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Folder Title:

Budget Reconciliation Package I. A - N [binder] [5]

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Clinton Presidential Records Digital Records Marker

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This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

DNC

Divider Title: _____

DNC Boiler Room Reporting Form

Date: July 20, 1993

Small Business Press Conferences Set:

KS, NB, IN, MO, NY - Releases from Gov.
AL - small bus. ldrs.
CA - small bus. person in San Diego
AZ - small bus. person in Tucson
NM - small bus. person in Albuquerque
IL, GA, TX, & NC - releases or press confs.

High Tech Press Conferences Set:

CA - Dem. Party
AZ - Bob Grossfield
OR - Tom Bruggere, CEO Mentor Graphics
WA - Dick Brass, Egghead Software, others
ID - St. Chair Bill Mauk

Radio feeds set/executed:

MI - Owen Bieber
KS - John Carlin

Other free media events set/executed:

WA - Kiki debated Chuck Greene of RNC on KIRO radio
MN, KS, NH, MA - State Chair attack on CSE and Coalition Against
Change
OH - (same on Thurs., 2 cities)
"Coalition Against Change" materials faxed to all talk show hosts.

Visits to Congressional offices:

FL, AZ, CA, NM, NY, & HI - coordinator for project id'd

KY - 3 visits

MS - 2 visits

CA - LA & San Diego Jewish groups

Op-eds submitted/placed:

MI - Sec. of St., Detroit News

CA - submitted to 10 papers

NY - submitted to 2 papers

LA - submitted to 3 papers

CA - submitted to Vietnamese press in Orange Cty.

Models on small bus. faxed to all state parties

Ltrs. to Editor submitted/placed:

OH - 2 in Columbus Dispatch, 1 in Cincinnati Enquirer

CO - 10 submitted to Denver Post & Rocky Mtn. News

Models on small bus. faxed to all state parties

Volunteer phones committed for final week (new commitments):

MI - 50-75/day; 100 to each Cong. office in final week

SC, TX - phone tree operation

FL - 150 from Col. Dems.

MI - 50 from Col. Dems.

IL - 40 from Col. Dems.

RI - 10 from Col. Dems.

MT - 10 from Col. Dems.

DE - 100 from Col. Dems.

Fazio & LaFalce - 10 calls each from Italian-Am. group

Materials mailed to activists:

OH - to 150 activists

AZ, CA, NM, NV, & HI - 850 pieces

NH - Bumper stickers

10 copies of econ. plan to each state party

Econ. plan to 38 St. Treas., 40 Att. Gen., & 4 to each Nat'l elected official org.; also to DC reps. working group; also to 100 VP Gore activists

Econ. plan to 250 Af. Am ldrs.; also to Jewish & Sr. organizations, women's organizations, Polish-Am. activists; Hispanic activists in NY, IL, & FL (500); disabled community

Action alert mailed to Dem. Mayors

DNC Radio Ads running:

PA - statewide

NY - Rochester

NE - Omaha

OH - Cleveland

NV - Reno/Las Vegas

OK, TN, FL, GA, KY

(Shephard of UT & LaRocco of ID said they didn't need the cover)

Opposition Ads running:

NV - Las Vegas radio, two stations

MO - Jeff. City, full page print ad

UT, GA, OK, TN, TX, KY, FL, AL, VA, WV

Significant meetings held:

Meeting w/CCR watch group to develop response strategy.

New information about a House or Senate member:

CO - Sen. Campbell is pissed at being pressured by the energy lobby; says
he may vote for BTU if it comes back because of it
FL - Cong. Deutch is receiving heat from Seniors

New documents created:

CCR facts document in preparation for CCR attacks
Morning Briefing re: Spending Cuts
Small Bus Materials: Op-ed, press release, charts, tkng. pts.
Econ. Plan brochure mock-up to Chairman for approval
High Tech Materials: Op-ed & talking pts. drafted
Four more draft ltrs. to the editor prepared
Chairman's speech to Operation PUSH for tomorrow prepared

Research projects begun/completed:

Distributed White Paper in response to NFIB.
Monitoring opposition mail on the Hill
Began collecting Republican hypocrisy statement re: deficits &
entitlements.
Completed document demonstrating relationship between CSE & big oil.
Regional effects of gas tax
Voter file status update completed; ready for phones except in S.C. & MS

Marketing messages delivered (list mail/phone totals for the day):

Approximately 30% through 90,000 calls; 5000 made last night; planning
for 250,000 call roll-out starting Sunday.

Chairman's activities:

Af. - Am. Press Luncheon - Jet, Ebony, Nat'l Newspaper Pub. Assn.,
& Am. Urban Radio Network

Mtg. w/Sen. Wellstone

Submitted Op.Ed. to Milwaukee Journal

Worked with Jim Wall, Editor of Christian publication to organize
response to Christian Coalition opposition to budget

Responded to Jim Miller debate challenge

Reception w/labor leaders

Other major efforts of the day:

Worked w/Salamon Bros., TRW & ARCO to set up Thurs. lobbying effort
with 40 business lobbyists heading to the Hill

Posted public documents re: plan to Compuserve & steered "Forum"
conversation to be on message

Thurs 5.00

MEMORANDUM

TO: Interested Parties
FR: Rocco Claps
Democratic National Committee
DA: 14 July 1993
RE: Signing up for Support

Handwritten notes:
bld
Dunin
John

The President needs your continued help. Attached is a letter to be delivered to Budget Reconciliation Conferees detailing your organization's support for Empowerment Zones.

As you know, there is power in numbers. That's why we'd like all the supporting organizations to sign on to this letter. To support this statement, do one of two things:

- 1) Simply tell our designated staffer at the conclusion of this meeting that your organization would like to sign on or;
- 2) Notify me, Rocco Claps, by phone (202-863-8056) or fax (202-863-8196) that you support this effort.

Again, thanks for your help.

Handwritten signature: Maurice J. [unclear]

Handwritten signature: Maurice J. [unclear]

Handwritten notes:
I would like to see a lot of support
No. [unclear] [unclear]

Dear Budget Reconciliation Conferees:

We, the undersigned, wish to express to you in the strongest terms possible our hope and expectation that you will include empowerment zones in the Budget Reconciliation Bill. We have been encouraged that a number of Members of Congress have shown a willingness to be flexible and support empowerment zones.

The tax incentives for empowerment zones that were passed by the House in the Budget Reconciliation are an essential part of the President's entire empowerment zones proposal--a proposal which will help enable distressed communities to become engines of economic growth that create new jobs and incomes for people.

We therefore urge you to include the tax incentives of the President's empowerment proposal--as passed in the House under Chairman Rostenkowski's leadership--in the 1993 Budget Reconciliation Act. Thereafter, we urge you to support prompt passage of the President's Economic Empowerment Act of 1993 to provide for a comprehensive program of empowerment zones, enterprise communities, and reinvestment in distressed communities all across the country.

- Ellen Vargas / Women of Color
- NOS
- FEOL - MHL
- Am Pt - my BEI
-

MEMORANDUM

TO: Mack McLarty, Chief of Staff
Office of the President

FROM: David Wilhelm, DNC Chairman

RE: DNC Reconciliation Conference Committee Strategy

July 13, 1993

OVERVIEW

The Democratic National Committee (DNC) has designed a comprehensive strategy to demonstrate support for the President's Deficit Reduction Bill. The strategy is intended to cover the period of House and Senate Conference Committee efforts through the presentation and vote on the floor of both chambers. This plan is the result of close cooperation with both the Democratic Senatorial Campaign Committee and the Democratic Congressional Campaign Committee as well as the Democratic Leadership of both the House and the Senate.

The DNC strategy is based on a coordinated plan of field, communications, constituency activity and state and local elected official activity. Organized on a state by state basis with specific congressional targeting, it allows for the flexibility necessary as the conference report develops and additional political intelligence that might modify original targeting becomes available. The outlined activities will generate demonstrations of support targeted to specific Members of Congress in addition to general public support for the President's plan.

DNC staff have contacted the staff of all 56 Democratic Senators and all 258 Democratic Representatives. Strategies recommended in the plan reflect a combination of Members' requests and the judgment of the DNC.

Action plans for individual states and congressional districts are recommendations and are subject to modification based on budget concerns and political strategy. In addition, the DNC expects to provide more detailed constituency activity as more endorsements are solidified throughout the conference process. As is noted in the constituency portion of this document, the level of constituency activity will be determined by the progress of the Conference Committee. Free media and message events will be developed in close cooperation with White House communications and message operations to ensure consistent and broad based message delivery.

The DNC is committed to the passage of the President's plan and has dedicated considerable resources in manpower, political capital and financial support to the project. While this document is not the appropriate venue for specifics regarding the DNC expenditure budget projections for this effort, I am more than happy to discuss them with you privately.

FIELD

Of the 258 Democratic congressional districts, the DNC recommends targeted action in 103 districts. While we have recommended activity in every Democratic congressional district, targeted districts are considered those in which any combination of paid media, paid telephone banks and/or mail is designated. Contained in this report is a state overview for each of the 50 states outlining the current status of Democratic members with regard to the deficit reduction bill, the political atmosphere of the state, conditions of support and a recommended action plan outline. Targeting will be updated with input from the Office of Congressional Liason.

Paid Telephone Banks

Paid telephone banks are designed to produce a minimum of 500 calls to each targeted Member's office. The service contracted by the DNC is a "patch through" system that will greet each person called with a script written to incorporate message initiatives and after asking for the individual's support of the plan they will be connected directly to the office of their particular representative in Congress.

Currently, the DNC plan is to implement this procedure during the week of the final vote. To date, paid telephone banks are recommended in 99 congressional districts.

Volunteer Phone Banks

Volunteer phone bank operations will be conducted by groups supportive of the President including state parties, labor and teachers. As is discussed in the constituency portion of this plan, it should be noted that many supporting groups have offered conditional support and will either commit to additional activity or retreat from further participation based on the progress of the conference product. Desks and constituency staff will work to generate more commitments and will audit progress during the implementation phase of the operation.

Volunteer phone banks are recommended in all Democratic congressional districts.

Elite Phone Banks

Given the previous success of elite phone strategies, the DNC will engage this strategy where appropriate as part of the conference report plan. Elite calls are defined as those made by opinion leaders in the state to individual Members. The calls generated most often include Governors, State Party chairs, labor leaders, major donors, corporate leaders and other constituency leaders.

Mailings

In appropriate districts, we will mail post cards to the designated number of local activists and supporters. The postcard format will include a prompt to contact Members of Congress and will encourage additional activities such as writing letters to the editor and contacting radio talk shows. The post card design allows for quicker production and lower mailing costs.

Mailings will be allocated on an as needed basis and are scheduled to begin next week. Estimated postcards to be mailed is 250,000.

Paid Field Staff

Currently we paid field organizers who will support the DNC effort in Florida, Georgia, Texas, Vermont, New Hampshire, Michigan, Ohio and Minnesota. Additional paid staff will be placed in California, Illinois, Tennessee, Washington, New York, New Jersey and Pennsylvania.

