

================== END ATTACHMENT 1 ==================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:30-MAR-1994 17:07:00.00

SUBJECT: PBGC Reapportionment

TO: FAX (92195506,Mark Wichlin) (TLXA1MAIL_\F:92195506\C:MArk Wichlin\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
I fax it and two more to McMullen just now.
TA

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: DONOHOE (MARGARET DONOHOE@5=GSA2@3=GOV+GSA2@2=TELEMAIL@1=US@MRX@EOPMRX) (DEFAULT)

CREATION DATE/TIME:05-APR-1994 17:11:00.00

SUBJECT: Agenda Concurrences

TO: EYDT (EYDT_A@A1@CD) (OMB)
READ: UNKNOWN

TEXT:
Just a reminder: Could we have your concurrences for HHS, PBGC and PWBA please? Thanks.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Douglas A. Criscitello (CRISCITELL_D) (OMB)

CREATION DATE/TIME:13-APR-1994 14:32:00.00

SUBJECT: S. 540

TO: FAX (92057374,Kris Swedin) (TLXA1MAIL_\F:92057374\C:Kris Swedin\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
Ellen Seidman at the NEC is trying to coordinate Administration concerns with S. 540. Please take a look at the attached and contact Ellen at 456-2802 if you have any comments.
=================== ATTACHMENT 1 ===================
ATT CREATOR: Ellen S. Seidman (SEIDMAN_E)

ATT CREATION DATE/TIME:12-APR-1994 19:24:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: S.540

ATT TO: Gaylen S. Barbour (BARBOUR_G)
READ: UNKNOWN

ATT TO: Douglas A. Criscitello (CRISCITELL_D)
READ: UNKNOWN

ATT TO: W. B. Cutter (CUTTER_W)
READ: UNKNOWN

ATT TO: Alan B. Rhinesmith (RHINESMITH_A)
READ: UNKNOWN

ATT TO: Ellen S. Seidman (SEIDMAN_E)
READ: UNKNOWN

ATT TO: Adrien L. Silas (SILAS_A)
READ: UNKNOWN

ATT TO: FAX (9-514-8071,Cindy Lebow) (TLXA1MAIL_\F:9-514-8071\C:Cindy Lebow\\ )
READ: UNKNOWN

ATT TO: FAX (56947,Jon Baker) (TLXA1MAIL_\F:56947\C:Jon Baker\\ )
READ: UNKNOWN

ATT TO: FAX (56809,Connie Dunham) (TLXA1MAIL_\F:56809\C:CONnie Dunham\\ )
READ: UNKNOWN

ATT TO: FAX (9-622-1294,Ukockis & Huffman) (TLXA1MAIL_\F:9-622-1294\C:UKOCKIS & HufFMAN\\ )
READ: UNKNOWN

ATT TO: FAX (61647,Steve Neuwirth) (TLXA1MAIL_\F:61647\C:STEVe Neuwirth\\ )
READ: UNKNOWN

ATT TO: FAX (56853,Murdock & Schneirov) (TLXA1MAIL_\F:56853\C:MURDOCK & SchneiroV\\ )
READ: UNKNOWN

ATT TO: FAX (9-622-2027,Rick Carnell) (TLXA1MAIL_\F:9-622-2027\C:RIck Carnell\\ )
READ: UNKNOWN

ATT TO: FAX (9-482-0432,Jane Malloy) (TLXA1MAIL_\F:9-482-0432\C:Jane Malloy\\ )
READ: UNKNOWN

ATT TO: FAX (9-219-7659,Larry Katz) (TLXA1MAIL_\F:9-219-7659\C:Larry Katz\\ )
READ: UNKNOWN

ATT TO: FAX (9-482-2741,Erlich & Silver) (TLXA1MAIL_\F:9-482-2741\C:ERLICh & SilvER\\ )
READ: UNKNOWN

ATT TO: FAX (9-622-0256,Brian Tishuk) (TLXA1MAIL_\F:9-622-0256\C:BRian Tishuk\\ )
READ: UNKNOWN

ATT TO: Douglas L. Steiger (STEIGER_D)
READ: UNKNOWN

ATT TO: James J. Jukes (JUKES_J)
READ: UNKNOWN

ATT TEXT:
Tracy Thornton of White House legislative affairs has called to say that she thinks not only is there an opportunity for the Administration to influence S.540 on the floor, but that Heflin will want our opinions on amendments. In addition, she feels that, even if the bill will not move this year on the House side, it's important not to let important points on S.540 slip by if we can avoid it, because S.540 will be the baseline for any action in the next session. I have also heard that DOJ's letter has changed the dynamics significantly on Chapter 10. It might be possible to get rid of it, although I suspect we would have to come up with some procedural Chapter 11 reforms -- which I can't believe would be all that hard. I'd like to put together a meeting for Thursday, Friday or Monday of those who are interested in having some input into this process. I also think we should make certain the government creditor agencies who have shown an interest -- IRS, PBGC and SBA -- as well, perhaps, as EPA, are not left out.
THEREFORE, can each of you leave me a voice mail or send me an e-mail on whether your're interested in participating in this action, and some idea of best times. Gaylen can then set up a time and room and send out a notice of the meeting.
Ellen
================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Constance J. Bowers (BOWERS_C) (OMB)

CREATION DATE/TIME:18-APR-1994 15:02:00.00

SUBJECT: Treasury Testimony on Retirement Protection Act

TO: FAX (9-219-6896,Steve Silbeger) (TLXA1MAIL_\F:9-219-6896\C:STEVe SilbegeR\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
fyi -- with regard to your comment on the formula -- Treasury got back to me and reported that they had already discussed the matter with PBGC and were rewriting the sentence in a way that was factually correct.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Thomas L. Arthur (ARTHUR_T) (OMB)

CREATION DATE/TIME:25-APR-1994 09:39:00.00

SUBJECT: High Risk Area Update

TO: FAX (93264069,Ed Knapp) (TLXA1MAIL_\F:93264069\C:Ed Knapp\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
Sorry I've been missing you on the phone, so I'll fax this to let you know why I'm calling.
Since the OMB's reorganization that you may have heard about, some duties of our OFFM are transferred to our enlarged Human Resources Division (where I work as your Budget Examiner, although I believe we all will be having a change of title some time in the near future).
I called last week because I needed to report to our Director on Wednesday the PBGC's latest actions to correct financial systems weaknesses identified in our "High Risk List." In the past, I've followed your work on these but am not currently up to date.
The new organizational arrangements here require that I stay up to date on the PBGC progress in these matters and that I report again next week. I used to get formal, written progress reports from your predecessor from time to time. If you're still producing these, you may want to include our division on the distribution.
Also, some time in the near future I think it would be a good idea for you to meet Mr. Mark Menchik of our division. It is the plan of our Branch Chief, Larry Matlack, that Mark take over my PBGC responsibilities by next fall after a transition of several months. I plan to take Mark there tomorrow for some introductions (to John Seal and Henry Thompson at 11 am). If you have time perhaps we could stop by your office to say hello.
Otherwise, Mark should meet you another time.
Please give me a call when you have a moment at 395-3262.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Albert F. Stidman (STIDMAN_A) (OMB)

CREATION DATE/TIME:11-MAY-1994 15:43:00.00

SUBJECT: PBGC meeting Changed to 5/20 at 2 pm--OK?

TO: Menchik,Mark (PAPER MAIL) (DEFAULT)
READ: UNKNOWN

TEXT:
Let me Know if 5/20 at 2pm for PBGC review is OK. Frank

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: UNKNOWN (1=US@*RFC-822\BRICH(A)NSF.GOV@3=INTERNET@2=TELEMAIL@MRX@EOPMRX) (DEFAULT)

CREATION DATE/TIME:13-MAY-1994 19:00:00.00

SUBJECT: New Member

TO: UNKNOWN (1=US@*RFC-822\financenet(a)nsf.gov@3=internet@2=telemail@MRX@EOPMRX) (DEFAULT)
READ: UNKNOWN

TEXT:

Text item: Text_1

Chris Ventura of the PBGC (202-326-4130), currently chairing the Small Agency Council, will be joining the FinanceNet Core Group as its representative. She will be acquiring a Cap Access or Meta Net internet account and will be with us on the 25th at the NPR.

Preston

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Margaret P. Smith (SMITH_M) (WHO)

CREATION DATE/TIME:19-JUL-1994 18:09:00.00

SUBJECT: NEC Meeting

TO: FAX (9514-9163,Chris Kohn) (TLXA1MAIL_\F:9514-9163\C:Chris Kohn\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:

=================== ATTACHMENT 1 ===================
ATT CREATOR: Margaret P. Smith (SMITH_M)

ATT CREATION DATE/TIME:19-JUL-1994 14:20:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: NEC Meeting - PBGC Bankruptcy

ATT TO: FAX (9514-99163,Chris Kohn) (TLXA1MAIL_\F:9514-99163\C:Chris Kohn\\ )
READ: UNKNOWN

ATT TO: FAX (9514-9477,Steve Csontos) (TLXA1MAIL_\F:9514-9477\C:STEve Csontos\\ )
READ: UNKNOWN

ATT TO: FAX (9514-8071,Cindi Lebow) (TLXA1MAIL_\F:9514-8071\C:Cindi Lebow\\ )
READ: UNKNOWN

ATT TO: FAX (9326-4112,B.Beyer/C.Flowe) (TLXA1MAIL_\F:9326-4112\C:B.BEYer/C.FlowE\\ )
READ: UNKNOWN

ATT TO: FAX (9326-4016,Nell Hennessey) (TLXA1MAIL_\F:9326-4016\C:NELL Hennessey\\ )
READ: UNKNOWN

ATT TO: FAX (9395-1596,T.Arthur/M.Menchik) (TLXA1MAIL_\F:9395-1596\C:T.ARTHUR/M.MenCHIK\\ )
READ: UNKNOWN

ATT TO: FAX (9395-3109,Ron Jones) (TLXA1MAIL_\F:9395-3109\C:Ron Jones\\ )
READ: UNKNOWN

ATT CC: Ellen S. Seidman (SEIDMAN_E)
READ: UNKNOWN

ATT CC: Sylvia M. Mathews (MATHEWS_S)
READ: UNKNOWN

ATT TEXT:
The NEC has scheduled a meeting to dicuss the PBGC - BANKRUPTCY
letter. This meeting will be held on Monday, July 25 from 1:30pm
to 2:30pm in Room 476-OEOB.

Call 456-5373 to provide name and date of birth for clearance to the building. If there are any changes you will be notified.
================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Mark D. Menchik (MENCHIK_M) (OMB)

CREATION DATE/TIME:19-JUL-1994 16:27:00.00

SUBJECT: PBGC: Revised PAYGO Estimates

TO: FAX (9-326-4085,Dick Ippolito) (TLXA1MAIL_\F:9-326-4085\C:DICk Ippolito\\ ) (DEFAULT)
READ: UNKNOWN

TEXT:
The estimates below have been revised to be consistent with midsession review and with the scoring determinations that have been made. Interest on Government securities has been excluded.
The "receipts" and "outlays" headings reflect, in part, PBGC's use of a revolving fund.
These numbers have gone to BRD. The 1994 through 1998 numbers are for use in PAYGO tables, while the 1999 numbers are for OMB internal budgeting only.

(FYs, $ m)

	1994	1995	1996	1997	1998	1994-1998
Net chg in receipts	36	56	-371	-448	-479	-1,206
Net chg in outlays	4	-130	-389	-652	-650	-1,817
Net chg in deficit	-32	-186	-18	-204	-171	-611

	1999
Net chg in receipts	-356
Net chg in outlays	-645
Net chg in deficit	-289

Please contact me with any questions.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Margaret P. Smith (SMITH_M) (WHO)

CREATION DATE/TIME:19-JUL-1994 14:51:00.00

SUBJECT: NEC Meeting - PBGC Bankruptcy

TO: FAX (9514-99163,Chris Kohn) (TLXA1MAIL_\F:9514-99163\C:Chris Kohn\\ ) (DEFAULT)
READ: UNKNOWN

TO: FAX (9514-9477,Steve Csontos) (TLXA1MAIL_\F:9514-9477\C:STEve Csontos\\ ) (DEFAULT)
READ: UNKNOWN

TO: FAX (9514-8071,Cindi Lebow) (TLXA1MAIL_\F:9514-8071\C:Cindi Lebow\\ ) (DEFAULT)
READ: UNKNOWN

TO: FAX (9326-4112,B.Beyer/C.Flowe) (TLXA1MAIL_\F:9326-4112\C:B.BEYer/C.FlowE\\ ) (DEFAULT)
READ: UNKNOWN

TO: FAX (9326-4016,Nell Hennessey) (TLXA1MAIL_\F:9326-4016\C:NELL Hennessey\\ ) (DEFAULT)
READ: UNKNOWN

TO: FAX (9395-1596,T.Arthur/M.Menchik) (TLXA1MAIL_\F:9395-1596\C:T.ARTHUR/M.MenCHIK\\ )
(DEFAULT)
READ: UNKNOWN

TO: FAX (9395-3109,Ron Jones) (TLXA1MAIL_\F:9395-3109\C:Ron Jones\\ ) (DEFAULT)
READ: UNKNOWN

CC: Ellen S. Seidman (SEIDMAN_E) (OPD)
READ: UNKNOWN

CC: Sylvia M. Mathews (MATHEWS_S) (OPD)
READ: UNKNOWN

TEXT:
The NEC has scheduled a meeting to dicuss the PBGC - BANKRUPTCY
letter. This meeting will be held on Monday, July 25 from 1:30pm
to 2:30pm in Room 476-OEOB.
Call 456-5373 to provide name and date of birth for clearance to
the building. If there are any changes you will be notified.