COMMUNICATIONS AND MESSAGE

The communications and message strategy of the DNC is designed as an integral component of the field plan. National communications efforts will be coordinated with White House message calendars and surrogate operations. The DNC is prepared to operate a rapid response unit that makes use of unplanned, free media opportunities and will incorporate third party media generation, free media events, print media campaigns and an aggressive television satellite and radio campaign.

Paid Media

Through the July 4th recess, the DNC has conducted three separate media buys consisting of 60 second radio buys. The three original buys were to respond to RNC/NRCC paid radio ad attacks on Democratic Congressional members who voted in support of the President; attack ads on Republican members who supported the Kasich bill; and positive ads in support of the President's bill in markets covering House members who were in need of additional support during the July 4th recess. Current expenditures for DNC paid radio on behalf of the President's economic plan totals \$116,000.

Recommendations for paid media in the field plan denote districts the DNC considers eligible for paid media. It should be noted that decisions to execute buys and the timing of the buys are in these markets are not yet final.

Scripts for the radio and television ads and mock-ups for print ads will be provided to Members of Congress for approval before any buy.

The DNC has worked with consultants, Mandy Grunwald, Carter Eskew and David Axelrod to produce paid media appropriate for the duration of the DNC campaign. Current strategy includes the development of three radio scripts, three print ads and one television script

incorporating the latest Greenberg polling and message information. One radio script and print ad each is in production for the following: a humorous ad comparing the President's plan and the Republican alternative; a more serious in tone ad comparing the President's plan and the Republican alternative; and an ad designed to highlight the negative effects of the special interests on the President's effort to offer change and economic leadership. The latter is designed to respond to the variety of special interest opposition media encountered in specific markets. Given the limited recommendation of television ads into markets where heavy special interest opposition paid media is in use, the television script under development is an attack on special interests.

Within 24 hours, scripts for paid media will be provided for your review.

To date, 84 markets are under consideration for paid radio ads.

To date, 35 markets are under consideration for paid newspaper ads.

To date, 3 markets are under consideration for paid television ads.

Free Media

Free media will be generated in every state in support of the President's plan. Clearly, the most important message development will come directly from the President. The majority of free media will be designed to supplement and support the daily message driven by the White House. However, as the state profiles indicate, the DNC will make use of targeted free media support including satellite tours by senior administration officials, opinion-editorials by third party signatures representing a variety of constituencies, letters to editor, radio actualities and an aggressive radio talk show booking program with both local and national spokespeople. Use of national surrogates will be coordinated with Marla Romash of the Office of the Vice President.

Rapid response efforts by the DNC will include projects such as the implementation of a seniors "truth squad" on all of Bob Dole's public appearances throughout the conference process and press conferences to expose opposition attacks such as the Citizens for a Sound Economy and the National Association of Restaurants campaign to protect corporate expense lunches.

Proactive, national message events under development include a major corporate CEO press conference endorsing the President's plan after the conference report and before the final floor votes with national placement of opinion editorials in newspapers and in national news magazines. In addition, the DNC would like to work with White House policy staff to identify sample real American families whose household budgets could be analyzed under the President's plan and projections for their economic future offered as tangible examples of the benefits of the plan.

Message materials including the morning briefing, draft press releases, letters to the editor, opinion editorials, talking points, statements and a brochure on the President's five principles will be made available to the grassroots network around the country. Currently, 9 draft letters to the editor and three draft op-eds are in distribution for placement in newspapers and other specialty print media through the DNC political desks. Copies of these specific drafts are

included in this report.

Finally, my role as a spokesperson on behalf of the President will be coordinated with White House efforts. I am prepared to take on the more aggressive role of uncovering partisan and political grandstanding by the Republicans and other opposition. Our efforts in Chicago demonstrated this is a successful tactic and a credible position for me to take. The DNC Communications office is in the process of booking key editorial board meetings and has already confirmed meetings with the Wall Street Journal and Newsweek in New York this week. Scheduling efforts are underway for USA Today, The Washington Post, The New York Times, New York Newsday and Time Magazine.

CONSTITUENCY ACTIVITY

Included in the DNC plan is an analysis of the Democratic constituencies' current status with regard to support for the President's budget plan and a detailed report of the commitments to date for the generation of telephone contact to Members of Congress. Included are lists of key contacts and telephone numbers broken down by state and congressional districts.

Several constituency meetings have been arranged this week with myself, DNC constituency directors and the Office of Public Liason. The meetings provide an opportunity to solicit the help of individual groups for DNC organizing efforts. Many groups have made firm commitments to play a role in the conference report grassroots lobbying efforts. Among them, NEA has agreed to place 20 calls per district to each Democratic Congressional Member. The Realtors and Homebuilders coalition are willing to conduct extensive lobbying and grassroots phone banking to more than 50,000 members contingent upon the details of the final package. The current details of their proposal is being discussed with appropriate staff. Groups such ACORN, the NAACP and Friends of the Earth have agreed to make targeted phone calls and fax alerts at the state and local level.

The specific reports share a common theme: The level of constituent activity will depend on the progress of conferees on issues of specific interest to the identified groups. DNC strategy is to incorporate constituency leaders and members at all levels of public activity. (Please see detailed analysis included in this report.) Current DNC strategy is to incorporate constituency leaders and members at all levels of public activity. The action plans include extensive outreach into the following communities: Business and education; labor; Hispanic; Asian; African American; Jewish; Ethnic; Gay and Lesbian/Aids Advocacy Groups; Young Democrats; College Democrats; Senior Citizens; Disabled Americans; Environmentalists/Good Government; and women.

STATE AND LOCAL ELECTED OFFICIAL ACTIVITY

Elected officials around the country have lent considerable support to the President throughout the budget process. Over 1000 endorsement support cards from local elected officials were collected by the DNC Inter-Governmental Affairs (IGA) division during the past five months;

these names coupled with Democratic statewide officials, form a network who have been called upon for press, lobbying phone calls and other activities. They receive the morning FAX briefing as well as regular updates on more specific issues.

It should be noted, however, that the level of support from these officials depends on the final version of the Conference Report. Of particular ongoing concern, after the stimulus package failure, are the BTU/gas tax without the exemption for state and local government -- which they have had in the past -- and empowerment zones. Initially and historically, national organizations representing local officials (NACo, USCM, NCSL and NLC) endorsed the President's Economic Plan as it was introduced in February. The USCM ran a boiler room operation. It is unclear whether this kind of support can be reestablished, though we are working closely with these groups to attempt to do so.

Compiled lists of Democratic state and local elected officials in every state, including office, fax and often home phone numbers are on record at the DNC. These include Governor, Lt. Governors, Attorneys General, Secretaries of State, Treasurers, Mayors, County officials, Municipal officials and Legislative leaders. The DNC has cross referenced the local elected officials' districts with congressional districts and organized them by CD's as well as by organization and state.

The DNC will continue the close cooperative effort previously established with these representatives of local government. An analysis of projected support and potential problems is attached. In addition, a time line for informing elected officials of conference progress and a schedule of activities to demonstrate their support is included. These leaders will be especially useful in free media strategies and elite Member contact efforts. Specifically, four national meetings present unique opportunities to mobilize and publicize support. They are: The National Association of Counties conference (July 16-21); National Conference of State Legislatures meeting (July 24-28); National Association of Secretaries of State conference (July 26-28); and the National Association of State Treasurers (August 1-4).

Individually tailored activities for the major groups are included in the accompanying memo, with the ongoing work of the Governors Association as a separate operation in addition to those listed.

Each of the regional political desks have been given a copy of the elected officials in their states and calls and other activities will be coordinated among IGA and the desk staff. IGA will focus on national organizations and elite operations while the desks will concentrate on the grassroots efforts.

A memo is also included from the DNC Affairs Department on resources at the state and local party level that have been folded into the grassroots mailing, phone and desk plans. These include state chairs and vice chairs, DNC members and Democratic County Chairs.

CONCLUSION

The DNC is sensitive to the need to constantly reassess the progress of the Conference Committee and adjust the outlined strategies accordingly. While specific situations may alter a particular target or project, our goal -- providing strong support for the President's initiative -- remains the same. Periodic reports updating the progress of this strategy will be provided to you. Be assured, I am always available to you to answer questions you may have and have instructed my staff to be responsive to unexpected developments and requests on the part of the White House.

To: Chairman Wilhelm
From: Alice Travis
Re: Overview of Strategy Memo on Elected Officials for Conference
Committee and Budget Plan
Date: July 13, 1993

State and Local Elected Official Activity

Elected Officials around the country have lent considerable support to the President throughout the budget process. Over 1000 endorsement support cards from local elected officials were collected by the DNC IGA Division during the past five months; these names coupled with democratic statewide officials, form a network who have been called upon for press, lobbying phone calls, and other activities. They receive the morning FAX briefing as well as regular updates on more specific issues.

It should be noted, however, that the level of support from these officials depends on the final version of the Conference Report. Of particular ongoing concern, after the stimulus package failure, are the BTU/gas tax without the exemption for state and local government -- which they have had in the past -- and empowerment zones. Initially and historically, national organizations representing local officials (NACo, USCM, NCSL, and NLC) endorsed the President's Economic Plan as it was introduced in February. The USCM put together a boiler room operation. It is unclear whether this kind of support can be reestablished, though we are working closely with these groups to attempt to do so.

Resources

The staff has compiled lists of Democratic state and local elected officials in every state, including office, fax and often home phone numbers. These include Governors, Lt. Governors, Attorneys General, Secretaries of State, Treasurers, Mayors, County Officials, Municipal Officials, and Legislative Leaders. We have cross referenced the local elected officials districts with Congressional Districts and organized them by CD's as well as by organization and state.

Additionally, we have built ongoing relationships with their national organizations through attending and conducting programs at their national meetings. A list of their summer meetings which we will be attending is included. Through our relationships with their staff, we can occasionally access their resources to complement our own activities. Particularly strong operations and relationships include the Democratic Governors' Association and the US Conference of Mayors.

Plan of Action - Time Line

A detailed time line can be found on pages three and four of the accompanying document on elected official strategy. Highlights include:

Week of July 12 - Staff will mail to full list with specific requests for elected official calls and the enlisting of their campaign activists to build support as well. Plan media events in conjunction with Governors' Association and other groups. Report back.

Week of July 19 - Begin targeted district operation. Continue follow up reporting. Staff will mobilize support from **NACo** at their national conference (July 16-21).

Week of July 26 - IGA will focus on "problem Representatives and Senators" and generate additional calls from officials and their support groups. Continue follow up. We will utilize **NCSL** meeting (July 24-28) to organize calls from State Legislators.

Final Week - Create IGA target operation in conjunction with White House and DNC political priorities. Engage **State Treasurers** at their national meeting (Aug. 1-3) and other statewide for the targeted Senate effort and continue local elected operation for the targeted House members.

Group Strategies and Integration with Political Activities

Individually tailored activities for the major groups are included in the accompanying memo, with the ongoing work of the Governors Association as a separate operation in addition to those listed.

Each of the Regional Political Desks have been given a copy of the elected officials in their states. Calls and other activities will be coordinated among IGA and the Desk staff. IGA will focus on national organizations and elite operations while the desks will concentrate on the grassroots efforts.

DNC and Local Party Operations

A memo is also included from the DNC Affairs Department on resources at the state and local party level that have been folded into the grass roots mailing, phone, and desk plans. These include state chairs and vice chairs, DNC members, and Democratic County Chairs.

MEMORANDUM

TO: Chairman Wilhelm

CC: Kent Markus/Craig Smith/Minyon Moore/Catherine Moore

FROM: Alice Travis, Director, Intergovernmental Affairs
Sylvion Seffel, Deputy Director, Intergovernmental Affairs
Sky Gallegos, Assistant to the Director, Intergovernmental Affairs

RE: Elected Official Strategy - Conference Committee Report on Budget

DATE: July 12, 1993

OVERVIEW

In many cases, calls from Democratic elected officials in a state can give a Senator or Representative the needed encouragement to support a bill he or she perceives as controversial.

Over the past several months the Office of Intergovernmental Affairs has developed relationships with many key elected officials, engaging them in our efforts to support the President. We have met with them through their national organizations and individually and many Democratic elected officials receive *The Morning Briefing* by fax daily to keep them up to speed on message. These elected Democrats continue to make offers of assistance. Additionally, their networks of campaign activists and supporters can be mobilized under their direction.

It should be noted, however, that many state and local officials have serious concerns regarding the energy or gas taxes on state and local governments. It is important to them that they receive some exemption from these taxes (as they have in the past) because this source of federal revenue will result in additional burdens on the resources of state and local governments, and will amount to additional unfunded mandates. Further, local officials actively support the Empowerment Zones in the House version of the Budget.

The national organizations which represent elected officials (NACo, NCSL, USCM, NLC) endorsed the President's Economic Plan as it was introduced in February. However, the versions of the Plan passed by the House and Senate are problematic for these groups not only because the stimulus failed, but also because of the tax issue, as well as concern about funding for entitlement programs. In the case that these concerns are allayed somehow, the organizations may be able to mobilize their membership in support of the Report; however, we do not foresee this turn of events.

LEVEL OF SUPPORT FOR THE PLAN

Over 1,000 Democratic state and local officials endorsed the President's Economic Plan during Winter/Spring, 1993. These commitments of support were obtained through distribution of "Endorsement Forms" at the annual meetings of the National League of Cities and the National Association of Counties, and through independent efforts to gain the support of statewide constitutional officers and legislators at their meetings. These endorsements were entered into our database and used in outreach in particular states and Congressional Districts during the House and Senate battles.

When called upon by this office, most elected officials responded quickly and efficiently to our requests for them to make phone calls and participate in other activities. Many of these officials also promoted the Plan through press releases, op-ed letters, press events, radio call-in shows, and making direct phone calls to Senators and Members.

As mentioned, the level of support from elected Democrats at the state and local level will depend upon the outcome of the Conference Committee.

RESOURCES

The office of Intergovernmental Affairs has compiled lists of Democratic state and local elected officials in every state, including office, fax and often home numbers. These lists include Governors, Lieutenant Governors, Attorneys General, Secretaries of State, State Treasurers, County Officials, Mayors, and Legislative Leaders. The lists of local officials are based upon each official's membership in the Democratic caucus within their national organization (ie: National Democratic County Officials as a subgroup of National Association of Counties).

Additionally, the Office of Intergovernmental Affairs operates closely with the leadership of several national organizations for elected officials. These include the U.S. Conference of Mayors, the National Conference of State Legislatures, the National League of Cities, and the National Association of Counties. Through our relationships with their staffs, we can occasionally access their resources including their fax service, staff, and boiler room activities.

Finally, the DNC IGA through meetings with the Lt. Governors, State Treasurers, Secretaries of State, and Attorneys General have built a cadre of statewide officials who have made calls to Senate and House members and who have offered their continued assistance.

PLAN OF ACTION - TIME LINE

A. Week of July 12: Mail to all lists of elected officials (1,032) on database. Mailing will request that all elected officials do the following:

- 1) Personally call their state Senator(s) and CD Representative. Additionally, call any Representative with whom they have a personal relationship (in their state or elsewhere)
- 2) Enlist their campaign activists to initiate a phone calling campaign to the Senators and Representative(s).
- 3) Submit op-eds to local and state newspapers calling upon Members of Congress to support Conference Committee Report.
- 4) Plan media events to show support for the Report.
 - Press releases
 - Radio Call-in shows
 - Press conferences
- 5) Report back to IGA
 - Copies of Press Releases
 - Response from Senators and Representatives
 - News Clips
 - Number of calls their activists have generated and to whom

B. Week of July 19: Personally call key elected officials in targeted districts and states to follow up on mailing and to request feedback on their calls to Representatives and Senators. Continue to collect follow up data.

Mobilize support from Democratic County Officials during the National Association of Counties (NACo) conference (July 16-21).

C. Week of July 26: Focus on "problem" Representatives and Senators -- make additional calls. Encourage elected officials to remind their base supporters to make calls in support of the President's Budget. Continue to collect follow up data.

Utilize National Conference of State Legislatures (NCSL) meeting (July 24-28) to generate calls into Members of Congress from state legislators (pending resolution of several critical state issues).

(Week of July 26, Continued)

Ask Secretaries of State at the National Association of Secretaries of State (NASS) conference (July 26-28) to make calls and to ask colleagues to make calls to Senators and Representatives.

- D. Weeks of July 17-August 2: At national elected officials' conventions (see next section):
- 1) Maintain support from national organizations for elected officials.
 - 2) Develop where possible group action plans in support of Conference Report.
 - 3) Generate resolutions of support.
 - 4) Regularly provide data and talking points to national organizations' staff and elected officials.
 - 5) Act as "watch dog" for potential problems.
- E. Final Week (August 2-6): Create Intergovernmental Affairs target operation in conjunction with White House and DNC Political priorities.

GROUP SPECIFIC STRATEGY

- A. **County Officials** (number on database: 360)
- 1) NACo national meeting 7/17-20. Distribute information on the President's Plan to Democratic County Officials, with information on how to call their Members and Senators from the meeting. Encourage them to call and provide feedback to us. Charge them with finding five county officials who have not been active to make phone calls, and to get ten of their key campaign activists/family members to call as well.
 - 2) Fax information on conference committee report on a regular basis to Washington DC Representatives for Counties. Ask them to distribute information to their county commissioners. Ask them to make calls.
 - 3) Depending upon status of energy/gas tax, ask the National Association of Counties to endorse the Conference Committee Report, and to devote resources to calling its state associations, asking them to make calls.

B. State Legislative Leaders (number on database: 158)

- 1) Utilize meetings of the Democratic Legislative Leaders at the NCSL conference during the week of July 26th. Ask them to call their Senators and Representatives from the conference hotel.
- 2) Ask the legislative leaders to mobilize their state Democrats to call as well, if they are targeted.
- 3) Note: NCSL is particularly anxious about portions of the Budget. A copy of their latest analysis of the House and Senate Bills, and the NCSL position is attached.

C. Democratic Mayors (number on database: 341)

- 1) Send mailing to mayors outlining how they can help to pass the Conference Committee report, encouraging them to get people involved on every level. Stress importance of supportive calls into their Representative's office. Charge them with getting twenty of their key supporters to call in as well.
- 2) Enact follow up calls to mayors in key CD's and states.
- 3) Fax detailed information to Washington DC Representatives for key cities, asking them to get it out to their mayors. Ask them to make calls.
- 4)
 - a. Provide information to the U.S. Conference of Mayors -- encourage them to make calls on our behalf. USCM's level of support depends upon energy tax status for local governments. New President of USCM, Mayor Jerry Abramson, is helpful to us; we may be able to push this support through him.
 - b. If possible, encourage the USCM to gear up its boiler room for the final two weeks.

D. State Constitutional Officers (number on database: 143)

- 1) Attorneys General (number on database: 37) Send follow up from 7/8 meeting in Chicago -- encourage them to phone Representatives and Senators for support. Note; at the 7/8 meeting, enthusiasm existed for supporting the President - we need to tap into it.

2) Lieutenant Governors (number on database: 32) Send meeting notice regarding 8/5 meeting, including request for them to call their Senators as well as any Representatives they have a relationship with.

3) Secretaries of State (number on database: 36) Gain support from Secretaries during their annual Democratic Caucus meeting on 7/26/93. Ask them to make calls into their Senators and Representatives they have a relationship with.

4) State Treasurers (number on database: 38) Send meeting notice regarding 8/1/93 meeting, including request for them to call their Senators as well as Representatives they have a relationship with.

INTEGRATION WITH POLITICAL STRATEGY

Each of the Regional Political Directors has been given a copy of the list of elected officials in their states. All calls to elected officials by the Office of Intergovernmental Affairs will be done in cooperation with the Desks. The Desks have the primary role of coordinating the elected official grassroots strategy in their states. The Office of Intergovernmental Affairs will focus its efforts on national organizations and elite activities in targeted districts and states.

Additionally, the DNC members including state chairs and vice chairs should be integrated into the state elite strategy. Lists of DNC Members have been printed by state as well, and outreach will be done in cooperation with the Desks as well.



Democratic National Committee

TO: Interested Parties

FR: Intergovernmental Affairs, DNC

RE: Elected Officials' Summer Conferences

DATE: July 6, 1993

SUMMER MEETINGS

Following is a schedule of the summer meetings for state and local elected officials. If you need more information, you may contact Sky Gallegos, 863-8113.

July 7-10 National Association of Attorneys General

Location: Chicago, Illinois

Venue: Hyatt Regency

Meeting of Dems/Agenda:

Thursday, July 8, 7:30-8:30

Informal Reception with DW*

South Conservatory Room (West Tower)

DNC Attendees: Chairman Wilhelm

IGA: Alice Travis

Contact: Natalie Weimer 614-466-4320/6173

*Special Note: At least 22 states will be represented at reception.

July 16-20 National Association of Counties

Location: Chicago, Illinois

Venue: Hilton & Towers

Meeting of Dems/Agenda:

Sunday, July 18, 3:15pm-4:15pm

NDCO Executive Committee, Room: Lake Erie

(NACO cont.)