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Ellen S. Seidman (SEIDMAN_E) (OPD)

CREATION DATE/TIME:25-JUL-1994 16:25:00.00

SUBJECT: RE: PBGC Letter on S. 540

TO: Ronald E. Jones (JONES_RE) (OMB)
READ: UNKNOWN

TO: FAX (9-514-8071,Cindy Lebow) (TLXA1MAIL_\F:9-514-8071\C:Cindy Lebow\\ ) (DEFAULT)
READ: UNKNOWN

TO: FAX (9-326-4016,Nell Hennessy) (TLXA1MAIL_\F:9-326-4016\C:NELl Hennessy\\ ) (DEFAULT)
READ: UNKNOWN

TO: Mark D. Menchik (MENCHIK_M) (OMB)
READ: UNKNOWN

TEXT:
This is my understanding of the outcome of our meeting today. The PBGC letter will not be sent. The PBGC position on creditors committee will be part of the short Justice letter. The other two issues will be covered by the longer Justice letter unless PBGC can come up with an alternative on the minimum funding issue that labor will support. (The alternative can be the Graham amendment if labor will now buy it, but is more likely to be something else.)
Ellen

RECORD TYPE: FEDERAL (RECONSTRUCTED EMAIL)

CREATOR: Sarah C. Schulte (SCHULTE_S) (OMB)

CREATION DATE/TIME:28-JUL-1994 17:35:00.00

SUBJECT: FTE CUTS: BRD analysis of other agency receipts

TO: Franklin S. Reeder (REEDER_F) (OMB)
READ: UNKNOWN

CC: UNKNOWN ((PAPER MAIL)) (DEFAULT)
READ: UNKNOWN

CC: Lisa C. Signori (SIGNORI_L) (OMB)
READ: UNKNOWN

CC: Justin A. Kopca (KOPCA_J) (OMB)
READ: UNKNOWN

TEXT:
Alex asked BRD if they could do a quick analysis of receipts received by other federal agencies for services provided to clients. Ed Rea responded that such an analysis would be complex and time-consuming, partially because it would require programming. He also said that such a request would have to go through Barry Anderson.
=================== ATTACHMENT 1 ===================
ATT CREATOR: Lisa E. Johnson (JOHNSON_LE)

ATT CREATION DATE/TIME:28-JUL-1994 17:12:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: FYI

ATT TO: Sarah C. Schulte (SCHULTE_S)
READ: UNKNOWN

ATT TEXT:
Alex asked me to pass this along to you.
================= END ATTACHMENT 1 =================

=================== ATTACHMENT 2 ===================
ATT CREATOR: Edward M. Rea (REA_E)

ATT CREATION DATE/TIME:28-JUL-1994 07:45:00.00

ATT BODY PART TYPE: B

ATT SUBJECT: RE: FYI

ATT TO: Barry B. Anderson (ANDERSON_B)

READ: UNKNOWN

ATT CC: Lisa E. Johnson (JOHNSON_LE)
READ: UNKNOWN

ATT CC: Richard P. Emery Jr. (EMERY_R)
READ: UNKNOWN

ATT TEXT:
The term "non-appropriated" is a misnomer. All expenditures of the Government are appropriated, regardless of the source of the monies. The cases that you and Frank are talking about are those in which FTEs are being paid from earmarked receipts from the public. Some examples illustrating the range of activities that are funded to varying degrees by earmarked receipts from the public are:

- User fee funded activities, e.g., Patient & Trademark Office, GPO, meat and poultry inspection, National Park Service;
- Public enterprise funds, e.g., PBGC, TVA, Bonneville Power Administration;
- Health and life insurance programs, e.g., Medicare, VA life insurance programs;
- Deposit insurance.

In addition, there has been pressure to exempt FTEs funded by earmarked intra-governmental receipts, e.g., revolving funds. We may want, at some point, to try to quantify the number of FTEs funded by the various sorts of offsetting collections and receipts.
================== END ATTACHMENT 2 ==================

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Ellen S. Seidman (SEIDMAN_E) (OPD)

CREATION DATE/TIME: 8-NOV-1994 13:13:14.85

SUBJECT: Gannett piece on Social Security

TO: Gene B. Sperling (SPERLING_G) Autoforward to: Paul A. Deegan (DEEGAN_P) (PDONE)
READ: 8-NOV-1994 13:16:58.03

TO: Virginia M. Terzano (TERZANO_V) (WHO)
READ: 8-NOV-1994 13:43:54.29

CC: Paul A. Deegan (DEEGAN_P) (OPD)
READ: 8-NOV-1994 13:16:58.03

CC: Sylvia M. Mathews (MATHEWS_S) (OPD)
READ: 8-NOV-1994 19:56:09.21

TEXT:
I have heard from Marty Slate, head of the PBGC, that Gannett is planning to run a piece on pensions and Social Security in all their papers the Sunday after Thanksgiving. The schtick is, I believe, baby boomer trouble in retirement. The reporter apparently started with the idea that, after putting forth a pension bill that didn't totally fix the problem, we retreated to the point where it's worthless. The truth is we did retreat, but it's far from worthless. And, of course, he'll say that everyone is shying away from doing what's necessary to make Social Security viable in the next century. In any event, Marty will deal with the pension part. Sylvia says you, Gene, are the person for Social Security. [PAUL ALERT!!!] So . . . .I have told Marty to have the Gannett reporter -- someone named Brian Tumulty (assisted by John Hanchett) -- call you to set something up. If you want to coordinate with Marty or with Judy Beckelman, his press person (who's very good), you can reach them on 326-4012. Good luck. Ellen

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Douglas L. Steiger (STEIGER_D) (OMB)

CREATION DATE/TIME:18-NOV-1994 16:04:21.47

SUBJECT: Staff meeting notes (11/18)

TO: Isabel Sawhill (SAWHILL_I) (OMB)
READ:18-NOV-1994 18:37:53.49

TO: Bernard H. Martin (MARTIN_B) (OMB)
READ:18-NOV-1994 16:17:42.97

CC: Barry White (WHITE_B) (OMB)
READ:18-NOV-1994 18:32:32.28

CC: Larry R. Matlack (MATLACK_L) (OMB)
READ:18-NOV-1994 16:15:17.17

CC: Keith J. Fontenot (FONTENOT_K) (OMB)
READ:18-NOV-1994 16:58:25.92

CC: Barbara S. Selfridge (SELFRIDGE_B) (OMB)
READ:18-NOV-1994 16:23:52.36

CC: Daniel J. Chenok (CHENOK_D) (OMB)
READ:18-NOV-1994 16:11:10.58

CC: Janet R. Forsgren (FORSGREN_J) (OMB)
READ:18-NOV-1994 16:19:00.50

CC: Marti E. Easton (EASTON_M) (OMB)
READ:18-NOV-1994 16:04:56.67

TEXT:
Bernie reviewed the morning's Senior Staff meeting:
o PADs and others were meeting today at 1:30 to review the overall budget picture -- passback is Monday. We may be aiming for the (lower) Exon-Grassley caps.
o Appeals should be made in writing by 11/30 (presumably in letters to Alice).
o The Director is unhappy that some of the arguments for waiving the 10 year budget point of order in the Senate sound like dynamic scoring.
o There's a meeting on supplementals with the Director and Gordon Adams.
o Two major speeches are being planned for the President. The first will be a December speech at Duke on political reform. Second sometime later; topic not mentioned.
o Koskinen said he'll be giving copies of what we pass back to the agencies about their streamlining plans to the VP.
o Alice is meeting with the President on Monday about budget

issues. Issues like welfare reform and ETR and investment strategy may come up; all the division needs to do is prepare the 2 page memos on each agency passback for the Director.

o A Greenstein memo on entitlements may be available next week.

o Minarik has done a memo to Alice on dynamic scoring, which Belle has. (We're to get copies to the branch chiefs.)

o Some discussion of handling jobs for ex-Hill staffers and the future of CBO.

o Ed DeSeve mentioned a report by the IGs on student loans.

o Jack Lew is coordinating GATT for OMB.

Belle and the branch chiefs discussed the current Budget decisions and where they thought we should be higher or lower and possible agency reactions. Belle mentioned ED overall and National Service. Barry raised Goals 2000. Larry noted Dislocated Workers and the youth programs. Bernie and Belle disagreed on the outcome for ED about School-to-Work and possible small program reductions. Passback logistics were reviewed. Materials for Alice and Belle. Timing of meetings. Belle needs to check with the Director about who is talking to who at SSA. (IM has a noon Monday meeting with SSA staff.) Belle needs to coordinate with TJ the USDA passback. Larry with talk to National Service.

Belle is preparing a welfare reform memo for the Director. Once she's done the plan is to meet with Keith, probably Tuesday or Wednesday, about next steps. She listed some offsets to further develop after yesterday's meeting with Alice and others: deeming for immigrants, SSI options, treatment of "child-only" cases, and treatment of other benefits in Food Stamps. (Keith got guidance as to how to work with the agencies on these.) Keith is to talk to Wendell about pricing and see if there's any need for Belle or Alice to talk to HHS higher-ups about encouraging efforts on various issues. Belle doesn't think she needs anything in advance of Tuesday welfare meetings with the Director and WH/HHS officials, just alerts as to any possible surprises.

Belle mentioned the very edited Farm Bill options memo (which Stacy is to send back to FNS).

The economic statistics crosscut has been postponed.

Barry gave Belle a revised "third option" for ETR, which incorporates some Paul Dimond edits. She asked him to send it to the departments so that Glynn and Smith see it before she meets with them on Monday. He also described the income contingent repayment meeting with Sperling and the agencies and that ED had raised a new issue on waiving a gatekeeping provision. A memo is coming to Belle and Sally Katzen.

Larry said that he'd talked to Labor and they have no pricing for their ETR option.

Belle said, following up on yesterday's meeting, that we should set up a meeting with Treasury and Greenstein about the EITC but probably not until after Thanksgiving.

There was a discussion of tax refund offsets and of recapturing tax debt through benefit programs.

Larry passed along a memo summarizing the PBGC reform bill included in GATT that Belle can forward to the Director.

Dan mentioned that he was working with Pat and Judy to clear a number of higher ed regs to make a December 1 publication in the Register. He also noted the Fair Labor Standards Act CA court case about state and local employee overtime. DOL has not yet produced a new reg, though has claimed they will. Belle mentioned that she'd had a call from WH Counsel (Cliff Sloan) about it. There may be a staff meeting next Wednesday; there may not. Keith reported that HHS and SSA have reached an agreement on splitting overhead. The divorce seems to be pretty amicable so far. He also reported that there's a new Chief of Staff at SSA, Brian Coyne (spelling not certain).

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: APRIL K. MELLODY (MELLODY_A) (WHO)

CREATION DATE/TIME:20-JAN-1995 12:36:27.15

SUBJECT: Backgrounder for pension event

TO: Kathy McKiernan (MCKIERNAN_K) (WHO)
READ:20-JAN-1995 18:46:57.20

TO: David B. Anderson (ANDERSON_D) (WHO)
READ:NOT READ

TO: Keith O. Boykin (BOYKIN_K) (WHO)
READ:NOT READ

TO: Jeffrey L. Eller (ELLER_J)
READ:NOT READ

TO: Ernest D. Gibble (GIBBLE_E) (WHO)
READ:NOT READ

TO: Jonathan P. Gill (GILL_J) (WHO)
READ:20-JAN-1995 20:08:41.54

TO: Kukis, Heidi (Heidi Kukis@EOP_OVP@CCGATE@EOPMRX)
READ:NOT READ

TO: Joseph W. Cerrell (Joseph W. Cerrell@EOP_OVP@CCGATE@EOPMRX)
READ:NOT READ

TO: Payne, Julia M. (Julia M. Payne@EOP_OVP@CCGATE@EOPMRX)
READ:NOT READ

TO: Lisa Mortman (MORTMAN_L) (WHO)
READ:NOT READ

TO: Rica F. Rodman (RODMAN_R) (WHO)
READ:NOT READ

TO: Jessamyn Sarmiento (SARMIENTO_J) (WHO)
READ:20-JAN-1995 13:35:49.66

TO: Joshua Silverman (SILVERMAN_J) (WHO)
READ:20-JAN-1995 13:47:33.03

TO: Richard Strauss (STRAUSS_R) (WHO)
READ:NOT READ

TO: Lorraine A. Voles (VOLES_L) Autoforward to: Remote Addressee (Lorraine A. Voles@EOP_OVP@CCGATE@EOPMRX (WHO)
READ:NOT READ

TO: Dawn A. Alexander (ALEXANDER_DA) (WHO)
READ:20-JAN-1995 15:28:52.62

TO: David Dreyer (DREYER_D) (WHO)
READ:NOT READ

TO: Richard L. Siewert (SIEWERT_R) (WHO)
READ:20-JAN-1995 18:00:34.85

TO: Jason M. Solomon (SOLOMON_J) (WHO)
READ:NOT READ

TO: Steven A. Cohen (COHEN_SA) (WHO)
READ:20-JAN-1995 13:14:59.61

TO: David Leavy (LEAVY_D) (WHO)
READ:NOT READ

TO: Chad H. Griffin (GRIFFIN_C)
READ:NOT READ

TO: Rahm Emanuel (EMANUEL_R) (WHO)
READ:NOT READ

TO: Carola McGiffert (MCGIFFERT_C) (WHO)
READ:NOT READ

TO: Jonathan M. Prince (PRINCE_J) (WHO)
READ:20-JAN-1995 14:00:20.36

TO: Patricia A. Enright (ENRIGHT_P)
READ:NOT READ

TO: Lorraine McHugh (MCHUGH_L) (WHO)
READ:20-JAN-1995 12:37:22.59

TO: Elizabeth A. Bernstein (BERNSTEIN_E)
READ:NOT READ

TO: Virginia M. Terzano (TERZANO_V) (WHO)
READ:NOT READ

TO: Arthur L. Jones (JONES_A) (WHO)
READ:NOT READ

TO: Jeremy M. Gaines (GAINES_J) (WHO)
READ:NOT READ

TO: Julia Moffett (MOFFETT_J) (WHO)
READ:20-JAN-1995 13:23:20.89

TO: Heather Beckel (BECKEL_H) (WHO)
READ:NOT READ

TO: Amanda Crumley (CRUMLEY_A) (WHO)
READ:NOT READ

TO: Patricia A. McHugh (MCHUGH_P) (WHO)
READ:20-JAN-1995 12:56:57.14

TO: Stephen B. Silverman (SILVERMAN_S) (WHO)
READ:20-JAN-1995 18:52:21.78

TO: Joan Baggett (BAGGETT_J)
READ:NOT READ

TO: Sharon Kennedy (KENNEDY_SM) (WHO)
READ:NOT READ

TO: Susan Brophy (BROPHY_S) Autoforward to: Ann M. Cattalini (CATTALINI_A)
(WHO)
READ:20-JAN-1995 12:38:57.04

TO: Steve Ricchetti (RICCHETTI_S) Autoforward to: Gordon Li (LI_G) (WHO)
READ:20-JAN-1995 13:09:00.18

TO: Kathleen L. O'Neill (ONEILL_K) (WHO)
READ:20-JAN-1995 12:39:49.99

TO: Gordon Li (LI_G) (WHO)
READ:20-JAN-1995 13:09:00.18

TO: KATHERINE L. KINCAID (KINCAID_K)
READ:NOT READ

TO: Paul Meyer (MEYER_P) (WHO)
READ:NOT READ

TO: Ann F. Walker (WALKER_A) (WHO)
READ:NOT READ

TO: Donald A. Baer (BAER_D) (WHO)
READ:NOT READ

TEXT:
PRINTER FONT 12_POINT_COURIER
PRESIDENT CLINTON ADDRESSES RETIREES ON
THE RETIREMENT PROTECTION ACT

January 19, 1995

As we near the two-year mark of the Clinton administration, the President today will meet with retirees who have benefited from one of the Administration's earliest successes -- pension reform. In a Roosevelt Room ceremony, the President will address retirees and victims of underfunded pension plans about the benefits of the newly reformed Retirement Protection Act. The reforms, which were identified as a priority by the President early in his Administration and passed as part of the GATT, provide economic security to middle class Americans during their retirement years. The Retirement Protection Act provides for better funded pensions, allows the federal insurance system to remain strong and its deficit to be eliminated in 10 years, ensures businesses with well-funded plans will no longer carry an unfair share of insurance cost and removes a risk to American taxpayers.

Today, the Pension Benefit Guarantee Corporation insures 41 million people in ongoing pension plans and as well as 66,000 defined benefit pension plans. Approximately 2,000 plans have already failed covering almost 400,000 people who are receiving or will receive benefits from the PBGC. Workers covered by the PBGC earn an average of $34,000 per year.

At the ceremony, Labor Secretary Robert Reich will introduce the program. Retirees, Marvin Clarke and Paul Wood, will recount their personal experiences with underfunded pension plans. The President will then make remarks.

HORIZONTAL_PITCH 15
PRINTER FONT 12_POINT_ROMAN
Marvin D. Clarke, 61, loaded chemicals on trucks and railroad cars for 34 years for Hanlin Group. When the chemical company went into bankruptcy, he lost one-third of his promised pension benefit or $700 per month. He lives in Moundsville, West Virginia. Mr. Clarke testified at a Congressional hearing in February 1993, on behalf of pension reforms
Paul Edward Wood, was an employee of Western Union until his retirement after 30 years in 1985 when the company downsized. Mr. Wood wrote to the PBGC because he has been worried about his underfunded pension plan. He was afraid he would lose some of the pension he had worked so hard to get. He lives in Griffin, Georgia just outside of Atlanta.

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30-

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RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Paul A. Deegan (DEEGAN_P) (OPD)

CREATION DATE/TIME: 5-MAY-1995 19:29:47.15

SUBJECT: NEC Weekly Report

TO: Julia E. Chamovitz (CHAMOVITZ_J) (OPD)
READ: 8-MAY-1995 09:14:55.83

TO: Michael D. Deich (DEICH_M) (OPD)
READ: 8-MAY-1995 07:28:30.60

TO: Paul R. Dimond (DIMOND_P) (OPD)
READ: 6-MAY-1995 09:30:34.69

TO: Wendy J. Einhellig (EINHELLIG_W) (OPD)
READ: 9-MAY-1995 09:20:21.27

TO: Robert C. Fauver (FAUVER_R) (OPD)
READ:NOT READ

TO: Michael B. Froman (FROMAN_M) (OPD)
READ: 5-MAY-1995 20:08:56.50

TO: Robert Gordon (GORDON_R) (OPD)
READ: 6-MAY-1995 11:03:22.15

TO: Elgie Holstein (HOLSTEIN_E) (OPD)
READ: 7-MAY-1995 16:36:25.93

TO: Thomas A. Kalil (KALIL_T) Autoforward to: Remote Addressee (tkalil@arpa.mil@inet) (OPD)
READ:NOT READ

TO: David J. Lane (LANE_D) (OPD)
READ: 8-MAY-1995 08:51:15.87

TO: Elisabeth L. Lindemuth (LINDEMUTH_E) (OPD)
READ: 8-MAY-1995 10:00:50.89

TO: Theo Lubke (LUBKE_T) (OPD)
READ: 6-MAY-1995 14:29:20.71

TO: Sonyia Matthews (MATTHEWS_S) (OPD)
READ: 8-MAY-1995 09:48:23.80

TO: Elena R. Mccoy (MCCOY_ER) (OPD)
READ: 5-MAY-1995 20:07:33.16

TO: Elaine M. Mitsler (MITSLER_E) (NSC)
READ: 8-MAY-1995 07:50:25.43

TO: Thomas O'Donnell (ODONNELL_T) (OPD)
READ: 6-MAY-1995 21:00:59.20

TO: Michael Punke (PUNKE_M) (OPD)
READ:NOT READ

TO: Dorothy Robyn (ROBYN_D) (OPD)
READ: 6-MAY-1995 10:21:27.05

TO: Patricia E. Romani (ROMANI_P) (OPD)
READ: 8-MAY-1995 08:44:44.30

TO: Heather L. Ross (ROSS_H) (OPD)
READ: 5-MAY-1995 19:33:35.92

TO: Ellen S. Seidman (SEIDMAN_E) (OPD)
READ: 5-MAY-1995 19:32:17.38

TO: Gene B. Sperling (SPERLING_G) Autoforward to: Elena R. Mccoy (MCCOY_ER) (PDONE)
READ: 5-MAY-1995 20:07:33.16

TO: FAX (94569280,NEC Staff, 227) (TLXA1MAIL_\F:94569280\C:NEC Staff, 227
READ:NOT READ

TO: FAX (94569290,NEC Staff, 365) (TLXA1MAIL_\F:94569290\C:NEC Staff, 365
READ:NOT READ

TO: FAX (93956853, Lael Brainard) (TLXA1MAIL_\F:93956853\C:Lael Brainard)
READ:NOT READ

TO: Laura D. Tyson (TYSON_L) Autoforward to: Thomas O'Donnell (ODONNELL_T) (OPD)
READ: 6-MAY-1995 21:00:59.20

TO: Helen C. Walsh (WALSH_H) (OPD)
READ: 8-MAY-1995 15:16:25.88

TO: Dena B. Weinstein (WEINSTEIN_D) (OPD)
READ: 7-MAY-1995 14:48:52.18

TO: Marilyn E. Wilson (WILSON_M) (WHO)
READ:NOT READ

TO: Derek S. Wolff (WOLFF_D) (OPD)
READ: 5-MAY-1995 19:29:57.86

TO: Peter M. Yu (YU_P) (OPD)
READ: 8-MAY-1995 07:58:03.69

TEXT:

PRINTER FONT 12_POINT_ROMAN
May 5, 1995

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: LAURA D'ANDREA TYSON

SUBJECT: NEC STAFF WEEKLY REPORT

Following is an update on NEC initiatives and policy development efforts:

PRINTER FONT 12_POINT_ROMAN_ITALIC
Farm Bill: The NEC continues to coordinate the development of Administration "guidance" on the 1995 Farm Bill. This week, principals met and decided to expand the guidance on rural economic development, with emphasis on capital availability and telecommunications. The guidance document is scheduled for release on May 10, when Secretary Glickman testifies. As part of this process, NEC staff has been working with HUD and Treasury and the Federal Home Loan Bank System to identify the system's current and potential role in rural economic development financing. NEC staff will speak to a gathering of Federal Home Loan Bank Community Investment Officers on Tuesday, May 9.
EXIM Bank and Ilyushin: The NEC-led interagency process on this issue is progressing, with agencies now drafting pieces of analysis that will be assembled in a report to deputies next month.
Pension Issues: NEC staff worked with PBGC, Labor and Treasury staff to develop talking points relating to Committee for Economic Development report on the looming retirement funding crisis. The NEC-led working group on pension simplification is nearing closure on a significant package of proposals that will reduce paperwork and simplify pension administration, particularly for small employers.
Sallie Mae and Connie Lee: NEC staff continues to work closely with DPC, OMB, Treasury and the Education Department to develop and get enacted sensible privatization legislation while protecting the direct lending program. Both Treasury and ED testified on the subject last week, and NEC participated in development of the testimony.
Community Development Issues: NEC staff will participate, on May 10, on a panel on the Community Reinvestment Act as part of the 15th anniversary celebration of LISC.
China MFN: A Deputies meeting was held to organize the Administration's efforts regarding the renewal of China's Most Favored Nation trading status.

Japan Autos: A Principals meeting and two Deputies meetings were held to discuss strategies for the ongoing negotiations with Japan regarding access to the Japanese auto and autoparts market.
EAA: The NEC is working in efforts to reach closure on an Executive Order regarding export control reform.
Halifax: A Principals meeting was held to discuss strategies for the

upcoming June G-7 Summit in Halifax, Canada.
Business Principles: Consultations continued with business, labor and human rights groups in preparation for the upcoming rollout of the Model Business Principles.
Alaska North Slope (ANS) Oil Exports: NEC staff resumed negotiations this week with congressional staff regarding legislation to permit exports of ANS crude oil. Efforts are underway to develop a consensus bill that will preserve the President's authority to require appropriate environmental safeguards and to provide economic protection for West Coast refiners.

Activities of the Assistant to the President

PRINTER FONT 12_POINT_ROMAN
LAURA D'ANDREA TYSON

Week of May 1, 1995
Internal: Continued work on Halifax preparations and Japan auto issues. Attended meetings on welfare reform, the budget and current account deficit, and health care.
External: Continued a series of press lunches with the following: Wall Street Journal, USA Today, and The Los Angeles Times. Met with a delegation of Japanese Diet Members, Ambassador Chretien of Canada, and Chau Tak Hay of Hong Kong. Spoke to the Society of Business Editors and Writers and met with Senator Breaux.
Week of May 8, 1995
Internal: Will continue work on Halifax preparations, Japan auto issues and budget issues. Will also work on welfare reform and health care issues.
External: Will speak to the White House Conference on Small Business in New York. Will continue press lunches with U.S. News and World Report, Roll Call, and Business Week. Will also meet with the Chicago Tribune and will be interviewed by Reuters Financial Television. Next weekend, will speak at the Business Council conference in Williamsburg, VA, and at the American University commencement.

PRINTER FONT 12_POINT_ROMAN_ITALIC
Activities of the Deputy Assistants to the President

PRINTER FONT 12_POINT_ROMAN
GENE SPERLING

Week of May 1, 1995
Internal: Continued work on Medicare/Medicaid with Treasury and the office of the Chief of Staff. Continued work on White House Conference on Aging, welfare reform and affirmative action. Attended Senate DPC briefing and Senate Budget Committee briefing on the hill. Also attended Senate Budget Committee meeting with President. Participated in rescissions meeting in Chief of Staff's office and cabinet briefing on budget strategy, message/schedule and the President's trip to Moscow. Met with OMB, Cabinet Affairs, Communications staff to devise response to Republican budget plan. Also involved in various pre-briefings for press conferences by the President and the Chair of NEC. Meetings pending for May 5: Panel #2 of Pacific Rim Economic Conference, EITC meeting on the Hill, brief by Stan Greenberg on his education survey and staff meeting with the Chief of

Staff.
External: Participated in meeting with AFL-CIO leadership. Spoke to American Jewish Committee of Government and International Affairs. Continued work with Hill staff on legislative strategy.
Week of May 8, 1995

Internal: Continue work on budget, review of recent polling data (Geoff Garin).
External: Conference call with PPI. Conference call re: CPI.

BO CUTTER

Week of May 1, 1995
Internal: Continuation of work on the Farm Bill; telecom breakfast meeting with the Vice President; meeting with the President regarding currency and the dollar; briefing with the President regarding Russia; NEC/NSC meeting regarding China MFN; NEC Principals meeting regarding Halifax; NEC meeting regarding economic conference; NEC Deputies meetings on Japan; meeting with Berger, Poneman and Fuerth regarding HEW and antidumping; working group meeting on APEC; NSC IWG meeting on intelligence priorities; meeting with Tyson, Rubin, Summers, Berger regarding current account deficit; NEC Principals meeting regarding Japan.

External: Meeting with Curtis Hoxter, Ulrich Ramm, Martin Kohlhaussen (Chairman/CEO Commerzbank, Germany) to discuss various economic issues; meeting with Yurike Koike to discuss mid-April elections in Japan; meeting with Ko-Yung Tung, Chairman of the Global Practice Group of O'Melveny & Myers to discuss international corporate finance; meeting with Shelly Longmuir, Cyril Murphy, Stuart Oran and Jerry Greenwald (Chairman, United Airlines) to discuss UK/Japan aviation; meeting with delegation of members of the Airline Pilots Association to discuss the Export-Import Bank/Pratt Whitney issue with D. Robyn.
Speaking engagements: Spoke to Los Angeles Chamber of Commerce for Leon Panetta; spoke to Young President's Group arranged by Public Liaison; spoke to the Y-Group, a diverse group of CEO's and other senior business and professional leaders regarding economic policy.