Monday, July 19, 1:45pm-3:15pm

NDCO Training/Elections Skills

Conference Room 4C

Monday, July 19, 3:30pm-5pm

NDCO Business Meeting Marquette Room

Monday July 19, 5:30pm-7pm

NDCO Reception, Room: Williford B

Other Speakers:

Sunday, July 18, 10:30am-Noon

General Opening Session

Attorney General Reno

Secretary Shalala (by satellite)

DNC Attendees: IGA: Alice Travis

Sylvion Seffel

Sky Gallegos

Training: Anita Perez-Ferguson

Contact: Bob Fogel 393-6226

July 24-28 National Conference of State Legislatures

Location: San Diego, California

Venue: San Diego Convention Center

Meeting of Dems/Agenda:

Monday, July 26, 8:00am

DLL Training/Candidate Recruitment (Room TBA)

Tuesday, July 27, 4:00pm

DLL Business Meeting (Room TBA)

Wednesday, July 28, Noon

DLL Lunch (TBA)

Thursday, July 28, 2:00pm

DLL Training/Incumbent Protection (Room, TBA)

DNC Attendees: IGA: Alice Travis

Sylvion Seffel

Sky Gallegos

Training: Jennifer Clint

***Special Note:** Speaker Needed for DLL Lunch

Contact: Michael Bird 624-8686

Jeff Wice 628-0752

July 26-28 National Association of Secretaries of State

Location: Cleveland, Ohio

Venue: Marriott Society Center

Meetings of Dems/Agenda:

Monday, July 26, 7:00pm

Democratic Caucus Dinner, Room TBA*

Tuesday, July 27, 1:45pm-3pm

Panel Discussion: The Future of Political Parties in America,
Chairman Wilhelm

Haley Barbour, Chairman, RNC

Diane Blick, Chair, A Connecticut Party

Salons A-D

DNC Attendees: Chairman Wilhelm

IGA: Alice Travis

Contact: Randy Thompson 202-624-5450

*Special Note: Possible topic for Dinner: Campaign Finance Reform.

August 1-4 National Association of State Treasurers

Location: Couer d'Alene, Idaho

Venue: Couer d'Alene Resort

Meeting of Dems/Agenda:

Saturday, July 31, (TBA)*

Democratic Caucus Meeting (TBA)

Other Speakers:

Monday, August 2, 8:15am

VP Gore invited to speak

DNC Attendees: IGA: Alice Travis

Contact: Carol Rowan 614-466-3639

Milton Wells 624-8595

*Special Note: Dem meeting has not been scheduled but must be
held before official beginning of conference, if they
determine there is a need.

August 8-12 National Conference of Lieutenant Governors

Location: Las Vegas, Nevada

Venue: Desert Inn

Meeting of Dems/Agenda:

Wednesday, August 11, 8:00am-9:30am

Democratic Caucus Breakfast*

DNC Attendees: IGA: Alice Travis

Contact: Gail Manning 606-231-1813

Lt. Gov. Maxine Moul 402-471-2256

*Special Note: Requested a speaker from National Performance
Review and a sponsor, per request of Lt. Gov. Moul

August 15-17 National Governors' Association

Location: Tulsa, Oklahoma

Venue: Convention Center/Double Tree Hotel Downtown

Meeting of Dems/Agenda:

Saturday, August 14, 2pm-4pm

Democratic Governors' Meeting

Monday, August 16, 7:30am-9am

Democratic Governors' Breakfast

DNC Attendees: IGA: Alice Travis

Contact: Jake Siewart 479-5184



Democratic National Committee

MEMORANDUM

TO: Alice Travis, Director
Intergovernmental and DNC Affairs

FROM: Rick Boylan, Deputy Director for DNC Affairs

SUBJECT: Conference Committee Information

DATE: July 13, 1993

Per Chairman Wilhelm's request for information about lists that can be contacted in support of the President's Economic Plan, I've indicated the current status of "Party" lists below. Communication with these lists will be through the Political Desk operation, direct mail and/or phone banking, as appropriate.

State Party Chairs and Vice Chairs
(approximately 112 names)

These names are on the state call lists being used by the Political Desks.

Democratic National Committee Members
(approximately 410 names)

The Secretary's Office is preparing a state-by-state listing of all DNC members for our Master Directory. These lists will be distributed to the applicable Political Desk -- to insure the names are included on their call lists.

County Chairs
(approximately 3,100 names)

Per Chairman Wilhelm's request, several months ago, the DNC compiled a list of county chairs in all of the states. These names and addresses are on the AS400. The individual state lists are being distributed to the Political Desks to use for generating grassroots activities. These names can be used for mailing and phone bank outreach.

TO: CRAIG SMITH, MINYON MOORE, CC: CHAIRMAN WILHELM

FROM: CAREN WILCOX

RE: TAX BILL

DATE: JUNE 7, 1993

I understand that a great deal of the strategy of the joint group working on the Senate (and House follow-up) is dependent on business community support. As with all other groups, the business people are basically waiting to see what is in the bill.

The Realtors and others in the real estate community such as the National Realty Council are standing very firmly with the President and they had a meeting with the key leaders of some unions and "base groups" as well as the Fortune 500 group today. They report very nervous people among the unions and base groups, as well as among the Fortune 500 people.

We discussed key objectives as discussed today, and the Realtors and other real estate people are willing to go forward with that strategy on a national and regional basis.

I had other discussions separately with those representing the Fortune 500 group today. They are still smarting from the huge number of phone calls generated by the Washington Times editorial which was run against the companies on the day of the House vote. (They ran the names of the companies and their telephone numbers, and companies received calls threatening consumer boycotts etc.)

Nevertheless they have agreed to keep working on the bill.

HOWEVER, THEY REPORT THAT WHILE SENATOR MOYNIHAN IS CLEARLY TELLING THEM IN GOOD FAITH THAT HE WILL STICK WITH THE 35% RATE, AND THEY BELIEVE THE WHITE HOUSE IS ALSO STICKING WITH THAT RATE, THEY HAVE REPORTS THAT THE COMMITTEE IS NOT STICKING WITH THE CHAIRMAN, AND IS LOOKING AT THE 36% RATE. IF THE RATE IS CHANGED, WE SHOULD EXPECT THAT MANY OF THESE LARGE SPECIFIC COMPANIES WILL NOT REMAIN IN THE COALITION TO PASS THE BILL.

THIS HAS IMPLICATIONS FOR THE INFOMERCIAL COPY SINCE I BELIEVE WE ARE USING THE ADVERTISEMENT FROM ROLLCALL IN THE INFOMERCIAL.

In addition, I learned that Senator Boren will have a meeting with nine Senators prior to the Senate Dem Caucus lunch tomorrow (Tuesday). Reportedly he will try to get five of the nine to sign on to his plan to stop the entire BTU tax. The Senators are: Bryan, Bingaman, Exon, Lieberman, Feingold, Kohl, Johnston, Nunn, Kerry and Shelby. Three of these Senators are not on our list.

I believe we should alert the White House and possibly Senate leadership about this if you believe they do not know. Thanks.

*T/C - Steve
6/8/93
X.C. Alexis Hanna
Amy Zisook
Sent by Craig to
Congressional &
Mack last night*

DNC 1



Democratic National Committee

POLITICAL DEPARTMENT

PH 202-863-8000

FX 202-863-8196

FAX COVER SHEET

DATE: June 8, 1993 TIME: _____
TO: Alexis Herman
FAX#: 456-2983 # OF PAGES (including cover): 2
FROM: Caren Wilson
SUBJECT: _____

IF YOU HAVE TROUBLE WITH THIS TRANSMISSION,

PLEASE CALL Melissa AT 202-863-8018.

COMMENTS: _____

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TO: CRAIG SMITH, MINYON MOORE, CC: CHAIRMAN WILHELM

FROM: CAREN WILCOX

RE: TAX BILL

DATE: JUNE 7, 1993

*XC Alexis Ham
Amy Ziss
Sent by Craig to
Congressional &
Mack Law
mip*

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I believe we should alert the White House and possibly Senate leadership about this if you believe they do not know. Thanks.



Democratic National Committee

POLITICAL DEPARTMENT

PH 202-863-8000

FX 202-863-8196

FAX COVER SHEET

DATE: May 25, 1993 TIME: _____
TO: Alexis Herman
FAX#: 456-2983 # OF PAGES (including cover): _____
FROM: Caren Wilcox
SUBJECT: _____

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COMMENTS: _____

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The attached list has been identified as not committed and needing work to encourage to vote for the Reconciliation package.

In addition, the following individuals were identified as needing further work.

Condit
English
Hayes
Long
Pallone
Roemer
Williams

The entire New Jersey delegation is trying to decide how to vote, and needs encouragement.

3:30 p.m. May 25, 1993

(218) pass

AA ✓ Applegate
Bishop
Boucher
Brooks
Browder
Byrne
Cantwell
Carr
AA ✓ Chapman
Clay
Clement
Collins (IL)
Cooper
Coppersmith
Costello
Cramer
Danner
Darden
Deutsch
Dooley
Durbin
Edwards (TX)
Eshoo
Evans
Fields
Fingerhut
Green
Harman
Holden
Hughes
Hutto
Inslee
Johnson (GA)
Johnson (SD)
Kaptur
Klein
Klink
Kreidler
Lambert
Laughlin

Lehman
Lloyd
Maloney
Mann
Margolies-Mezvinsky
McCloskey
McHale
Meehan
H Menendez
Minge
Mollohan
Montgomery
Murphy
Nadler
Penny
Peterson (MN)
Pickett
Poshard
Sangmeister
Schenk
W Schroeder
AA Scott
Shepherd
Skelton
Slattery
Stenholm
Strickland
Swett
Tejeda
Thornton
Thurman
Traficant
AA ✓ Tucker
Valentine
Volkmer
AA ✓ Wheat

MEMORANDUM**5/25/93**

TO: Craig & Minyon

FM: Marcy

RE: Congressional Support of the Reconciliation Package

Listed below is the present vote count on the President's Reconciliation Package in delegation order.

ARIZONA

Ed Pastor - Yes

Sam Coopersmith - Leaning No

Karen English - Leaning No

* Coopersmith & English are freshmen from marginal districts. They are having a tough time selling this package as deficit reduction. They are also amongst a group of freshmen who do not like the Stenholm proposal and are looking for alternatives.

DNC Efforts:

- * State Chair Owens is organizing a press conference with other Democratic leaders in the state, to support the President's package.
- * State Representative Art Hamilton will be issuing a statement to the press in support of the President.
- * Radio feeds with Owens and Hamilton for Wednesday's talk shows and drive time.
- * Distribution of flyers will begin today at Leisure World and Sun City.
- * Satellite feed with Secretary Bentsen.
- * Radio with DNC Senior Staff ?

CALIFORNIA**YES:**

Dan Hamburg

Vic Fazio

Robert Matsui

Lynn Woolsey

George Miller

Nancy Pelosi

Tom Lantos

Pete Stark

Anna Eshoo - Leaning Yes

Norman Mineta

Don Edwards

NO:

Gary Condit

Richard Lehman

Clavin Dooley

Jane Harman - Leaning No

Lynn Schenk - Leaning No

UNCERTAIN:

Ron Dellums

Walter Tucker

Anthony Beilenson
Howard Berman
Henry Waxman
Xavier Becerra
Matthew Martinez
Julian Dixon
Lucille Roybal-Allard
Esteban Torres
Maxine Waters
George Brown

* Eshoo, Tucker, & Dellums are not confident that the President will not sell them out and we are working this through other means. This is a trust factor. Harman & Schenk are having a very tough time selling the Reconciliation as deficit reduction. They are in marginal districts and have many wealthy constituents who think we are taxing and spending. However, their districts are very environmentally conscience and someone like EPA's Carol Browner could help sell the plan. With respect to Condit, Lehman, & Dooley, they are from farm districts and don't like the package and have not yet joined Stenholms.