Week of May 8, 1995

Internal: Continue discussions on the Ilyushin issue; meeting with International NEC/NSC group regarding big emerging markets; meeting with Tyson, Lake and Berger to discuss issues of mutual concern; NEC weekly meeting on Japan Autos and Public Affairs; meetings with Commerce (Jeff Garten and Ev Ehrlich) and State (Joan Spero) to discuss current account deficit; continue discussion on US/UK aviation;
External: Meeting with Clifford Tan of Bankers Trust in Hong Kong to discuss his market vantage point on APEC; meeting with American Chamber of Commerce in Hong Kong senior business leaders to discuss issues that affect US economic and strategic interests in the Asia-Pacific region, especially the current status and future direction of US/China relations; meeting with delegation of members of the Korea Economic Institute of America regarding exchange of views on trade and economic issues; meeting with Anthony Nelson, Member of Parliament, and Minister of State for Her Majesty's

Treasury regarding financial services.
Speaking engagements: Speak to group from the Army War College regarding economic policy arranged by Public Liaison.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Paul A. Deegan (DEEGAN_P) (OPD)

CREATION DATE/TIME:21-JUL-1995 18:46:35.64

SUBJECT: weekly report

TO: Julia E. Chamovitz (CHAMOVITZ_J) (OPD)
READ:24-JUL-1995 09:01:46.79

TO: Michael D. Deich (DEICH_M) (OPD)
READ:23-JUL-1995 14:06:24.45

TO: Paul R. Dimond (DIMOND_P) (OPD)
READ:25-JUL-1995 08:48:38.30

TO: Wendy J. Einhellig (EINHELLIG_W) (OPD)
READ:24-JUL-1995 08:05:02.06

TO: Michael B. Froman (FROMAN_M) (OPD)
READ:24-JUL-1995 09:23:49.80

TO: Robert Gordon (GORDON_R) (OPD)
READ:21-JUL-1995 18:51:08.05

TO: Daniel D. Heath (HEATH_D) (OMB)
READ:21-JUL-1995 18:50:58.08

TO: Elgie Holstein (HOLSTEIN_E) (OPD)
READ:21-JUL-1995 19:11:02.70

TO: Gay L. Joshlyn (JOSHLYN_G) (OPD)
READ:24-JUL-1995 08:28:24.10

TO: Thomas A. Kalil (KALIL_T) Autoforward to: Remote Addressee (
tkalil@arpa.mil@inet) (OPD)
READ:NOT READ

TO: Robert D. Kyle (KYLE_R) (OPD)
READ:NOT READ

TO: David J. Lane (LANE_D) (OPD)
READ:21-JUL-1995 18:52:00.21

TO: Elisabeth L. Lindemuth (LINDEMUTH_E) (OPD)
READ:24-JUL-1995 10:32:19.93

TO: Sonyia Matthews (MATTHEWS_S) (OPD)
READ:24-JUL-1995 08:30:39.34

TO: Elena R. Mccoy (MCCOY_ER) (OPD)
READ:23-JUL-1995 10:46:23.03

TO: Elaine M. Mitsler (MITSLER_E) (NSC)
READ:24-JUL-1995 12:00:23.78

TO: Thomas O'Donnell (ODONNELL_T) (OPD)
READ:24-JUL-1995 10:18:28.80

TO: Dorothy Robyn (ROBYN_D) (OPD)
READ:22-JUL-1995 10:59:33.47

TO: Ellen S. Seidman (SEIDMAN_E) (OPD)
READ:21-JUL-1995 18:50:09.45

TO: Gene B. Sperling (SPERLING_G) Autoforward to: Elena R. Mccoy (MCCOY_ER)
(PDONE)
READ:23-JUL-1995 10:46:23.03

TO: FAX (93956853, Lael Brainard) (TLXA1MAIL_\F:93956853\C:Lael Brainard)
READ:NOT READ

TO: FAX (94569280,NEC Staff, 227) (TLXA1MAIL_\F:94569280\C:NEC Staff, 227
READ:NOT READ

TO: FAX (94569290,NEC Staff, 365) (TLXA1MAIL_\F:94569290\C:NEC Staff, 365
READ:NOT READ

TO: FAX (93956809,Mark Mazur) (TLXA1MAIL_\F:93956809\C:Mark Mazur)
READ:NOT READ

TO: Laura D. Tyson (TYSON_L) Autoforward to: Thomas O'Donnell (ODONNELL_T)
(OPD)
READ:24-JUL-1995 10:18:28.80

TO: Helen C. Walsh (WALSH_H) (OPD)
READ:24-JUL-1995 13:45:10.80

TO: Dena B. Weinstein (WEINSTEIN_D) (OPD)
READ:24-JUL-1995 07:51:47.19

TO: Marilyn E. Wilson (WILSON_M) (WHO)
READ:NOT READ

TO: Remote Addressee (mmazur@rurdev.usda@INET)
READ:NOT READ

TEXT:

PRINTER FONT 12_POINT_ROMAN
July 21, 1995

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: LAURA D'ANDREA TYSON

SUBJECT: NEC STAFF WEEKLY REPORT

The following is an update on NEC initiatives and policy development efforts:
PRINTER FONT 12_POINT_ROMAN_ITALIC
Disaster Insurance: NEC staff participated in a panel of the annual Natural Hazards Conference and in an all

-day meeting of
the Advisory Committee for an NSF project on the role of insurance -- and the federal government in relation to insurance -- in natural disasters. It was an opportunity to further promote and disseminate the ideas in the Administration's policy paper.

Securities Litigation Reform: NEC staff worked with the Commerce Department to draft a memo for the NEC principals on the status of this issue. NEC staff will participate Friday in a meeting sponsored by Erskine Bowles with state securities regulators.
Pension Simplification: NEC staff continues to work with Treasury, Labor and PBGC staff to sell the President's pension simplification proposal. Alternative proposals are beginning to move on the Hill, but we are fighting something of an uphill battle to get our flagship proposal -- the NEST -- included. There is interest, but so far little action. We continue to meet with interested outside parties, from both the pension community and small business community, to garner support. NEC staff (along with Treasury staff) will be speaking to a coalition of pension groups on this issue next week.
Home Ownership: Next Friday, NEC staff will speak to the Board of Directors and Advisory Council of the Seattle Home Loan Bank on home ownership issues. This will be an opportunity to increase awareness of and support for HUD's National Home Ownership Strategy. HUD is assisting in preparation of the speech.
Farm Bill: The NEC

-led interagency steering group coordinated
Administration participation in the Senate Agriculture Committee's drafting of the discretionary titles for trade,

research, farm credit and rural development over the past week. Staff attended markup sessions and conferred by conference call and other meetings. Perhaps 80 percent of the Bluebook of Administration guidance was adopted, with no critically objectionable additions. Senate and House will mark up at full fury the more significant and basic farm policy titles in

September.
Rural Credit: NEC sent forward for the President's decision two issues involving government

-sponsored enterprises: whether to expand the Farm Credit System's lending authority to off

-farm small businesses in underserved areas, and whether to restructure or terminate the secondary market maker, Farmer Mac. NEC has been leading the interagency Working Group on Rural Credit, inspired by the Administration's Rural Conference in Iowa, and has prepared a report on improving access to rural finance.

Ag Export Giveaway Continues: Domestic and world prices for grains continue to rise, the prospects for domestic shortages persist, and USDA continues to subsidize sales overseas under the Export Enhancement Program (EEP). U.S. millers and bakers, and the important livestock sector are experiencing cost pressures. NEC staff have urged USDA to reexamine its policy, and is working with CEA to prepare analysis that apparently shows this EEP policy wastes taxpayer dollars and forces U.S. household income to be exported. Apart from economic analysis, the EU has announced its suspension of wheat export subsidies for six weeks, has put negative export subsidies on other grains, and Cairns Group non

-subsidizers are pleading with USDA to "stop defying logic". USDA defends its subsidies by citing the 9/30/94 Rivlin

-Espy letter promising the use of EEP to the GATT

-permitted maximum, but today told NEC staff that it could suspend subsidies in August. U.S. News ran an article last month on the potential embarrassment for the Administration.
EXIM Bank and the IL

-96. NEC and OVP staff met with EXIM staff and Boeing staff this week to discuss the Vice President's meeting with Prime Minister Chernomyrdin. Boeing will provide a more detailed statement of what conditions are necessary for them to withdraw their opposition to EXIM Bank financing for Pratt & Whitney engines in the IL

-96 plane.
Cargo Preference. NEC staff worked with the Maritime Administration and DoD to craft a compromise that would allow for a waiver from the Cargo Preference Act for defense subcontractors (but not prime contractors).
Affirmative Action and Procurement. NEC staff met with Rep. LaFalce, ranking Democrat on the Small Business Committee, to discuss the President's affirmative action review, and the

implications for procurement setaside programs for women and minorities.

PRINTER FONT 12_POINT_ROMAN
Activities of the Assistant to the President

PRINTER FONT 12_POINT_ROMAN_ITALIC
LAURA D'ANDREA TYSON

Week of July 17, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Continued work on budget issues, including the daily budget working group and long

-range budget planning. Met with
members of the Cabinet from Departments of Labor, Health and Human Services, Treasury, Interior and Education to discuss appropriations for their agencies. Continued work on China trade and Japan trade issues, and the fast track resolution issue.
Chaired the weekly NEC Principal's meeting on the budget and the Weekly NEC Principal's meeting on general economic issues.
External: Met with members of the press including Time Magazine Washington bureau, NE+BS Pro, the Washington Post and Financial World Magazine. Spoke to the Junior Statesman Foundation. Met with the Australian Trade Minister, Bob McMullan. Met with Senator Daschle to discuss general issues.
PRINTER FONT 12_POINT_ROMAN_ITALIC
Week of July 24, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Will continue working with Erskine Bowles on the President's budget working group and meet with the Department of Energy regarding the appropriations process. Will meet to discuss Japan trade policy and tax reform issues.
External: Will meet with members of the press from the Washington Post, the Economist and Reuters. Will attend the monthly AFL

-CIO meeting.
PRINTER FONT 12_POINT_ROMAN_ITALIC
Activities of the Deputy Assistants to the President

BO CUTTER
Week of July 17, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Continuation of work on China; Russia; Air Traffic Controllers Corporation proposal; budget issues; civil aviation; APEC strategy; RCRA/EPA; various space

-related issues;
international economic and trade issues; Superfund; CAFE trucks; and fast track.

External: Working lunch at Australian Ambassador's residence with Minister of Trade regarding APEC.
Speaking engagements: Washington Campus: Economic Policy Formation at the White House.
Press: None.

PRINTER FONT 12_POINT_ROMAN_ITALIC
Week of July 24, 1995

PRINTER FONT 12_POINT_ROMAN
Internal: Continuation of work regarding Japan policy issues; and intelligence priorities.
External: None.
Speaking engagements: Department of Commerce's Big Emerging Markets Conference: Panel Chair "Scenarios for the Big Emerging Markets: The Next Decade."

PRINTER FONT 12_POINT_ROMAN_ITALIC
GENE SPERLING
Week of July 17, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Continued work on the budget, health care and affirmative action. Participated in daily budget meetings with Budget Working Group. Chaired meeting on Urban Policy with agency reps. Participated in OMB state

-by

-state meetings with
Education and Department of Labor. Met on health care strategy meetings with DPC and others. Met with speechwriters on message for Monday budget speech. Worked on Urban Policy Report. Met with reps from EPA and CEQ to discuss possible environmental health events. Prepared POTUS talking points for meeting with Congressional Leadership.
External: Attended Political Director's coordination meeting on the Hill. Radio calls with regional reporters.
PRINTER FONT 12_POINT_ROMAN_ITALIC
Week of July 24, 1995

PRINTER FONT 12_POINT_ROMAN
Internal: Participating in Rural Working Group meeting with reps from Cabinet Affairs, Deputy Assistant to the President for Domestic Policy, chiefs of staff from Dept. of Transportation, HHS, USDA and VA. Participating in weekly Education strategy meeting.
External: Monthly meeting with AFL

-CIO meeting with National
Economic Adviser. Briefing for Nassau County Democratic Party.
Continue to work with Hill on the budget.

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: Karen Dorsey@8=KOD@4=General Counsel@5=Department of the Treasury@3=GOV+TREAS@2=TELEMAIL@1=US@MRX@EOPMRX

CREATION DATE/TIME:13-SEP-1995 12:50:00.00

SUBJECT: LRM 2519 COMMENTS:TREAS

TO: ROBERT PELLICCI (PELLICCI_R@A1@CD) (OMB)
READ:13-SEP-1995 14:17:04.61

TEXT:

TREASURY COMMENTS RE OMB PROPOSED REPORT
ON PENSION PLANS

Comments from the Office of Tax Policy:

We have previously seen a draft of this letter that was to be sent by the PBGC Board of Directors and we gave our comments to the PBGC directly.

If this letter is to be an OMB letter, the comments we gave to PBGC should be reflected and the 4th paragraph needs to be revised to reference the PBGC's analysis, rather than "our" analysis.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Lisa Kountoupes (KOUNTOUPES_L) (OMB)

CREATION DATE/TIME:19-SEP-1995 21:22:32.03

SUBJECT: QUICK HOUSE UPDATE FROM TUESDAY

TO: Alice M. Rivlin (RIVLIN_A) (OMB)
READ:20-SEP-1995 07:19:05.16

CC: Charles S. Konigsberg (KONIGSBERG_C) (OMB)
READ:20-SEP-1995 10:21:50.45

CC: Alice M. Rivlin (RIVLIN_A) (OMB)
READ:20-SEP-1995 07:19:05.16

CC: Jacob J. Lew (LEW_J) (OMB)
READ:21-SEP-1995 18:16:55.42

CC: Patrick J. Griffin (GRIFFIN_P) (WHO)
READ:20-SEP-1995 08:52:50.71

CC: Martha Foley (FOLEY_M) (WHO)
READ:20-SEP-1995 10:12:09.19

CC: Ann M. Cattalini (CATTALINI_A) (WHO)
READ:20-SEP-1995 08:57:15.79

CC: Erin A. O'Connor (OCONNOR_E) (WHO)
READ:20-SEP-1995 08:49:21.94

CC: James C. Murr (MURR_J) (OMB)
READ:20-SEP-1995 08:25:51.50

CC: James J. Jukes (JUKES_J) (OMB)
READ:20-SEP-1995 08:37:33.75

CC: Janet R. Forsgren (FORSGREN_J) (OMB)
READ:20-SEP-1995 09:23:41.38

CC: Ronald K. Peterson (PETERSON_RK) (OMB)
READ:20-SEP-1995 08:12:29.85

CC: LAWRENCE J. HAAS (HAAS_L) (OMB)
READ:20-SEP-1995 07:53:22.48

CC: Robert G. Damus (DAMUS_R) (OMB)
READ:20-SEP-1995 12:02:41.30

CC: Barry B. Anderson (ANDERSON_B) (OMB)
READ:20-SEP-1995 08:25:44.41

CC: Gordon Adams (ADAMS_G) (OMB)
READ:20-SEP-1995 07:02:10.03

CC: T J Glauthier (GLAUTHIER_T) (OMB)
READ:19-SEP-1995 23:02:02.81

CC: Kenneth S. Apfel (APFEL_K) (OMB)
READ:20-SEP-1995 08:01:33.89

CC: Nancy-Ann E. Min (MIN_N) (OMB)
READ:19-SEP-1995 21:27:53.83

CC: Robert E. Litan (LITAN_R) (OMB)
READ:20-SEP-1995 06:57:19.82

CC: Joseph Minarik (MINARIK_J) (OMB)
READ:20-SEP-1995 07:39:30.94

CC: Sally Katzen (KATZEN_S) (OMB)
READ:20-SEP-1995 09:28:40.25

CC: Lydia Muniz (MUNIZ_L) (OMB)
READ:19-SEP-1995 21:39:40.60

CC: Charles E. Kieffer (KIEFFER_C) (OMB)
READ:19-SEP-1995 22:03:21.08

CC: Kristen E. Panerali (PANERALI_K) (OMB)
READ:20-SEP-1995 09:15:08.45

CC: John A. Koskinen (KOSKINEN_J) (OMB)
READ:20-SEP-1995 09:16:44.64

CC: Steven Kelman (KELMAN_S) (OMB)
READ:20-SEP-1995 09:13:02.61

CC: G. Edward DeSeve (DESEVE_G) (OMB)
READ:NOT READ

CC: John B. Arthur (ARTHUR_J) (OMB)
READ:20-SEP-1995 06:18:55.47

CC: William A. Halter (HALTER_W) (OMB)
READ:20-SEP-1995 09:14:52.57

CC: Jill M. Blickstein (BLICKSTEIN_J) (OMB)
READ:21-SEP-1995 08:33:14.59

CC: Chantale Wong (WONG_C) (OMB)
READ:20-SEP-1995 10:23:43.39

CC: Laura D. Tyson (TYSON_L) Autoforward to: Thomas O'Donnell (ODONNELL_T)
(WHO)
READ:NOT READ

CC: Thomas O'Donnell (ODONNELL_T) (WHO)
READ:NOT READ

CC: David J. Lane (LANE_D) (OPD)
READ:20-SEP-1995 08:51:17.39

CC: John Gibbons (GIBBONS_J) Autoforward to: Remote Addressee (gjack@ccmail.ostp.eop.gov@inet) (STP)
READ:NOT READ

CC: M. Jill Gibbons (GIBBONS_M) (OMB)
READ:20-SEP-1995 09:17:07.56

CC: Ronald E. Jones (JONES_RE) (OMB)
READ:20-SEP-1995 13:31:09.21

CC: Ingrid M. Schroeder (SCHROEDER_I) (OMB)
READ:20-SEP-1995 10:32:34.64

CC: Jeffrey A. Weinberg (WEINBERG_J) (OMB)
READ:20-SEP-1995 09:15:10.81

CC: James A. Brown (BROWN_JA) (OMB)
READ:20-SEP-1995 09:05:27.40

CC: Constance J. Bowers (BOWERS_C) (OMB)
READ:20-SEP-1995 09:00:37.09

CC: Melissa Y. Cook (COOK_MY) (OMB)
READ:20-SEP-1995 08:18:16.43

CC: Anna M. Briatico (BRIATICO_A) (OMB)
READ:20-SEP-1995 10:07:10.97

CC: Christopher J. Mustain (MUSTAIN_C) (OMB)
READ:NOT READ

CC: Robert J. Pellicci (PELLICCI_R) (OMB)
READ:20-SEP-1995 08:18:58.94

CC: James C. Crutchfield (CRUTCHFIEL_J) (OMB)
READ:20-SEP-1995 09:59:08.90

CC: Elyse H. Fitter (FITTER_E) (OMB)
READ:20-SEP-1995 09:18:30.43

CC: Michael L. Goad (GOAD_M) (OMB)
READ:20-SEP-1995 08:07:26.22

CC: Annette E. Rooney (ROONEY_A) (OMB)
READ:20-SEP-1995 10:15:15.89

CC: Dena B. Weinstein (WEINSTEIN_D) (WHO)

READ:20-SEP-1995 08:14:11.78

CC: Stacey L. Rubin (RUBIN_S) (WHO)
READ:20-SEP-1995 08:08:46.04

CC: Jennifer N. Palmieri (PALMIERI_J) (WHO)
READ:20-SEP-1995 08:57:40.26

CC: Karin L. Kizer (KIZER_K) (OMB)
READ:19-SEP-1995 21:46:37.41

CC: Margaret R. Shaw (SHAW_M) (OMB)
READ:NOT READ

CC: Deborah F. Kramer (KRAMER_D) (OMB)
READ:20-SEP-1995 08:35:16.54

CC: Diane G. Limo (LIMO_D) (OMB)
READ:20-SEP-1995 09:26:24.53

CC: Alice E. Shuffield (SHUFFIELD_A) (OMB)
READ:20-SEP-1995 16:45:20.61

CC: Janet L. Graves (GRAVES_J) (OMB)
READ:21-SEP-1995 13:47:46.10

CC: James I. Blount (BLOUNT_J) (OMB)
READ:20-SEP-1995 09:33:30.20

CC: Lara L. Roholt (ROHOLT_L) (OMB)
READ:20-SEP-1995 09:08:11.30

CC: Philip R. Dame (DAME_P) (OMB)
READ:20-SEP-1995 08:18:18.73

CC: Alan B. Rhinesmith (RHINESMITH_A) (OMB)
READ:20-SEP-1995 10:49:25.35

CC: Kenneth L. Schwartz (SCHWARTZ_K) (OMB)
READ:20-SEP-1995 08:04:48.28

CC: Barry T. Clendenin (CLENDENIN_B) (OMB)
READ:20-SEP-1995 06:44:00.04

CC: Robert B. Rideout (RIDEOUT_R) (OMB)
READ:19-SEP-1995 23:38:53.13

CC: Philip A. DuSault (DUSAULT_P) (OMB)
READ:20-SEP-1995 09:35:31.83

CC: Phebe N. Vickers (VICKERS_P) (OMB)
READ:20-SEP-1995 07:32:52.03

CC: Kathleen Peroff (PEROFF_K) (OMB)

READ:19-SEP-1995 21:27:35.56

CC: Ron Cogswell (COGSWELL_R) (OMB)
READ:20-SEP-1995 08:56:05.29

CC: Barry White (WHITE_B) (OMB)
READ:20-SEP-1995 07:45:50.00

CC: Richard P. Emery Jr. (EMERY_R) (OMB)
READ:20-SEP-1995 08:16:32.85

CC: Barbara C. Chow (CHOW_B) (WHO)
READ:20-SEP-1995 10:55:10.31

CC: Robert E. Barker (BARKER_R) (OMB)
READ:20-SEP-1995 08:19:32.84

CC: Mark Gearan (GEARAN_M) Autoforward to: Angus S. King (KING_A)
READ:NOT READ

CC: Donald A. Baer (BAER_D) (WHO)
READ:NOT READ

CC: Ann F. Walker (WALKER_A) (WHO)
READ:NOT READ

CC: Todd Stern (STERN_T) (WHO)
READ:NOT READ

CC: Nancy L. Brandel (BRANDEL_N) (OMB)
READ:20-SEP-1995 09:26:37.06

CC: Christopher F. Walker (WALKER_C) (WHO)
READ:NOT READ

CC: Deborah L. Shaw (SHAW_D) (OMB)
READ:20-SEP-1995 11:12:31.40

CC: Gene B. Sperling (SPERLING_G) Autoforward to: Daniel Taberski (TABERSKI_D)
(OPD)
READ:19-SEP-1995 21:29:53.50

CC: Timothy J. Keating (KEATING_T) (WHO)
READ:20-SEP-1995 07:56:57.00

CC: Kathryn Higgins (HIGGINS_K) (WHO)
READ:NOT READ

CC: Stephen B. Silverman (SILVERMAN_S) (WHO)
READ:NOT READ

CC: Bruce N. Reed (REED_B) (WHO)
READ:20-SEP-1995 09:14:21.10

CC: Jeremy D. Benami (BENAMI_J) (WHO)
READ:20-SEP-1995 09:03:21.54

CC: Douglas B. Sosnik (SOSNIK_D) (WHO)
READ:20-SEP-1995 10:25:47.38

CC: Karen L. Hancox (HANCOX_K) (WHO)
READ:20-SEP-1995 07:39:05.95

CC: Shelley N. Fidler (FIDLER_S) (CEQ)
READ:20-SEP-1995 10:01:23.14

CC: Janet L. Himler (HIMLER_J) (OMB)
READ:20-SEP-1995 09:09:02.25

CC: Daniel Tate (TATE_D) (WHO)
READ:21-SEP-1995 11:26:51.83

CC: John C. Angell (ANGELL_J) (WHO)
READ:20-SEP-1995 09:34:26.45

CC: Susanne D. Lind (LIND_S) (OMB)
READ:25-SEP-1995 11:00:58.77

CC: Ellen J. Balis (BALIS_E) (OMB)
READ:21-SEP-1995 08:55:07.08

CC: Anita Chellaraj (CHELLARAJ_A) (OMB)
READ:20-SEP-1995 09:38:47.96

CC: Alicia K. Kolaian (KOLAIAN_A) (OMB)
READ:20-SEP-1995 11:25:38.21

CC: Jennifer L. Nelson (NELSON_JL) (WHO)
READ:NOT READ

CC: Nick B. Kirkhorn (KIRKHORN_N) (WHO)
READ:NOT READ

CC: Janet Murguia (MURGUIA_J) (WHO)
READ:22-SEP-1995 20:45:53.82

CC: Lucia A. Wyman (WYMAN_L) (WHO)
READ:NOT READ

CC: Alphonse Maldon (MALDON_A) (WHO)
READ:NOT READ

CC: Bruce D. Long (LONG_B) (OMB)
READ:20-SEP-1995 06:38:04.65

CC: Donald L. Fowler (FOWLER_D) (WHO)
READ:NOT READ

CC: James T. Heimbach (HEIMBACH_J) (WHO)
READ:20-SEP-1995 08:48:08.66

TEXT:
Commerce Committee -
Marked up the Commerce Department Dismantlement bill. Exempted the PTO and the census bureau from a mandated 25% reduction. Could not get the votes together to pass the PMA sale. Staff was reviewing a revised draft as late as this afternoon. The have said they will try again to markup tomorrow, but I think they may decide to pass on the issue.
Resources -
Slated to finish markup late Tuesday night. A series of ANWR amendments were defeated: one by Cong. Miller to strike the provision, a second by Rep. Miller to make the revenues subject to the Alaska Statehood Act (which would allow the federal government only 10% of the revenues instead of 50%), aA third by Rep. Vento to prevent the export of crude oil from ANWR, and a fourth to strike the provisionin the draft that states the 1987 EIS is sufficient for all future action. An amendment to create a mitigation fund was adopted. Committee staff advised me that Chairman Young is expected to offer an amendment at the conclusion of the consideration that would create a much larger mitigation fund in an attempt to get some cover for the action the committee is taking.
The PMA provision in the committee print passed. An amendment to strike it was defeated by two votes. The Speakers office became engaged in the mid afternoon when it was relayed to him that both committees of jurisdiction were having significant difficulty reporting out a provision to meet the reconciliation instructions. Despite earlier efforts by Minority staff, there will not be an attempt to revote the provision.
Ways and Means -
Slated to finish marking up tax provisions Tuesday night. Reportedly the Rebulicans were told to not have any amendments, and the days events reflected that. A series of Democrat amendments designed to address the issues of greatest concern were defeated. Mr. Stark tried to strike the provision related to Medical Savings Accounts (MSAs) and replace the lost revenue by increasing the deduction for self-emplyment as much as would be needed to offset. Mr. Kleczka offered an amendment to strike the PBGC provision offset by the Neutral Cost Recovery System (NCRS) contained in the Contract with America. Mr. Kleczka also offered an amendment to require notification of those affected when a company draws down on a plan. This was defeated on a roll call vote. An improving Archer/Kleczka amendment that would cost about $1 billion was agreed to. Finally on EITC, an amendment by Mrs. Kennelly to restore approximately $22.3 billion was defeated. (There may have been additional amendments after 6:00 pm which we will report tomorrow.)
As an aside, the Democrats did a very good job with little lead time and limited information in asking questions and offering amendments on this committee print. They had very high attendance until well into the morning hours Monday asking questions and criticizing the print.
On the Budget Committee -
I talked to the House Parliamentarian today about how the Budget Committee and the House Leadership would likely handle a situation in which a committee does not meet its reconciliation requirements, or the Budget Committee or the Leadership do not like what a particluar committee has done (i.e. Agriculture reform or the PMA sale). Historically, the House Budget Committee has been very reluctant to meddle in an authorizting committee's jurisdiction. This year may prove to be different, but there are still some limitations. The

Budget Committee cannot simply report out a different version of the provison and plug that into the bill because that is not considered to be the sense of the House. It could report out a different provision that is sent to the Rules Committee. In that instance it has two options, it could become part of the base text of the floor vehicle under a self executing rule or it could e considered as a floor amendment to the bill by itself or as part of an en bloc amendment if there is more than one provision the Budget Committee has reported out. By voting to approve a rule that includes the Budget Committee reported language, the House is considered to have demonstrated its preference. Essentially, what this means is that Chairman Kasich will still have to be mindful of the will of the whole House when and if he develops an alternative approach to committee action because the House will have an opportunity to vote on it separately as a part of the rule or as an amendment.

RECORD TYPE: FEDERAL (XCHANGE MAIL)

CREATOR: Emma Horton (CN=Emma Horton/OU=ExecSec/O=USDOC [UNKNOWN])

CREATION DATE/TIME:28-SEP-1995 17:23:44.00

SUBJECT: Weekly Report - September 28, 1995

TO: Admin User (CN=Admin User/OU=WHO/O=GOV [OA])
READ:UNKNOWN

TO: Ron Blankenship (CN=Ron Blankenship/OU=WHO/O=GOV [UNKNOWN])
READ:UNKNOWN

TO: Marla Zometsky (CN=Marla Zometsky/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TO: Brooks Scoville (CN=Brooks Scoville/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TO: Ann Castagnetti (CN=Ann Castagnetti/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TO: Kris Balderston (CN=Kris Balderston/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TO: Sheila Turner (CN=Sheila Turner/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TO: LeeAnn Inadomi (CN=LeeAnn Inadomi/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TO: Deborah J. Behr (CN=Deborah J. Behr/OU=WHO/O=GOV [OA])
READ:UNKNOWN

TO: Stephen B. Silverman (CN=Stephen B. Silverman/OU=WHO/O=GOV [WHO])
READ:UNKNOWN

TEXT:
=================== ATTACHMENT 1 ===================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

PRINTER FONT 12_POINT_ROMAN
September 28, 1995

MEMORANDUM FOR: LEON PANETTA, THE WHITE HOUSE

FROM: SECRETARY RONALD H. BROWN

SUBJECT: Weekly Report

HOT ISSUES

The Supreme Court on September 27 granted Certiorari in City of New York v. Department of Commerce, a case involving the 1990 Census. The court decided to review an August, 1994 Second Circuit Court of Appeals decision that could have resulted in an adjustment of the 1990 decennial census. Legal briefs must be filed by November 9, 1995. Oral argument has not yet been scheduled.