DNC Efforts:

- * State Party will release a statement in support of the President.
- * Working with the statewide democrats to come together in a press conference in support of the President's plan.
- * Radio feeds with elected officials in key areas on Wednesday's talk shows and drive time.
- * Fax trees are moving our talking points, flyers, and editorials throughout the state.
- * Satellite with Secretary Bentsen and Secretary Shalala.
- * Radio with Wilhelm into LA and SF.

HAWAII

Neil Abercrombie - Yes
Patsy Mink - Yes

DNC Efforts:

- * The Governor and the State Party will issue a statement in support of the President.

NEVADA

James Bilbray - Undecided

* He's having trouble selling the Reconciliation as deficit reduction. The trust issue is a big concern with the Congressman. He doesn't want to put himself on the line and be sold out later.

DNC Efforts:

- * The Governor will call the Congressman.
- * Satellite feed with Secretary Bentsen.

* Radio feed with DNC Senior Staff ?

NEW MEXICO

Bill Richardson - Yes

DNC Efforts:

- * The Governor's wife will do a press conference with senior citizens, supporting the President's plan.
- * The state party will issue a statement.
- * The Native American Governors from both the Pueblo and Navajo Tribes will issue statements in support of the President's Plan.
- * Radio feeds with elected officials for Wednesday drive time.



Democratic National Committee

POLITICAL DEPARTMENT

PH 202-863-8000

FX 202-863-8196

FAX COVER SHEET

DATE: MAY 24 TIME: 6 PM
TO: STEVE HILTON
FAX#: 456-6218 # OF PAGES (including cover): _____
FROM: CAREN WILCOX / MINYON MOORE / CRAIG SMITH
SUBJECT: SUPPORT FOR PLAN

IF YOU HAVE TROUBLE WITH THIS TRANSMISSION,

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COMMENTS: _____

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May 25, 1993

U.S. House of Representatives
Washington, D. C. 20515

Dear Member of Congress:

The undersigned groups and the millions of Americans they represent support the tax provisions in the budget reconciliation.

We support President Clinton's objectives of creating new jobs, encouraging growth and investment and reducing the deficit. We believe this package of tax provisions is a requisite first step in achieving our mutual goals and objectives.

We urge you to support the budget reconciliation and to vote in favor of its passage.

Sincerely yours,

AFSCME
AIDS Action Council
American Agriculture Movement
American Association of Museums
American Education Association
American Federation of Teachers
Americans for Democratic Action
American Senior Housing Association
Association of Local Housing Finance Agencies
Child Welfare League of America
Coalition to Preserve the Low Income Housing Tax Credit
Council for Rural Housing and Development
Direct Selling Association
Environmental and Energy Study Institute
Friends of the Earth
Institute for Responsible Housing Preservation
Manufactured Housing Institute
National Apartment Association
National Assisted Housing Management Association
National Association of Community Health Centers
National Council of Senior Citizens
National Housing and Rehabilitation Association
National Association of REALTORS®
National Association of Social Workers
National Education Association
National Leased Housing Association
National Multi Housing Council
National Realty Committee

Natural Resources Defense Council
NHP, Inc.
NRG Barriers/Saco Maine
Ryder Systems, Inc.
Truck Renting and Leasing Association
United Transportation Union
Valero Energy

will be longer

3.5

American Hospital Association
National Association of Public Hospitals
Catholic Health Association
American Association of Retired Persons
American Health Care Association
American College of Emergency Physicians
National Committee to Preserve Social Security and Medicare
National Association of Psychiatric Health Systems
National Association of Children's Hospitals
and Related Institutions
Association of American Medical Colleges
Federation of American Health Systems
National Association of Rehabilitation Facilities
American Association of Homes for the Aging
National Council of Senior Citizens

May 20, 1993

The Honorable Richard K. Arney
U.S. House of Representatives
Washington, D.C. 20515-4326

Dear Congressman Arney:

As a broad coalition of organizations, we strongly urge you to reject any attempt to place caps on Medicare, Medicaid, or other entitlement spending during House consideration of the budget reconciliation measure.

Imposing caps on Medicare and Medicaid spending, as well as other entitlements, would arbitrarily restrict spending on health care without any rational basis and avoid dealing with the reasons for health care cost inflation. By not addressing the underlying causes for the growth in health spending, this proposal would aggravate, rather than relieve, the defects inherent in our health care system. Spending caps would not spur necessary fundamental change in the health delivery system so that it is more patient-centered, but would simply lock in the status quo without any real reform.

The House Ways and Means Committee, in its reconciliation package, already recommends significant savings from the Medicare program beyond that called for in the budget resolution--\$50.6 billion over five years as opposed to the budget resolution figure of \$48.3 billion--through a two-year freeze in provider payments. Likewise, the reconciliation package approved by the House Energy and Commerce Committee achieves \$28.1 billion in savings over five years from the Medicare Part B program, and \$8.2 billion from the Medicaid program.

MAY 24 '93 01:42PM RHA WASH DC OFFICE

P.3

Any future budget savings can only come through restructuring the delivery system as it relates to Medicare and Medicaid and the rest of the health care system. The imposition of arbitrary caps on entitlement programs simply continues the pattern of ratcheting down reimbursement rates to providers, and fails to move us in the direction of comprehensive health care reform and a restructured delivery system.

Further cutbacks in Medicare and Medicaid spending in the form of an entitlement cap could only have an adverse impact on beneficiaries' access to care, and on the ability of providers to continue offering the same level of high quality care, as well as exacerbate the shifting of costs from the Medicare and Medicaid programs to the private sector.

While we recognize the difficulties of achieving meaningful deficit reduction, we do not believe that placing arbitrary caps on entitlement spending should be a basis for accomplishing this end. It will neither result in sound health policy nor lead to comprehensive reform and restructuring of the health care delivery system. We, therefore, strongly urge you to reject any effort to place caps on entitlement spending as part of the budget reconciliation bill.

Sincerely,

The Above-listed Organizations

NEWS RELEASE

National Council of Senior Citizens

1331 F Street, NW • Washington, DC 20004-1102 • (202) 347-8800 • FAX (202) 624-9595



FOR IMMEDIATE RELEASE
Thursday, May 20, 1993

Contact: Daniel Schulder
(202) 624-9539
Bette Cooper
(202) 624-9537

NATIONAL COUNCIL OF SENIOR CITIZENS CONDEMNS "OUTRAGEOUS" ATTACK ON SOCIAL SECURITY

WASHINGTON, D.C.--The National Council of Senior Citizens (NCSC), a leading advocacy organization for older Americans, today denounced threats by conservative Senators to hold up President Clinton's tax and economic package by demanding deep new cuts in Social Security and other Federal programs and entitlements.

NCSC Executive Director Lawrence T. Smedley said that the cuts in Social Security cost-of-living adjustments (COLA) proposed at a U.S. Capitol press conference today by Senators David L. Boren (D-Okla.), William S. Cohen (R-Maine), John C. Danforth (R-Mo.) and J. Bennett Johnston (D-La.), "constitute the most outrageous attack on elderly and disabled persons that we have seen in years. Combined with their proposals to apply a cap on other essential entitlements, we view this as an out and out assault on persons who depend on Social Security not for luxuries, but for bare essentials."

The NCSC leader said that cost-of-living adjustments are not "pay increases" for elderly persons but are designed to simply keep up purchasing power in the face of inflation.

The Boren proposal would cut COLA adjustments for Social Security beneficiaries whose monthly benefit exceeds \$600. The cut would reduce Social Security payments by nearly \$23 billion over the next five years.

Smedley said that the cuts would affect millions of low- and moderate-income seniors whose benefits average only \$653 a month for single people and \$1,106 for couples. "Instead of the return to tax fairness that President Clinton is proposing, Senator Boren is attacking the underlying basis of Social Security which is income security for average Americans. Instead of reducing the deficit with fair tax increases and prudent program reductions, the Senator is undermining a program, Social Security, which does not add one dime to the deficit."

Smedley concluded his statement by saying that "Senior citizens will not stand by as irresponsible Democrats and Republicans in the Congress threaten family security, critical benefits for the poor, and sound economic policy. We are prepared to fight for the future of this nation."

The National Council of Senior Citizens, founded in 1961 in the fight for Medicare, is an organization of more than 5,000 affiliated local clubs, Area Councils and State Councils, with a total membership of over five million senior activists. Together, NCSC members work for state and Federal legislation to benefit the elderly and their families, and advocate on behalf of senior citizens in communities across the United States.

SENIORGRAM

MAY 21, 1993

TO: ALL GENERAL POLICY BOARD MEMBERS AND
NCSC CLUBS AND ACTIVISTS

FROM: DANIEL J. SCHULDER, DIRECTOR OF LEGISLATION

STOP SOCIAL SECURITY CUTS PROTECT MEDICARE AND OTHER ENTITLEMENTS

IN BOTH THE SENATE AND THE HOUSE OF REPRESENTATIVES, THERE ARE SERIOUS ATTEMPTS BEING MADE TO CUT SOCIAL SECURITY BENEFITS, MEDICARE, MEDICAID, VETERAN'S BENEFITS, FOOD STAMPS, UNEMPLOYMENT COMPENSATION AND OTHER ESSENTIAL PROGRAMS. NCSC MEMBERS CAN HELP TO STOP THESE CUTS.

IN THE SENATE, SENATORS DAVID BOREN (D-OKLA.), J. BENNETT JOHNSTON (D-LA.), JOHN DANFORTH (R-MO.) AND BILL COHEN (R-MAINE) PROPOSED, ON MAY 20, TO RADICALLY REDUCE SOCIAL SECURITY BENEFITS FOR MILLIONS OF AMERICANS. THEY ARE PROPOSING THAT ALL SOCIAL SECURITY BENEFITS ABOVE \$600 IN ANY MONTH WOULD HAVE THE COST-OF-LIVING ADJUSTMENT (COLA) CUT BY TWO PERCENTAGE POINTS. THIS WILL ADD UP TO A \$23 BILLION SOCIAL SECURITY BENEFIT CUT FOR SENIORS AND PERSONS WITH DISABILITIES OVER THE NEXT FIVE YEARS.

THEY WANT TO ADD THIS PROVISION TO THE "BUDGET RECONCILIATION" BILL OF 1993 WHEN IT COMES UP FOR A VOTE IN THE FIRST WEEK OF JUNE.

IN ADDITION, THESE AND OTHER IRRESPONSIBLE SENATORS WANT TO "CAP" OR FREEZE MANY MORE ENTITLEMENT PROGRAMS (MEDICARE, MEDICAID, VETERAN'S BENEFITS, FOOD STAMPS, ETC.) FOR THE NEXT FIVE YEARS. THIS WILL MEAN A CUT IN THESE PROGRAMS OF \$114 BILLION AFFECTING MILLIONS OF ADDITIONAL AMERICANS, YOUNG AND OLD.