Commerce's Bureau of Export Administration (BXA) is drafting an order for my signature which would establish the level of timber from state lands in Washington subject to export restriction after January 1, 1996. The Forest Resources Conservation and Shortage Relief Amendments Act requires I issue the order prior to September 30. We will keep you informed as to the specifics of the order.

On Thursday, October 5, the Census Bureau will release its annual report on income and poverty in the U.S. for 1994. The report details median family income and poverty as compared with the prior year, in general and demographically. As has historically been the case, the chief researcher of the report will hold a 10:00 AM press conference to review the findings and address questions. We expect significant media attention.

We are working with the White House on the announcement of further liberalization of export controls on computers, which may be accompanied by the announcement of an Executive Order which will implement the procedural reforms contained in last year's Administration proposal for a new Export Administration Act.

Under Secretary for International Trade Jeffrey Garten submitted his resignation on Wednesday, September 27, to take a position with Yale's business school.

I. KEY DEPARTMENT NEWS

On Friday, September 29, I meet with Romanian President Iliescu and 25 leading U.S. CEOs, as part of our ongoing advocacy efforts

in emerging economies throughout the world. I will be in New York to address Baruch College business students on the importance of private

-public partnerships to a growing U.S. economy.

Sunday morning I will be on C

-Span's Sunday Journal to discuss current issues as well as Congressional proposals concerning the Department. I will outline the threat of budget cuts to our trade promotion efforts when I address CEOs and District Export Council chairs in a conference call on Monday. We will work with the chairs to generate favorable regional press.

The importance of private

-public partnerships to U.S.
international competitiveness as we approach the 21st century will be the focus of my speech to the Council on Foreign Relations in Chicago on Wednesday, October 4. While in Chicago I address the International Masonry Institute on the importance of our trade promotion efforts to U.S. workers. I then travel to Miami on Thursday to address the U.S. Hispanic Chamber of Commerce, Associated Industries of Florida, and Florida A&M University, all on the cross cutting themes of the President's budget, the future of the Department and the continued expansion of the U.S. economy.
To stress the importance of increased advocacy toward developing strong economic ties with emerging markets throughout the world, I will open a District Export Assistance Center with Senator Jeffords in Vermont on October 6, host a meeting of the
U.S.

-South Africa Business Development Council on October 10, and a roundtable with U.S. and Chilean business people on the following day. I also attend the luncheon with Mexican President Zedillo on Wednesday and later meet with Greek Economy Minister Papantoniou.
The Department's Bureau of Economic Analysis (BEA) will release Corporate Profits for 2nd Quarter 1995 (revised) on September 29 and Personal Income and Outlays for August 1995 on October 2. The Census Bureau will release the following economic data: New
One

-Family Houses Sold and for Sale for August 1995 (9/29); Value of New Construction Put in Place for August 1995 (10/2); Manufacturers' Shipments, Inventories and Orders for August 1995 (10/4); Wholesale Trade for August 1995 (10/6); and, Quarterly Financial Report - Retail for 2nd Quarter 1995 (10/11).

Key economic figures to be released during the next two weeks that are likely to receive media attention include: Gross Domestic Product for 2nd quarter 1995 (final) on September 29 (BEA); Composite Indexes of Leading, Coincident and Lagging Economic Indicators for August 1995 on October 4 (BEA); and, Advance Retail Sales for September 1995 (10/13).

II. AGENCY WORK ON PRESIDENTIAL INITIATIVES

We are spending the bulk of time on promoting the President's balanced budget highlighting the issues of economic growth,

technology and competitiveness. In the course of domestic travel, such as my upcoming trips to Chicago and Miami, I will continue to incorporate the Administration

-wide budget message in
speeches and interviews, particularly those regarding legislative proposals on the Commerce Department.

We continue to work closely with Cabinet Affairs in coordinating both my travel schedule and press, as well as those of Commerce's subcabinet officials.

III. CONGRESS

We expect the Commerce, State and Justice Appropriations measure either to come to the Senate floor for a vote today, or to be recommitted and therefore addressed sometime mid

-October. I am
continuing my individual meetings with key Senators over the next two weeks.
We have sent a revised bill regarding Commerce's Patent and Trademark Office to OMB for clearance, so the Administration bill can be submitted to Congress as soon as possible despite the indications from last week's House Judiciary Committee hearing that our bill may be dead on arrival. The creation of a PTO entity with no ties to Commerce has been incorporated into the Chrysler bill. We understand House Judiciary is satisfied with this and will not mark up its own version of Chrysler.

Representative Clinger's Government Reform Committee has scheduled DOC Reorganization field hearings in Seattle (10/6), Los Angeles (10/7), Albuquerque (10/9) and Charlotte (10/20). The Department's involvement is currently under internal discussion.
We expect the House to name conferees to the conference committee on the telecommunications bill late this week.
Commerce's National Telecommunications and Information Administration (NTIA) will inform Members of Congress of grant awardees for both the National Endowment for Children's Educational Television (NECET) and the Telecommunications and Information Infrastructure Assistance Program September 29.

IV. REGULATORY ACTION

Endangered Species Listing (two issues). Within the next few weeks, we expect to clear a proposed rule to list Atlantic salmon populations in the Sheepscot, Ducktrap, Narraguagus, Pleasant, Machias, East Machias and Dennys Rivers in Maine as a threatened distinct population segment under the Endangered Species Act. Also, we expect to clear a proposed rule to reclassify the Steller sea lion as two distinct populations -- a western population, which is still in serious decline, to be listed as endangered; and an eastern population to continue its listing as threatened under the Endangered Species Act.

First NAFTA Panel on Mexican Anti

-Dumping (AD) Case. The NAFTA
binational panel invalidated the Mexican government's AD order on steel only as to the complainants (Bethlehem and USX) and not as

to others U.S. steel producers/exporters who participated in the

investigation but not the panel. Mexico's regulations provide for a mini

-proceeding in such situations, which could allow the other parties to establish why they also should benefit from this relief. We are waiting for the Mexican government to respond to the NAFTA panel, which they are to do by September 29.

Streamlining of Economic Development Administration (EDA) Regulations. We announced the clearance EDA's interim final rule to streamline and simplify their entire body of regulations, a major component of the Department's activities in fulfillment of the President's regulatory reform initiative. The rule was published in The Federal Register on Tuesday, September 26.

V. PRESS INQUIRIES

We continue coordinated, aggressive press at the Cabinet and Subcabinet level countering and criticizing Republican budget proposals, particularly those that cut or reorganize Commerce. We have also actively promoted the President's alternative budget.
I expect to reiterate this message in several media events over the next few weeks. I will appear on C

-Span's Sunday Journal
this weekend. I also expect substantial regional press coverage in Chicago, Miami and Vermont in the course of my trips to those places.
As part of our strategy to reinforce the vitality of Commerce functions, we are highlighting announcements regarding several threatened Commerce programs, which benefit both business and the general public:
?I announced the winners of the National Medal of Technology on Wednesday, September 27 at a press conference. I emphasized the effectiveness of the Administration's technology programs in helping U.S. industry remain competitive.
?We will be releasing our annual Competitiveness Report as well as a report on trade and technology within the next two weeks, accompanied by targeted press events.
?I will release the Third Annual Report to Congress on the National Export Strategy within the next week. We are working to plan a press event, Congressional hearings (tentatively October 12) and a possible Presidential release, to highlight the coordinated efforts of the Administration to increase exports and create jobs.
?NIST will announce its Advanced Technology Program (ATP) awards (in the information infrastructure for health care focused competition) on Friday, September 29. This will garner regional stories focused on technology issues. NIST

also will hold a reporter roundtable on October 12 which
will focus on research being done with its Molecular
Measuring Machine. We expect significant coverage by

science press.

Additionally, there are several stories concerning NOAA underway:
Maine/regional press on listing of Atlantic Salmon under the ESA
(see above); ABC piece on Automated Surface Observation Systems;
and, NPR and Wall Street Journal pieces based on ozone

-related
House Science testimony by NOAA Aeronomy Lab Director Dan
Albritten.

VI. FOIA REQUESTS

RECEIVED

National Security Archive 9/8/94 Mission to
China

(1993), Russia,

Latin

America, China

National Security Archive 4/7/95 Documents re:
trips to China by
Secretaries Kreps
and Baldrige

National Security Archive 4/10/95 Documents re:
Reagan

trip to Japan 11/8-
11/11, 1983

National Security Archive 4/10/95 Documents re:
visit

of Japanese Foreign
Minister Shintaro
Abe to DC in Jan '84

Brent Walth 6/13/95 Commerce
communications
Newhouse News Service with Senators Bob
The Oregonian Packwood, Mark Hatfield,
Patty Murray and Slade
Gorton and
Representatives Elizabeth
Furse, Wes Cooley, Ron
Wyden, Peter DeFazio, Jim
Bunn, Linda Smith and
Helen Chenoweth and their
offices office from
1/1/89 to present (11
separate requests)

Colleen Haggerty 6/27/95 Correspondence
between Secretaries
Verity and Baldrige and
Senator Pete Wilson

regarding SER jobs, MBDA, San Diego State University

Keith White	9/15/95	Records of any DOC payment of Gannett travel expenses for Members of Congress on Approps Cmte.
Alan Miller	9/26/95	Records of any DOC payment of LA Times travel expenses for House Approps Cmte. staffers

VII. WEEK IN REVIEW

Our message of the past week focused on the importance of Commerce in implementing the Administration goals of job creation and economic growth.

On Friday I traveled to Philadelphia to preview the opening of the U.S. Export Assistance Center (EAC), part of our nationwide trade network and a key component in our effort to increase U.S. exports and create jobs. I was on a local TV morning show discussing U.S. economic competitiveness, and the very real threat posed by Congressional Republicans to our economic future. I joined Mayor Ed Rendell for a press roundtable to discuss Commerce programs (the EAC and defense conversion projects) working for Eastern Pennsylvania, which elicited a positive editorial in the Philadelphia Inquirer earlier this week. Friday afternoon I addressed the urban radio hosts gathered at the White House, and on Saturday I attended the CBC dinner.

On Monday, September 25, I kicked off the annual Minority Enterprise Development (MED) Week, sponsored by Commerce's Minority Business Development Administration (MBDA). MED Week informs minority business owners and entrepreneurs of growth opportunities, and is especially germane this year as we fight to save MBDA funding. This will be a key theme, along with the celebration of Hispanic Heritage Month, as I address the U.S. Hispanic Chamber of Commerce in Miami on Thursday, October 5.

On Wednesday, September 27, I announced the winners of the 1995 National Medal of Technology, stressing the importance of technological advances to America's future competitiveness. I joined Secretaries Rubin and Reich for a Pension Benefit Guarantee Corporation press conference, and hosted separate visits from Nicaraguan President Violeta Chamorro, with whom I announced a planned March 1996 trip to Nicaragua, and Ukrainian Prime Minister Yevhen Marchuk.

VIII. SECRETARY'S SCHEDULE

I continue a very active schedule of meetings, hearings and phone conversations with Hill and business leaders and the press, focusing on Commerce and Administration budget issues, as well as longer

-range planning for domestic and overseas economic growth initiatives (defense conversion, follow up on BEMs, Amman Summit, APEC, JCCT meeting in China, Gore

-Mbeki South Africa meeting, for example). Also, important announcements throughout September include roll

-out of the new National Export Strategy report with field hearings and a possible White House event, and the Competitiveness Section 206 report. I also expect to be called to testify before other Congressional committees regarding DOC

action.

IX. SUB

-CABINET SCHEDULE

Technology
Given the Congressional emphasis on scaling back or redistributing many of Commerce's technology

-related programs,
senior officials in this area are focusing on travel which serves to reiterate the importance of technology and public

-private
partnerships to future economic growth.
Under Secretary for Technology Mary Good will travel to Chicago October 10 to deliver a speech at the U.S.

-Korea TechPlaza '95,
and to address the Society of Research Administrators Justin Crawford Lecture. Good will be in Newark October 13 to deliver the inaugural lecture at the New Jersey Inventors Hall of Fame. Assistant Secretary for Communications and Information Larry Irving addresses Senator Burns' Montana Telecommunications Advisory Council Symposium in Billings on October 2, and will participate along with Deputy Secretary Dave Barram in Telecom '95 in Geneva beginning October 5.
Export Promotion

Efforts in this area are focusing on the ongoing EAC openings, which demonstrate Commerce's commitment to local economic growth; the roll

-out of the National Export Strategy; and the fulfillment of the BEMs initiative as a major vehicle for increasing exports.

Under Secretary for Export Administration Bill Reinsch will be a panelists at the International Conference of the American industries Association in Tuscon on October 5.

Sustainable Development
We continue to emphasize the practical business and everyday applications of NOAA's activities, demonstrating in the course of speeches and appearances the irrevocable link between the economy and the environment.
NOAA Assistant Administrator for the National Weather Service Joe Friday will speak at the dedication ceremonies of NWS offices in Flagstaff, AZ on October 2 and Elko, NV on October 6.
================= END ATTACHMENT 1 =================

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Wendy J. Einhellig (EINHELLIG_W) (OPD)

CREATION DATE/TIME:10-OCT-1995 18:00:16.09

SUBJECT: Pension Simplification Conference Call

TO: Mark D. Menchik (MENCHIK_M) (OMB)
READ:10-OCT-1995 18:22:57.47

TO: Larry R. Matlack (MATLACK_L) (OMB)
READ:10-OCT-1995 18:01:39.00

TO: Harry G. Meyers (MEYERS_H) (OMB)
READ:NOT READ

TO: Robert E. Litan (LITAN_R) (OMB)
READ:NOT READ

TO: FAX (9395-6809,Mark Mazur) (TLXA1MAIL_\F:9395-6809\C:Mark Mazur\ )
READ:NOT READ

TO: FAX (9395-6853,Carolyn Fisher) (TLXA1MAIL_\F:9395-6853\C:Carolyn FisherREAD:NOT READ

TO: FAX (9326-4016,Judy Schub) (TLXA1MAIL_\F:9326-4016\C:Judy Schub READ:NOT READ

TO: FAX (9326-4085,Stuart Sirkin) (TLXA1MAIL_\F:9326-4085\C:Stuart SirkinREAD:NOT READ

TO: FAX (9622-0605,Mark Iwry) (TLXA1MAIL_\F:9622-0605\C:Mark Iwry
READ:NOT READ

TO: FAX (9219-5526,Berg) (TLXA1MAIL_\F:9219-5526\C:Berg READ:NOT READ

TO: FAX (9219-6531,Alan Lebowitz) (TLXA1MAIL_\F:9219-6531\C:Alan LebowitzREAD:NOT READ

TO: FAX (9219-6531,Stephen Lee) (TLXA1MAIL_\F:9219-6531\C:Stephen LeeREAD:NOT READ

TO: Ellen S. Seidman (SEIDMAN_E) (OPD)
READ:10-OCT-1995 18:04:44.31

TO: Milo B. Sunderhauf (SUNDERHAUF_M) (OMB)
READ:11-OCT-1995 09:18:29.77

TO: John F. Morrall, III (MORRALL_J) (OMB)
READ:10-OCT-1995 18:26:10.18

TO: FAX (9326-4016,Nell Hennessy) (TLXA1MAIL_\F:9326-4016\C:Nell Hennessy
READ:NOT READ

TO: FAX (9219-7291,Robert Doyle) (TLXA1MAIL_\F:9219-7291\C:Robert DoyleREAD:NOT READ

TO: FAX (9219-5526,Meredith Miller) (TLXA1MAIL_\F:9219-5526\C:Meredith MillerREAD:NOT READ

TO: FAX (9622-9260,Liz Buchbinder) (TLXA1MAIL_\F:9622-9260\C:Liz BuchbinderREAD:NOT READ

TO: FAX (9326-4016,William Posner) (TLXA1MAIL_\F:9326-4016\C:William PosnerREAD:NOT READ

TO: FAX (9326-4016,Marty Slate) (TLXA1MAIL_\F:9326-4016\C:Marty SlateREAD:NOT READ

TO: FAX (9622-9260,Vicki Judson) (TLXA1MAIL_\F:9622-9260\C:Vicki JudsonREAD:NOT READ

TO: FAX (9326-4085,Joseph Grant) (TLXA1MAIL_\F:9326-4085\C:Joseph GrantREAD:NOT READ

TO: Daniel J. Chenok (CHENOK_D) (OMB)
READ:10-OCT-1995 18:05:27.81

TEXT:
URGENT URGENT URGENT URGENT URGENT
There will be a Pension Simplification Working Group conference
call tomorrow morning (Wednesday, October 11) at 9am to discuss
Senator Dole's SIMPLE proposal which Treasury is faxing around.
There are only 14 spots on the conference call (seven per phone
number) so please double up using speakerphones whereever possible
to call in.
Use 456-6777 if you're from the White House or Treasury.
Use 456-6799 if you're from PBGC or Labor.
The code for both numbers is 4998.
Questions to 456-2802. Sorry for the sudden intrusion on your
schedules.

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: Ronald Levy@8=RL@4=Asst GC Legis Litig Regu@5=Department of the Treasury@3=GOV+TREAS@2=TELEMAIL@1=US@MRX@EOPMRX

CREATION DATE/TIME:17-OCT-1995 16:13:00.00

SUBJECT: PBGC-03-A LRM No. 2810

TO: PELLICCI_R@A1@CD
READ:17-OCT-1995 16:32:40.26

CC: ASSOC GEN COUNSEL (LLR) (ASSOC (LLR)@8=AGC(@4=Asst GC Legis Litig Regu@5=Department of the Treasury@3=GOV+TREAS@2=TELEMAIL@1=US@MRX@EOPMRX)
READ:NOT READ

TEXT:
PBGC-03-A LRM No. 2810: Pension Benefit Guaranty Corporation
Draft Report on Finance Committee Proposal to Permit the Use of
Pension Funds for Other Employee Benefiot Purposes

Bob:

From our Domestic Finance folks.

Page 1, last paragraph -- After the 3rd sentence (ending ".... prior to their termination.") add a new sentence:

"Employers often increase plan liabilities -- such as closing plants or negotiating pension benefit increases in lieu of wages -- or reduce employer contributions."

Ron L.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Paul A. Deegan (DEEGAN_P) (OPD)

CREATION DATE/TIME:23-OCT-1995 08:02:41.91

SUBJECT: Weekly Report

TO: Pauline M. Abernathy (ABERNATHY_P) (OPD)
READ:23-OCT-1995 10:36:19.33

TO: Julia E. Chamovitz (CHAMOVITZ_J) (OPD)
READ:23-OCT-1995 08:53:31.76

TO: Michael D. Deich (DEICH_M) (OPD)
READ:23-OCT-1995 09:00:38.47

TO: Paul R. Dimond (DIMOND_P) (OPD)
READ:23-OCT-1995 09:39:37.82

TO: Wendy J. Einhellig (EINHELLIG_W) (OPD)
READ:23-OCT-1995 08:10:13.60

TO: Michael B. Froman (FROMAN_M) (OPD)
READ:NOT READ

TO: Jason S. Goldberg (GOLDBERG_JS) (OPD)
READ:NOT READ

TO: Daniel D. Heath (HEATH_D) (OMB)
READ:23-OCT-1995 17:42:21.31

TO: Elgie Holstein (HOLSTEIN_E) (OPD)
READ:23-OCT-1995 09:24:25.63

TO: Gay L. Joshlyn (JOSHLYN_G) (OPD)
READ:23-OCT-1995 09:34:51.90

TO: Thomas A. Kalil (KALIL_T) Autoforward to: Remote Addressee (
tkalil@arpa.mil@inet) (WHO)
READ:NOT READ

TO: Robert D. Kyle (KYLE_R) (OPD)
READ:NOT READ

TO: David J. Lane (LANE_D) (OPD)
READ:24-OCT-1995 08:35:02.36

TO: Elisabeth L. Lindemuth (LINDEMUTH_E) (OPD)
READ:23-OCT-1995 11:11:50.13

TO: Sonyia Matthews (MATTHEWS_S) (OPD)
READ:23-OCT-1995 08:33:28.01

TO: Elaine M. Mitsler (MITSLER_E) (NSC)
READ:27-OCT-1995 10:08:52.40

TO: Thomas O'Donnell (ODONNELL_T) (WHO)
READ:NOT READ

TO: Aaron J. Rappaport (RAPPAPORT_A) (OPD)
READ:NOT READ

TO: Dorothy Robyn (ROBYN_D) (OPD)
READ:23-OCT-1995 08:02:46.60

TO: Ellen S. Seidman (SEIDMAN_E) (OPD)
READ:23-OCT-1995 08:28:43.67

TO: Gene B. Sperling (SPERLING_G) Autoforward to: Daniel Taberski (TABERSKI_D)
(WHO)
READ:NOT READ

TO: Daniel Taberski (TABERSKI_D) (OPD)
READ:NOT READ

TO: FAX (94569280,NEC Staff, 227) (TLXA1MAIL_\F:94569280\C:NEC Staff, 227
READ:NOT READ

TO: FAX (94569290,NEC Staff, 365) (TLXA1MAIL_\F:94569290\C:NEC Staff, 365
READ:NOT READ

TO: FAX (93956853, Lael Brainard) (TLXA1MAIL_\F:93956853\C:Lael Brainard)
READ:NOT READ

TO: Laura D. Tyson (TYSON_L) Autoforward to: Thomas O'Donnell (ODONNELL_T)
(WHO)
READ:NOT READ

TO: Helen C. Walsh (WALSH_H) (OPD)
READ:23-OCT-1995 14:37:30.53

TO: Dena B. Weinstein (WEINSTEIN_D) (WHO)
READ:23-OCT-1995 09:41:40.80

TO: Marilyn E. Wilson (WILSON_M) (NSC)
READ:NOT READ

TO: Remote Addressee (mmazur@rurdev.usda.gov@INET)
READ:NOT READ

TEXT:

PRINTER FONT 12_POINT_ROMAN
October 20, 1995

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: LAURA D'ANDREA TYSON

SUBJECT: NEC STAFF WEEKLY REPORT

The following is an update on NEC initiatives and policy development efforts:

PRINTER FONT 12_POINT_ROMAN_ITALIC
Urban Issues: NEC staff coordinated an effort to develop and analyze tax incentives targeted toward distressed urban communities in response to a request by a group of big city mayors. The proposals could be incorporated into a reconciliation package or in next year's budget submission. NEC Principals met to discuss this topic and made some
PRINTER FONT 12_POINT_ROMAN
preliminary determinations about appropriate policy directions. When the analysis is completed, a decision memo will be drafted.
PRINTER FONT 12_POINT_ROMAN_ITALIC
Tax Issues: The NEC met to discuss the various tax proposals included in the Senate Finance Committee markup document and to develop a coordinated Administration position on these items. Treasury's statements at the markup articulated many of these positions. In addition, NEC principals and staff discussed the development of a new tax incentive for post

-secondary education.
This incentive would completely pay for a student's first two year's of community college education.
Banking Legislation: Mr. Leach's Glass

-Steagall/banking
regulatory reform bill is moving closer to the House floor, but bank opposition is growing because of the bill's restrictions on the Comptroller's ability to authorize national banks to engage in insurance activities. Coupled with the bill's gutting of CRA and several other provisions, the insurance issue will probably generate a Presidential veto threat from Secretary Rubin. NEC staff has been working with Treasury, OMB and other agencies on the letter. Leach still hopes to bring the bill to the floor this week, but time is running out.
Pension Simplification/Reversion: NEC staff continues to work with Treasury, PBGC and Labor both to defeat the pension reversion provision in the Senate tax bill, and to increase the

likelihood of inclusion of pension simplification.
Debt Limit: NEC staff worked with Treasury staff to discuss various issues related to the debt limit.

Disaster Insurance: Both the House Infrastructure Committee and the Senate Commerce Committee held hearings on the Natural Disaster Coalition's bill on Wednesday, October 18. Both Secretary Rubin and FEMA Director Witt sent letters to the committees prior to the hearing. While Director Witt's was simply a request to testify, Secretary Rubin's made it clear that the bill had major flaws: In short, it would give the insurance industry a self

-regulated monopoly over rates, terms and conditions and claims adjustment for earthquake and wind insurance, while requiring almost all American homeowners to buy the insurance. (The bill would preempt state insurance regulation.) The bill also would open substantially unlimited liability for the federal government to bail out insurers. Administration witnesses (from Treasury and FEMA) will testify at a second hearing on November 2. We will attempt to interest the committees in moving ahead with legislation structured along the lines of the Administration's February 1995 policy paper, not the NDC bill.

Bankruptcy Commission: The Bankruptcy Commission will hold its first public meeting on Friday, October 20. NEC staff plan to attend part of the meeting. Mike Synar will apparently chair the meeting.

Securities Litigation Reform: We understand House and Senate conferees cut a deal on this legislation on October 19. We have not yet seen it or had an opportunity to evaluate it.

Activities of the Assistant to the President

LAURA D'ANDREA TYSON

Week of October 16, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Met to discuss budget alternatives, budget strategies, Medicare and Medicaid alternatives, debt limit and baseline issues. Worked on Economic Conference preparation and urban issues, including tax and education issues. Discussed EITC possibilities and US

-UK civil aviation.
External: Interviewed with Mother Jones magazine, spoke by satellite to the Electronics Industry Association and in person to the Economic Club of Columbus, Ohio. Participated in a U.S. News and World Report roundtable on Medicare reform and interviewed on the Nightly Business Report regarding the budget and debt limit. Met with the Australian Ambassador to the United States. Attended and participated in the Midwest Economic Conference.

PRINTER FONT 12_POINT_ROMAN_ITALIC
Week of October 23, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Will continue to discuss budget alternatives, budget strategies, Medicare and Medicaid alternatives, debt limit and

baseline issues. Will continue to work on urban issues including taxes and education options.
External: Will interview with BusinessWeek magazine. Will meet with CIA Director Deutch on Japan trade talk issues and with CEO's to discuss APEC issues. Will also meet with ACORN representatives to discuss budget issues. Will meet with the British Ambassador, Sir John Kerr, and with CFTC Commissioner Mary Schapiro.

PRINTER FONT 12_POINT_ROMAN_ITALIC
Activities of the Deputy Assistants to the President

BO CUTTER
Week of October 16, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Continuation of meetings to discuss USEC privatization; APEC; Japan and semiconductors.
External: Attended OECD meeting in Paris as U.S. representative; meeting to discuss renewal of U.S./Japan semiconductor agreement.

PRINTER FONT 12_POINT_ROMAN_ITALIC
Week of October 23, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Continuation of discussion of the budget; briefing on trainwrecks, hurricanes, and other budget scenarios; foreign offsets; economic intelligence.
External: Meeting with Deputy Chief of Mission, Italian Embassy regarding developments in transatlantic dialogue and information technology.

PRINTER FONT 12_POINT_ROMAN_ITALIC
GENE SPERLING
Week of October 16, 1995
PRINTER FONT 12_POINT_ROMAN
Internal: Organized events on the impact of budget cuts on youth. Organized Medicare and Medicaid strategy. Met with White House staff to organize budget strategy. Will brief President for, and attend, Midwest Economic Conference.
External: Participated in 'Shanahan' press tong.
PRINTER FONT 12_POINT_ROMAN_ITALIC
Week of October 23, 1995

PRINTER FONT 12_POINT_ROMAN
Internal: Will participate in developing educational technology initiatives. Will organize youth budget impact events.Will continue to organize budget and Medicare/Medicaid strategy.
External: Will participate in DNC Small Business Issues Roundtable.

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: CN=Kumiki S. Gibson/O=OVP@OVP@LNGATE@EOPMRX

CREATION DATE/TIME:31-OCT-1995 11:59:00.00

SUBJECT: draft remarks for Reg Plan

TO: LAUGHLIN_K (LAUGHLIN_K@A1@CD) (CEQ)
READ:31-OCT-1995 12:19:18.06

TEXT:
Message Creation Date was at 31-OCT-1995 13:21:00

Is there anything troubling in the DRAFT VP statement (below)? Please advise.
ksg

P.S. How are you these days?