SENATOR BOREN AND HIS FRIENDS WANT TO STOP THE CLINTON ECONOMIC PLAN AND SHIFT TAXES FROM THE RICH AND FROM THE ENERGY INDUSTRY ON TO THE BACKS OF SENIORS AND POOR PEOPLE.

**NATIONAL COUNCIL
OF SENIOR CITIZENS**

OVER, PLEASE...

1331 F STREET, N.W. • WASHINGTON, D.C. 20004-1171 • (202) 347-8800 • FAX (202) 624-9596

ACTION: TODAY, CALL YOUR SENATORS' OFFICES BOTH IN THE STATE AND IN WASHINGTON (202-224-3121).

TELL THEM THAT YOU OPPOSE THE BOREN AMENDMENT TO THE RECONCILIATION BILL CUTTING THE SOCIAL SECURITY COLA AND CAPPING ENTITLEMENT PROGRAMS.

TELL THEM YOU SUPPORT TAX FAIRNESS WITH THE WEALTHY PAYING THEIR FAIR SHARE FOR THE COSTS OF GOVERNMENT.

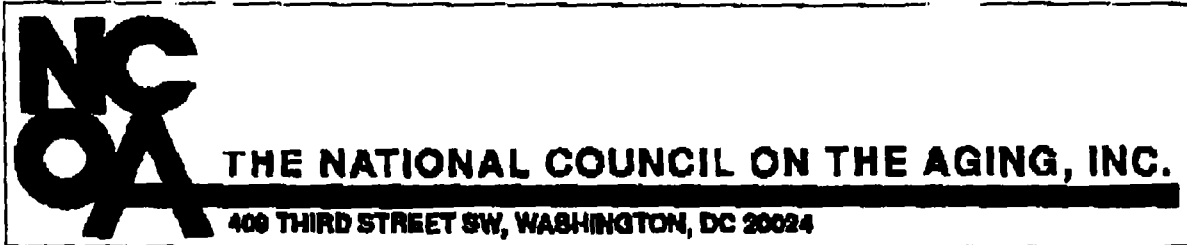
IN THE U.S. HOUSE OF REPRESENTATIVES, CONGRESSMAN CHARLES STENHOLM (D-TEXAS), AND A COALITION OF CONSERVATIVE DEMOCRATS AND REPUBLICANS, INCLUDING THE HOUSE REPUBLICAN LEADER, CONGRESSMAN ROBERT MICHEL (R-ILL.), ARE PLANNING THE SAME KIND OF CUTS IN SOCIAL SECURITY AND ENTITLEMENT PROGRAMS WHEN THE HOUSE VERSION OF THE 1993 BUDGET RECONCILIATION BILL IS DEBATED NEXT WEEK.

ACTION: CALL YOUR U.S. REPRESENTATIVE TODAY AT HIS OR HER DISTRICT OFFICE AND AT THE WASHINGTON OFFICE (202-225-3121). TELL YOUR REPRESENTATIVE THAT YOU OPPOSE THE "STENHOLM" AND THE "MICHEL" AMENDMENTS TO THE RECONCILIATION BILL.

TELL HIM/HER YOU OPPOSE CUTS IN SOCIAL SECURITY AND OTHER ENTITLEMENT PROGRAMS AND THAT YOU SUPPORT TAX FAIRNESS TO CUT THE DEFICIT AND RESTORE ECONOMIC HEALTH.

DO IT NOW!

AND GET ALL OF YOUR NCSC CLUB MEMBERS TO DO THE SAME....



NEWS FROM THE NATIONAL COUNCIL ON THE AGING
FOR IMMEDIATE RELEASE CONTACT: LOUISE CLEVELAND 302/479-6975

NCOA Opposes "Caps" Aimed at Older Americans

WASHINGTON DC, May 21--Daniel Thursz, President of the National Council on the Aging, in a statement released today, emphasized the organization's steadfast opposition to any suspension of cost-of-living adjustments to Social Security benefits, and to the capping of Medicare and Medicaid spending, as recently proposed by Senators Boren and Danforth in an unwelcome alternative to the Clinton Administration's proposed budget reconciliation.

Dr. Thursz stated:

"This particular attempt to shift the cost of deficit reduction disproportionately onto older Americans is especially ill-conceived. It threatens to erode the income and the health care promised to millions. And it does so without even considering the need to contain rising medical costs in other ways, through real health reform rather than cost-shifting.

"Older people understand the dangers of the deficit and will be ready to make sacrifices provided that such sacrifices are shared in a fair and equitable way by all segments of the population. If social security benefits are to be subject to taxation as income--as already proposed in the Administration's budget--most older people will accept this so long as all forms of income, earned and non-earned, are subject to the same taxation policy.

NCOA is a nonprofit organization that serves as a national resource of information, training, technical assistance, public policy advocacy, and research on every aspect of aging.

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National Committee to
Preserve Social Security
and Medicare



EXEC Cmte - 1-42 0003
Distributed to Cmte on
Gov't Operations

May 20, 1993

The Honorable John Conyers, Jr.
Chairman, Committee on Government Operations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the nearly six million members and supporters of the National Committee to Preserve Social Security and Medicare, I strongly urge you to reject any attempt to cap entitlement spending. This pending Stenholm proposal only worsens the inequitable burden placed on seniors in the reconciliation bill recently reported by the Ways and Means Committee which includes a significant and unfair tax increase on Social Security benefits and substantial Medicare cuts.

An entitlement cap would be simply another attempt, like the unsuccessful automatic sequestration procedures under Gramm-Rudman-Hollings, and the procedures enacted in the Budget Enforcement Act of 1990, to somehow bring the budget under control without addressing the real underlying causes of the budget deficit. The current serious budget deficit situation is attributable to insufficient general fund revenues to cover appropriated spending on domestic discretionary programs and spiraling health care costs. The rapid increases in health care costs must be addressed in the context of comprehensive health care reform.

The notion that entitlement spending is responsible for the deficit turns out to be wrong when the issue is carefully considered. The Congressional Budget Office concluded in a 1992 report to the Budget Committees that total spending on entitlements grew rapidly as a percent of Gross Domestic Product (GDP) from the early 1960's but "most of the increase occurred by 1975." In fact over the past decade, all of the components of entitlement spending, except for Medicare and Medicaid, have declined as a percentage of GDP. The rapid rate of growth in Medicare and Medicaid spending merely mirrors trends in the entire health care sector. If a cap were imposed on entitlements, uncontrolled increases in medical costs will force deep cuts in benefits to seniors and the disabled without addressing important health care policy decisions.

Further, the Stenholm entitlement cap proposal targets the Social Security trust fund as a source of deficit reduction even though the fiscal year 1994 trust fund surplus is projected to be \$50.7 billion. Social Security does not contribute to the deficit. In fact, the trust fund surplus currently represents a major source of borrowing to fund non-Social Security spending.

America's seniors have made many sacrifices over the years for the goal of fiscal responsibility. Although seniors fully support efforts to reduce the federal deficit, they will not support efforts to target the Social Security trust fund as a source of deficit reduction or legislation which requires seniors to bear a disproportionate share of the burden of deficit reduction. Both the Social Security tax increase and the entitlement cap proposal must be rejected by Congress.

Sincerely,

Martha A. McSteen
President



National Committee to
Preserve Social Security
and Medicare

Contact: Bill Rife
202 467-9010

NEWS

FOR IMMEDIATE RELEASE:
May 20, 1993

**McSteen: Boren Tax Plan "Grossly Unfair"
Saves Energy Firms at Expense of Seniors**

WASHINGTON— The tax plan unveiled today by Sen. David Boren, D-Okla., is "grossly unfair and an ill-disguised effort to shift billions of tax dollars in tax liability from the energy industry to the backs of older Americans," the head of the nation's second-largest senior advocacy organization charged today.

Calling the Boren plan, unveiled at a Capitol Hill news conference earlier today, "a blatant attempt to relieve the tax liability of the energy industry at the expense of seniors," Mrs. McSteen said it represented a "two-pronged attack on the pocket books of seniors.

"It must be rejected by the Senate."

Not only would the Boren plan cap spending for entitlement programs, including Medicare and medicaid, it also would reduce the annual cost of living adjustments to many Social Security beneficiaries. At the same time, Boren would eliminate the Clinton Administration's proposed BTU energy tax, thereby decreasing federal anticipated tax revenues by more than \$70 billion.

Calling the Boren plan an attempt to control federal spending without first understanding the root causes of the problem, Mrs. McSteen said it represents "a band-aid on a wound hurting all Americans, the soaring cost of health care.

"No one wants to see health care costs brought under control more than seniors," she said, "but the causes must be addressed before the wound can be treated."

"Surpluses don't cause deficits," said Mrs. McSteen in urging defeat of the Boren plan to reduce COLAs for many Americans. "Social Security is the only major government program in the black. It doesn't contribute the deficit; it's running a surplus of more than \$50 billion a year."

"Our hope is that wiser heads will prevail and this plan will be defeated."

- 30 -



ACTION

ALERT

USCC Department of Social Justice and World Peace
1111 17th Street, N.E. Washington, D.C. 20002-4199
Tel: (202) 541-3189 Fax: (202) 541-3335

HOUSE BUDGET RECONCILIATION VOTE SCHEDULED FOR MAY 27TH MAY 1993

WHY YOU ARE RECEIVING THIS 'ALERT'

Next Thursday, May 27 (before the Memorial Day recess), the full House of Representatives is scheduled to vote on the budget-reconciliation bill, key legislation for families and children. While this legislation addresses other issues of interest to USCC, our focus is on the priority issues of our Catholic Campaign for Children and Families. Policy support for these issues can be found in Putting Children and Families First and other Conference documents. (See previous ALERTS on these issues)

Expansion of the Earned Income Tax Credit (EITC) will assist parents who work at low paying jobs to better meet the needs of their families. (\$28 billion)

Mickey Leland Childhood Hunger Act will increase food assistance to families with children by permitting them to subtract their higher shelter costs when the amount of their food stamps is being determined, just like people who are elderly or disabled can already do. (\$7 billion)

The Childhood Immunization Initiative will permit states to purchase vaccines for children who are eligible for Medicaid, uninsured or underinsured (they have health insurance but it does not cover vaccines) at a price that is negotiated by the federal government with the drug companies. The federal government will pay for these purchases. State will also be able to buy vaccines for other children in their states. (\$2.1 billion)

WHAT YOU CAN DO

NOW Please call your Representatives -- urge them to support the above items in Budget Reconciliation. Don't assume because of their record that they don't need to hear from you. Every member needs to hear from "people back home," their constituents, on these important provisions.

Write: Representative _____
U.S. House of Representatives
Washington, D.C. 20515

Or Call: Capitol Switchboard (202) 224-3121.

NEXT MONTH The Senate Finance Committee is expected to consider the Reconciliation bill in June (right after the Memorial Day recess). If your Senator is on the Finance Committee, contact him/her and urge that the programs for families and children are included in the Senate Budget Reconciliation bill.

For more information contact: Thomas Shellabarger at the USCC, 202.541.3189.