To: Kumiki S. Gibson, KATZEN_S @ A1@CD at CCGATE@CCMAIL
cc: FITZPATRIC_M @ A1@CD at CCGATE@CCMAIL
From: ARBUCKLE_D @ A1@CD at CCGATE@CCMAIL
Date: 10/31/95 11:09:00 AM
Subject: draft remarks for Reg Plan

Sally,
Kumiki

Here are some draft remarks for the VP statement at the beginning of the Reg Plan. I stole them mostly from a recent Sally speech. See what you think.
Don

DRAFT DRAFT 10/31/95

1995-1996 REGULATORY PLAN

During the past year, a vigorous and often unnecessarily acrimonious debate on regulatory reform has been underway. The debate is still going on, and the question remains as to whether it will be a productive one -- whether it will yield results that will improve, rather than burden, our ability to protect public health, safety, and the environment without imposing undue costs on the private sector.

Many people, both in and out of Washington, now argue that there are too many regulations; that regulations are too costly, too invasive, and too presecriptive; and that regulatory reform is necessary. We agree, and changing the way the federal government regulates is, and has been since January 1993, a priority for us. We favor:

? early public participation in the regulatory process;
? the use of the best available scientific evidence;
? carefully conducted risk assessments;
? flexible, cost-effective performance standards; and

? a review of existing regulations.

As desirable as bringing about regulatory reform is, there is a right way to do it and a wrong way. This Administration is committed to improving the rulemaking process the right way. President Clinton and I have been dedicated to regulatory reform from the outset. In September 1993, the President signed Executive Order 12866, "Regulatory Planning and Review.? And we have made considerable progress implementing the principles set forth in that order: by legitimizing centralized review (which was a subject of intense controversy in previous administrations); by expanding outreach to the regulated community; by doing a better job of coordinating regulatory efforts between federal agencies; by doing better cost/benefit analyses; and in producing better, more tailored, focused, and cost-effective regulations.

In addition, in the Fall of 1994, the President asked me to conduct a series of meetings on both cross-cutting and sector-specific regulatory issues that have resulted in a number of initiatives. For example, we asked agencies to review, page-by-page, their existing regulations in order to eliminate those that are unduly burdensome, outdated, or in need of revision. We announced the results in June -- 16,000 pages to be eliminated from the Code of Federal Regulations and another 31,000 to be reinvented. We also asked the agencies to make several other changes in the way they do business:

? reward results not red tape

? get out of Washington and create grassroots partnerships

? submit a list of rulemakings that can be converted into negotiated rulemakings

Last spring, we announced the first of a series of specific

sectoral reforms.

EPA will:

? cut its paperwork burden by 25%
? institute one-stop emissions reporting
? give small businesses a grace period to correct violations
? install a self certification program (starting with pesticides)
? 25 environmental reforms in all

FDA will:
? allow manufacturing changes for drug manufacturers without pre-approval if the risk is negligible
? eliminate environmental assessments
? increase the number of medical devices that would not need pre-market clearance

OSHA will:
? nationalize the oft praised ?Maine 2000" program, which replaces command-and-control system with a partnership between OSHA and those it regulates
? focus inspections on the most serious workplace hazards
? reduce penalties for violations corrected during inspection

DOL, Treasury, and PBGC will reform the pension benefit system by:
? providing small business w/ simplified plan formats
? streamlining and simplifying the nondiscrimination rules for all pension plans
? eliminating rules imposed on multi-employer plans that were intended to prevent abuse by single-employers
? implifying reporting requirements

Perhaps the major complaint about regulations, especially from small business, is not the regulations themselves but the way they are enforced. Here we announced a new program for first-time small businesses that allows them to avoid punitive fines if they use the funds to correct the hazard in question in a reasonable time period. We are also working closely with the SBA to ensure that reg flex is not merely a paper tiger.

Just as there is a right way to bring about a smarter regulatory system, there is also a wrong way. Some proposals being considered would, in the name of regulatory reform, impair rather than improve the process. They will not necessarily produce better regulations, but rather, they appear designed to shut down the regulatory system -- to produce no regulations at all.

Regulatory decisionmaking is not, and cannot be made to be, an application of simple-minded mechanical principles. Often, all the necessary information is not available. Problems and solutions may prove elusive and hard to define. And at other times, the choices are between conflicting but equally valid objectives. This does not mean, however, that the government should withdraw from its fundamental role of refereeing the market place and helping to protect our citizens? health, safety, and the environment. Instead, we need to try even harder to use the tools available to us in a sensible manner. They can help to clear away the regulatory undergrowth that has accumulated over the past 50 years. They can help to refine, re-engineer, and reinvent regulatory programs so that they become agents of the national wellbeing rather than causes of national frustration.

This Administration is committed to responsible regulatory reform. Many significant changes have already been taken at

major regulatory agencies, such as EPA, FDA, OSHA, DOT, Eduction, and HUD. And many more significant changes are well underway. This Regulatory Plan reflects many of these improvements; over half the entries describe programs in the process of being reinvented.

On behalf of the Executive branch agencies, I am pleased to present this outline of their regulatory activities for the upciming year.

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: Karen
Dorsey@8=KOD@4=MS01@5=DO@3=GOV+TREAS@2=TELEMAIL@1=US@MRX@EOPMRX

CREATION DATE/TIME: 1-NOV-1995 12:24:00.00

SUBJECT: LRM 3006 COMMENTS:TREAS

TO: ROBERT PELLICCI (PELLICCI_R@A1@CD) (OMB)
READ: 1-NOV-1995 12:50:41.99

TEXT:
Treasury has no comments regarding the PBGC proposed report (to be signed by OMB Director Rivlin) on the House-passed budget reconciliation bill provision allowing companies to remove pension assets and use them for other purposes.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)

CREATION DATE/TIME: 9-NOV-1995 15:34:32.00

SUBJECT: E & Y

TO: Remote Addressee (CMLewis@ofheo.gov@INET)
READ:NOT READ

TEXT:
Chris Bonham of GAO called to ask that you please work a little with E & Y so that they can finish up.
Listening to her and comparing with what I last heard from you, I think there may be a bit of miscommunication between you and E & Y. She mentioned that the "first model" for PBGC had some features that you wanted maintained, which the "second model" that had the amortization ability did not have. I think the reason they gave the output to you to check is that they do not understand what changes were made between the first and second models other than the amortization provision. Or perhaps they are not sure which is the "real one" the results from which they should be publishing.
They also transmitted your comments about amortization not having been seen by OMB. I explained to her that the Clinton Administraton had never made a proposal to budget for insurance using accruals. That Bush had proposed doing so for DI and PBGC, so we had worked out the mechanics for that, but we had not known how to amortize correctly then. Thus, OMB has not seen what the amortized PBGC expenses look like and has not reviewed the precise method of calculation. Both models are used for text, but only the deposit insurance model influences the budget appendix data. Also, we have not officially worked out the mechanics for the other insurance programs.
On November 29th at 1 pm Dick Emery, Rusty Moran and I are going to meet with Chris Bonham, Paul Posner, and others from GAO and Marvin Phaup of CBO to discuss the budget "plumbing" for insurance programs on an accrual basis. It sounds as though they are going to publish a study of the advantages, disadvantages, and mechanics of that as well as the study of the models.

Just got the input for the meeting with Tom Lutton. "Technical Notes: Projecting Resolved Bank Assets: A Comparison of Five Models" Dated 3/15/94 An OCC Presentation to OMB. It is either identical to or a slightly later version of the comparison that you gave me in the banking folder. I can bring over a copy on Monday if you would like to refresh your memory.
Hope you enjoyed the trip and the opportunity to be an official expert!

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Mark D. Menchik (MENCHIK_M) (OMB)

CREATION DATE/TIME:15-NOV-1995 09:05:26.11

SUBJECT: PBGC ISSUES DECEMBER RATES FOR VALUING PENSION PLAN BENEFITS

TO: Remote Addressee (TLARTHUR@aol.com@INET@EOPMRX)
READ:NOT READ

TEXT:
PBGC ISSUES DECEMBER RATES FOR VALUING PENSION PLAN BENEFITS
The Pension Benefit Guaranty Corporation filed Nov. 14 revised rates for valuing plan benefits in single-employer plans, as well as for plan benefits and assets following mass withdrawal.
PBGC previously issued the two rates under separate regulations. It now combines them in one rule. They include two sets of interest rates and factors, one to be used for the valuation of benefits to be paid as annuities and one for the valuation of benefits to be paid as a lump sum.
The same assumptions apply to terminating single-employer plans and to multiemployer plans that have undergone a mass withdrawal and are effective Dec. 1, 1995, PBGC said.
For annuity benefits, the December interest rate will be 6 percent for the first 20 years following the valuation date and 5.75 percent thereafter. The November rates were 6.2 percent and 5.75 percent, respectively.
For benefits to be paid as a lump sum, the interest assumptions to be used by PBGC will be 4.50 percent for the period during which benefits are in pay status and 4 percent during all years preceding the benefit's placement in pay status. The November rates were 4.75 percent for the period during which benefits were in pay status and 4 percent during all years preceding the benefit's placement in pay status.
PBGC periodically adjusts the interest rates and factors to reflect changes in the financial and annuity markets. Generally, the interest rates and factors under these rules are in effect for at least one month. However, PBGC publishes its interest assumptions each month for valuation of plan benefits and assets whether or not the rates are changed.
Health Care

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Laurence R. Jacobson (JACOBSON_LR) (OMB)

CREATION DATE/TIME:31-JAN-1996 09:19:51.85

SUBJECT: Pension Model Data

TO: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)
READ:31-JAN-1996 17:56:16.68

CC: Stephen A. Kane (KANE_S) ()
READ:31-JAN-1996 10:12:27.94

TEXT:
We got the data that we need from PBGC to to an updated run. However, doing the procedures that Chris outlined involved both SAS and Gauss knowledge and we could not do it unassisted. Richard Bavier says he is not likely to be able to give us much help.
Can we call on Chris to come over and walk Stephen and I through the procedures this time? Other than a couple of hours time on the bank/thrift model, we haven't requested much from Chris on the option models since he left, and nothing at all on PBGC.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Laurence R. Jacobson (JACOBSON_LR) (OMB)

CREATION DATE/TIME: 6-FEB-1996 12:02:27.68

SUBJECT: Meeting with Chris on PBGC

TO: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)
READ: 6-FEB-1996 15:59:29.85

TO: Stephen A. Kane (KANE_S) ()
READ: 6-FEB-1996 13:20:59.66

TEXT:
Chris is coming over at 9 on Thursday to help us update the PBGC model. That's the only time he can commit to. I have to do a few things to prepare for that. Stephen - we'll meet in your office because SAS is loaded on the Gateway.
Justine - I have a 10:00 meeting on the PHS Corp issue, but I consider that much lower priority if I have to miss it.

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Stephen A. Kane (KANE_S) ()

CREATION DATE/TIME: 7-FEB-1996 15:48:55.75

SUBJECT: status?!

TO: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)
READ: 7-FEB-1996 18:37:52.70

CC: Laurence R. Jacobson (JACOBSON_LR) (OMB)
READ: 7-FEB-1996 16:12:37.15

TEXT:
Hello Justine,

I have voice mail messages in at both the OCC with Don Insco and at the SEC with Bill Dale. Bill Davis has left the SEC. Who should I contact at the Fed? I will be meeting with Larry and Chris on the PBGC model at 9 a.m.

Regards,

Steve

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)

CREATION DATE/TIME: 7-FEB-1996 13:43:50.39

SUBJECT: Status?

TO: Stephen A. Kane (KANE_S) ()
READ: 7-FEB-1996 15:14:33.31

TEXT:
What is the status of the effort to get additional information from the OCC, the SEC, or the Fed?
I found a copy of the article. The SEC folks are J.L. Davis and W.C. Dale in the Office of Economic Analysis. See discussion on page 252 of Cooperstein, Pennacchi and Redburn and Appendix B including the table on page 268.
I am not comfortable with giving Litan the unadjusted run without saying that we know it is too low. What we do not have is data to say with any confidence by how much. The alternative run is likely to be too high; but again we do not know by how much.
We need to 1) get walked through the data estimation by the OCC, 2) get alternative market value data from OCC, SEC, or Fed.

You need to work very intensely over the next couple of weeks to:
1) get the best possible ball park for the bank data;
2) update the PBGC model;
3) learn how to estimate the numbers in table 9-1 with help from Peter Davis. [The data will not come in until the data base locks, after which you will not have time to learn how to do the table -- only to do it fast!]
4) if possible, update the old tables in the Gateway behind the distribution of Agriculture and Housing finance that were published as charts in the 1992 (or 1993?) Underwriting Risk chapter.
I will be helping as much as I can. Contribute ideas at the meetings you come to tomorrow (I know you will miss some). I expect you will contribute some text to supplement what the Financial Institutions Branch provides on deposit insurance and the FHLBS. Observe as much as possible so you can take the lead next year!

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Laurence R. Jacobson (JACOBSON_LR) (OMB)

CREATION DATE/TIME:14-FEB-1996 17:02:35.31

SUBJECT: BIF and PBGC

TO: Stephen A. Kane (KANE_S) ()
READ:14-FEB-1996 17:14:12.98

TO: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)
READ:14-FEB-1996 17:03:31.71

TEXT:
We're on for 8 with Chris for a pre Litan meeting workout on PBGC.
Asked and got the BIF tables from Michelle that they will present.
Will fax over. Justine - Renee will deliver to Bob K.
Will be thrift tables later. I may be gone - Will circulate by 8
(or someone can get them off my desk or chair).

RECORD TYPE: FEDERAL (ALL-IN-1 MAIL)

CREATOR: Laurence R. Jacobson (JACOBSON_LR) (OMB)

CREATION DATE/TIME:14-FEB-1996 15:07:37.20

SUBJECT: PBGC

TO: Justine F. Rodriguez (RODRIGUEZ_J) (OMB)
READ:14-FEB-1996 15:08:34.68

CC: Stephen A. Kane (KANE_S) ()
READ:14-FEB-1996 15:08:11.56

TEXT:
Progress on PBGC model data update proceeding, but at snail's pace.
Chris will assist us again at 8 tomorrow (scheduled early to avoid conflict with Litan meeting).

I'll be leaving a bit early today (around 5) on personal biz.