Consortium for Citizens with Disabilities

ACTION ALERT

To: CCD Members
From: Katy Beh Neas, Budget and Appropriations Co-chair *Katy*
Date: May 21, 1993
Re: President Clinton's Budget Plan

Next Thursday, May 27, 1993, the House of Representatives is scheduled to vote on its budget reconciliation bill. Your help is urgently needed to pass this important measure.

As you have seen reported, there is a significant push to modify this plan with an entitlement cap. In the past, CCD has opposed such caps on the grounds that they could cause serious problems to beneficiaries of programs such as Medicaid, Medicare and Supplemental Security Income. Moreover, these programs oftentimes already provide inadequate benefits to individuals with disabilities.

Your help is needed in three ways:

1. Sign your organization on to the attached statement.
2. Send a letter to all the members of the House that states your support for the budget reconciliation bill and your opposition to the proposed entitlement cap.
3. Notify your state affiliates and ask that they contact their members with the above mentioned message.

The vote is next Thursday. Please give me a call at 301 588-8252 or fax 301 522 2842 to sign on to the statement or if you have any questions or need any additional information. Thanks.

May 21, 93 17:34 No.073 P.03

Consortium for Citizens with Disabilities

May 26, 1993

Dear Representative,

We, the undersigned members of the Consortium for Citizens with Disabilities (CCD) urge you to vote in favor of the Budget Reconciliation bill when it comes before the House this week. We also urge you to vote against any amendments which would cap entitlement programs.

The CCD is a working coalition comprised of consumer, advocacy, provider and professional organizations which advocate on behalf of people of all ages which physical and mental disabilities and their families. Since 1973, the CCD has advocated for federal legislation, regulations and funding which affect this population. More than 100 national organizations now belong to the Consortium.

Our objective is to assure that 43 million Americans with disabilities are fully integrated into the mainstream of our nation's life. However, all efforts to move toward this goal in Fiscal Year 1994 will be further frustrated if entitlement caps are arbitrarily placed on programs that provide fundamental supports to individuals with disabilities, such as Medicaid, Medicare, and Supplemental Security Income.

For example, the Medicaid program has long been a mainstay of health care, rehabilitation services and long term services for people with disabilities. From providing home and community based living arrangements for individuals the mental retardation and other developmental disabilities, to ensuring appropriate early intervention and preventative health services for children with disabilities, the Medicaid programs helps people with disabilities live more independent, productive, lives.

Entitlement caps do not result in reforms which make these and other programs more accountable to the taxpayer. We urge you to support the Budget Reconciliation bill.



ACTION ALERT

GOVERNMENTAL
ACTIVITIES
DEPARTMENT

1522 K Street, NW
Suite 1112
Washington, DC
20004

202 842 1200
V. 202 842 1200
Fax 202 842 1200

TO: Affiliate Executive Directors and Interested Others

FROM: Christopher Button

DATE: May 21, 1993

RE: **URGENT** - Calls Needed TODAY to U.S. House of Representatives In Opposition To Capping Entitlements

EDWARD H.
GOLDENSON
Board Chairman

JACK
HAUSMAN
Vice Chairman

ROBERT L.
MORISON
Vice Chairman

JACK
SCHILLINGER
President

RAYMOND S.
CACHAREY
Vice President

BERNADETTE L.
KLEIN
Vice President

KENNETH R.
MURBACH
Vice President

WILLIAM
BERENBERG
Vice President

JACK M.
WEINSTEIN
General Counsel

JOHN W.
KUGLE
President, UCP
Research & Educational
Foundation

JOHN D.
KEMP
Executive Director

MICHAEL W.
MORRIS
Associate Executive
Director

ALLAN J.
BURGMAN
Deputy Director

Calls are needed to derail a serious threat to cap entitlement programs, which is expected to be raised on the floor of the House next week.

The major entitlement programs on which many people with disabilities rely - including programs such as Medicaid, Supplemental Security Income (SSI), Social Security and Medicare, among others, are in danger of being capped by an amendment to be proposed in the House by Rep. Charles Stenholm (TX).

The anticipated amendment would impose an entitlement cap, or spending limit, for each of the next five years at the level that entitlement costs are projected to reach that year under the recently passed Congressional budget resolution. If passed, the Stenholm amendment would:

- * require cuts in entitlements whenever the cap is exceeded due to factors that do not stem from action by Congress and are beyond the control of policymakers (such as higher inflation or unemployment than anticipated). If the cap is exceeded, specific entitlement cuts would have to be enacted or else all entitlements would automatically be cut across the board.
- * eliminate a feature of the current Pay-as-you-go rules (of the Budget Enforcement Act) under which an increase in an entitlement is permitted if it is offset fully by an increase in revenues. Under the Stenholm proposal, this would be prohibited.
- * restrict the ability of authorizing committees to decide which entitlement to cut when the committees are faced with the need to reduce entitlement costs so they fit within the cap. The Stenholm proposal would dictate to authorizing committees how much to cut in each budget area.

Although the authors of the proposed entitlement cap appear to be motivated by a sincere desire to control costs and contain the federal deficit, capping such health care entitlements as Medicaid and Medicare could also have the effect of shifting health care costs from the government to the private sector, or shifting Medicaid and Welfare costs to the states. In addition, the proposal would have serious detrimental consequences for people with disabilities and their families. It could result in sizeable across-the-board cuts in basic entitlement programs, as well as cause disruption in program operations. It also poses fundamental equity issues, as it would trigger actions that have the greatest impact on low income individuals, which includes many people with disabilities and their families.

MAY-21-93 FRI 18:29

UCPA, INC (DC)

FAX NO. 8423519

P.03

ACTION NEEDED:

Calls to all members of the House are urgently needed expressing STRONG OPPOSITION to an entitlement program cap. We must protect vital entitlements utilized by persons with cerebral palsy and other disabilities and their families until new programs, such as national health care reform, are enacted, which are more effective in both expanding access and containing health care and other entitlement costs.

If you have any questions or need additional information, please contact Christopher Button in the UCPA Governmental Activities Department at 1-800-USA-5UCP or 202-842-1266.

The Capitol Switchboard number is: (202) 224-3121

CALL THIS NUMBER TODAY AND ASK TO BE CONNECTED TO YOUR
REPRESENTATIVE!! THANK YOU!

Public Citizen

NEWS RELEASE

FOR IMMEDIATE RELEASE
Monday, May 24, 1993

CONTACT: Andrew Silow-Carroll
202-833-3000, ex. 203

PUBLIC CITIZEN SUPPORTS ENERGY TAX, BLASTS BOREN-DANFORTH AS "ROBBING FROM THE POOR AND GIVING TO OIL COMPANIES"

Public Citizen today urged Congress to pass President Clinton's proposed energy tax. "The President's tax plan will help our environment and economy by shifting some of the tax burden off the backs of working people and providing an incentive for energy efficiency and clean, renewable energy technologies," said Bill Magavern, Director of Public Citizen's Critical Mass Energy Project.

"By expanding the availability of the earned-income tax credit and the funding for food stamps and the Low-Income Home Energy Assistance Program, the proposal assures that the burden of deficit reduction does not fall on those least able to bear it," Magavern explained.

Magavern also urged Congress to reject the alternative tax proposal authored by Senators Boren and Danforth. "Boren and Danforth have offered a reverse Robin Hood scheme," he asserted. "Their plan would require the average American to sacrifice in order to protect oil companies and electric utilities."

"In addition to passing the BTU tax, Congress should cut unnecessary spending," Magavern continued. "We have identified several billion dollars worth of subsidies that waste money and damage the environment. These taxpayer ripoffs include spending on dangerous nuclear reactors and tax breaks for oil companies. Rather than protecting the special interests, Congress should be cutting those subsidies."

-30-



for a better world

1819 H Street, NW, Suite 640
Washington, DC 20006-3603
(202) 862-9740 fax: (202) 862-9762

formerly SANE/FREEZE

FOR IMMEDIATE RELEASE
Tuesday 25 May 1993

CONTACT: Ira Shorr
(w) 202-862-9740

**U.S PEACE GROUP SUPPORTS RECONCILIATION BILL/OPPOSES
ENTITLEMENT CAP**

WASHINGTON D.C. - Peace Action (formerly SANE/FREEZE), the largest U.S. peace and justice organization, today announced it's support for President Clinton's economic plan as reflected in the budget reconciliation bill.

"This bill marks an important first step towards rebuilding our nation's economy," said Ira Shorr, Program Director. "It restores some fairness to the tax system by raising the rates on the most well-off Americans, and while setting aside funds to reduce the deficit, it also makes a down payment on the enormous investment needs of this country."

Peace Action also declared its opposition to an entitlement cap. "A cap on entitlement programs will only shift the economic burden to the poor and elderly," said Shorr. "If we cap anything, it should be next year's Pentagon budget that seeks tens of billions of dollars to fight an enemy that no longer exists."

Peace Action called on its activists in 40 states to lobby their representatives for passage of the reconciliation bill, against a cap on entitlement programs.

May 24, 93 13:59 FOOD RSCH & ACTION CENTER WASH DC

F.R.A.C

FOOD RESEARCH
& ACTION CENTER

May 24, 1993

Dear Member of Congress:

We urge you to vote for the budget reconciliation bill when it comes to the House floor this week and to vote against amendments that would impose arbitrary caps on entitlement programs.

The budget reconciliation bill strikes an important balance toward the twin goals of deficit reduction and investments in families and children. It represents an important step in the fight to alleviate childhood hunger.

Specifically, this package includes the Mickey Leland Childhood Hunger Relief Act, which has twice before passed the House. The Leland Bill would make long overdue improvements in the Food Stamp Program, primarily for families on the brink of homelessness and those who are dependent on child support payments. Over 90% of its benefits would aid families with children, almost exclusively those with incomes below the poverty line.

Other features of the reconciliation package important to families include: expansion of the Earned Income Tax Credit (EITC) to assist working poor families, the Childhood Immunization Initiative (to permit states to purchase vaccines for needy eligible children) and the Family Preservation and Family Support provisions (for families with children at risk of being removed from their homes and for improved services to children in out-of-home care). Expansion of EITC and enactment of the Leland Bill would help to ameliorate the impact of any tax changes on the working poor.

A move to cap entitlements is ill-advised and, although not intended to do so, could threaten vital anti-hunger programs. Most experts agree that the root cause of increased costs lies in the area of health care. The answer is health care reform (for which consideration is imminent), not caps on nutrition programs for low-income, vulnerable populations.

As a nation, we have fallen woefully short of ensuring resources adequate to alleviate hunger and poverty. Family services and nutrition programs represent vital investments in a healthy and productive citizenry and are the hallmark of a caring society.

Passage of this budget reconciliation package would mark important progress toward reducing the deficit while at the same time providing for basic human needs.

We strongly urge you to vote for the budget reconciliation bill and against arbitrary caps on entitlement programs.

Sincerely,

Robert J. Fern
Executive Director1875 Connecticut Ave., NW
Suite 540
Washington, DC 20009
TEL: (202) 966-2200
FAX: (202) 966-2525

MAY 21 '93 18:45

F.4/4



NATIONAL CONFERENCE OF STATE LEGISLATURES

444 NORTH CAPITOL STREET, N.W. SUITE 515 WASHINGTON, D.C. 20001
202-424-5400 FAX: 202-737-1000

ART HAMILTON
HOUSE MINORITY LEADER
ARIZONA
PRESIDENT, NCSL

DON SCHROEDER
CHIEF CLERK OF THE SENATE
WISCONSIN
VICE CHAIR, NCSL

WILLIAM FULFORD
EXECUTIVE DIRECTOR

May 18, 1993

Dear Representative:

The nation's state legislators recognize that the reduction of the federal deficit and the restoration of sound fiscal policy are critical to the economic future of America. Moreover, we understand that serious deficit reduction can only be achieved through spending reductions and tax increases. However, a proposal to cap federal entitlements as a means to reduce the deficit will not reduce the cost of these programs. It simply shifts the cost and burden to state and local governments in order to continue to provide the same level of benefits.

States are partners in the current delivery and funding of federal entitlement programs. For some time, states have been required to assume many of the increasing costs and burdens of these programs. While the growth of entitlements has adversely impacted the federal budget, a similar effect has occurred at the state level.

We urge you to reject caps on means-tested entitlement programs. The National Conference of State Legislatures strongly believes that the safety net for vulnerable populations must not be undermined. In addition, should federal caps be placed on these programs, we believe that statutory changes must be concurrently enacted to absolve states from legal obligations to provide services to entitled individuals.

It is imperative that states participate as full partners in reshaping entitlement programs and reducing their rate of growth as outlined in the attached statement of NCSL, the National League of Cities and the National Association of Counties. For additional information, contact Susan Wolfe (674-8670), Sheri Seisler (624-8693), or Michael Bird (624-8686).

Thank you for your consideration.

Sincerely,

Art Hamilton

Art Hamilton
House of Representatives, Arizona
President, NCSL

LEADERS' LETTER

May, 1993

The National Democratic Party Voice for State Legislators

NEW NAME, NEW OFFICERS: We have abbreviated our name to the "Democratic Legislative Leaders Association" and will go by the initials "DLL." New officers have been elected to serve during the current 1993-1994 term. Maine Speaker John L. Martin will continue to serve as Chair as well as a member of the Democratic National Committee Executive Committee. Vice Chairs are Arizona House Democratic leader Art Hamilton and New Mexico Speaker Raymond Sanchez. Florida Speaker Bolley Johnson is Secretary; California Assemblywoman Gwen Moore is Treasurer. Minnesota Speaker Dee Long and Missouri Speaker Bob Griffin will serve with Speaker Martin on the Democratic National Committee.

NEW CAMPAIGN SERVICE PROGRAM FOCUSES ON LEGISLATIVE CAUCUS AND CAMPAIGN COMMITTEE: The DLL is now developing a new and unique campaign and election services program designed to strengthen and improve Democratic legislative caucuses and campaign committees. In cooperation with the Democratic National Committee and other affiliated organizations, the DLL is seeking to evaluate caucuses and campaign committees and provide training and assistance programs designed specifically for state legislators.

Training sessions for legislators and staff will be held during the NCSL Annual Meeting in San Diego, California. The sessions are tentatively scheduled for Monday July 26 and Tuesday, July 27. One session will focus on candidate recruitment and training. The other session will focus on incumbency protection through the Democratic Caucus and campaign committee. Specialized programs will also be available to states throughout the year as requested.

CALIFORNIA, HERE WE COME: Several activities are being planned for the NCSL Annual Meeting being held in San Diego, California during the week of July 25. In addition to the two training workshops mentioned above, the DLL will be holding a business meeting and reception for leaders and private sector/labor union supporters. A luncheon for Democratic legislators featuring a nationally recognized speaker is also being planned for Wednesday, July 28th.

THE MORNING LINE: Copies of the Democratic National Committee's daily "Morning Line" talking points newsletter are now being sent by FAX to legislative leaders. The "Morning Line" contains information highlighting President Clinton's programs and activities. It includes timely and useful information on the economy, health care, and other topics. Please let us know if you are not receiving the "Morning Line."

MAY 21 '93 18:45

P.3/4

National
Conference
of State
Legislatures

William T. Pound
Executive
Director

444
North
Capitol
Street, N.W.
Washington, D.C.
20001
(202) 624-5400



A C T I O N A L E R T

May 20, 1993

ENTITLEMENT CAP THREATENS SEVERE COST SHIFT TO STATES

The House of Representatives is seriously considering proposals that would place a cap on all entitlements (including AFDC and Medicaid) as part of budget reconciliation legislation that will be considered during the middle of next week. Texas Representative Charles W. Stenholm's proposal would place a limit on federal entitlement expenditures only and not remove any legal obligations on states to provide services. Under the proposal, federal entitlement funds would cease immediately at the cap at any time throughout the year and states would have no advance notice or opportunity to make program changes. House leadership is currently negotiating with Representative Stenholm on a possible compromise that might address his budget enforcement concerns while protecting state budgets and ensuring a minimum safety net.

Senator David L. Boren (Oklahoma) has offered a budget reconciliation proposal with Senator John C. Danforth (Missouri) in his effort to defeat President Clinton's proposed energy tax. Senator Boren's plan shifts even greater costs to states by setting entitlement caps far below Representative Stenholm's levels. States are given no protections or opportunities to make program changes. The proposal also raises \$31 billion by reducing the federal share for AFDC and Medicaid for 13 states -- Alaska, California, Connecticut, District of Columbia, Hawaii, Illinois, Maryland, Massachusetts, New Hampshire, New Jersey, New York and Virginia. Senator Boren reduces federal medicaid matching funds for disproportionate-share hospitals, raises \$31 billion through a medicaid managed care mandate on states and proposes additional medicare cuts. The proposal also eliminates all food stamp improvements, reduces the Earned Income Tax Credit expansion for working poor families and proposes COLA limitations for civilian and military annuities and on social security benefits.

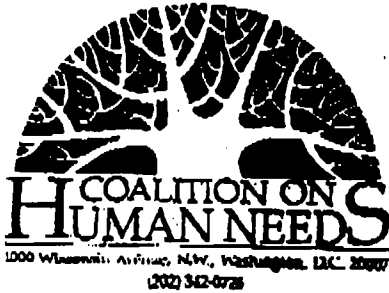
Both of these proposals would have severe and negative consequences for state budgets and seriously threaten the provision of safety net services. Both would doom the prospects for comprehensive national health care and welfare reform. It is critical that all members of your delegation be contacted immediately by phone or fax to oppose any cap on entitlement programs, especially the Boren proposal in the Senate. Please contact Susan Wolfe, Sheri Steisel, Joy Wilson or Michael Bird at NCSL, 202/624-5400, for further information. Attached is a copy of NCSL's letter in opposition.

This alert has been sent by fax to SFA Coordinators and mailed to members of the Committees on Human Services, Health and Federal Budget and Taxation and fiscal officers.

"Action Alert"
is a publication
of the
NCSL Office of
State-Federal
Relations
providing
assistance from
state legislators
and legislative
staff.

R-95X

05-21-93 06:36PM P003 #20



Jennifer A. Vasiloff
Executive Director

Coalition on Human Needs Urges Support for the President's Economic Package

May 18, 1993

The Coalition on Human Needs supports President Clinton's plan for economic change as reflected in the combined action of thirteen House committees on the budget reconciliation legislation. President Clinton's \$500 billion deficit reduction package is the largest in history. At the same time, the budget reconciliation legislation addresses the need for targeted investments in the American people. It achieves greater progressivity in the tax code by raising taxes primarily on the wealthy. We urge Congress to approve the President's plan without damaging amendments.

The budget reconciliation bill reorders federal spending priorities to focus on those Americans most in need in a number of areas including:

- o **Earned Income Credit (EIC):** The expansion of the EIC will assist low wage workers and their families by providing for an expanded credit against their federal income tax. The current EIC would be expanded particularly for families with more than one child. For the first time a modest credit would be available to childless workers to offset the increased energy taxes on very low wage earners.

- o **Mickey Leland Childhood Hunger Relief Act:** Food assistance to families in need would be expanded to account for the high shelter costs too many low-income Americans face. Poor families in this country should not have to choose between paying their rent and utilities or providing enough food for their children.

- o **Family Preservation and Family Support:** Children at risk of, or suffering from, abuse and neglect would receive additional help. Funds would be used to provide family preservation services, to encourage a stable and supportive family environment, and to enhance child development.

Some Representatives are considering offering budget process amendments -- including a cap on entitlement spending -- to the reconciliation bill. The Coalition on Human Needs strongly opposes any such amendment as arbitrary, extremely ill-advised, and disproportionately harmful to low-income Americans. The sweeping scope of the reconciliation bill itself is ample evidence that such budget process gimmicks are unnecessary when there is the political will to address the federal budget deficit and our nation's serious economic problems.

The Coalition on Human Needs is an alliance of over 100 national religious, civil rights, labor, human services and professional organizations and those concerned with children, women, the elderly and people with disabilities. While many of our member groups will object to individual provisions of the budget reconciliation legislation, the Coalition on Human Needs believes that - taken as a whole - the bill is worthy of enthusiastic support. It represents an important step toward economic recovery, reordering federal spending priorities and greater tax equity. We call on Congress to join with the President to change the course of the nation by approving his economic program.

The Greening of the White House



President Clinton's new economic package includes proposals designed to protect the environment while strengthening the economy.

by Alden Meyer

On February 18, Americans across the country were talking about the boldness and scope of the economic package unveiled by President Clinton the night before. Some groups, like UCS, were delighted at the concern for the environment demonstrated in the plan. Others, including the oil, coal, and automobile industries, were gearing for battle over specific tax proposals.

Whatever their perspective, everyone could agree on one thing: the package represents a major shift in the way the federal government approaches environmental policy. Rather than being viewed as costly add-ons to fiscal policy, cleaning up the environment and development of new environmental and energy technologies are viewed by the president as essential elements in promoting economic growth and putting millions of Americans back to work.

Alden Meyer is UCS's legislative director.

FROM: UCS/DC

TO: 18638196

1993.05-24

02:30PM #170 P.03/04

Each part of the Clinton package—the short-term “stimulus” proposal, the long-term investment strategy, the spending cuts, and the tax increase—reflects a new set of energy and environmental priorities. Taken as a whole, the package will move America closer to realizing a sustainable energy future based on efficient energy use and clean, renewable energy resources. It will produce significant improvements in environmental quality, from reduced greenhouse-gas emissions to cleaner drinking water to long-term protection of our natural resources. And it will allow the United States to reclaim a leadership role in the fight to protect our global environment. But first, it has to pass Congress.

Although the Clinton-Gore policies are light-years away from the often anti-environment strategies of the Bush and Reagan administrations, there has been no such dramatic change in the makeup and outlook of the US Congress. Many of the key committee chairmen continue to look out for the interests of the polluting industries—the oil and coal companies, the auto companies, many major electric utilities, and others—that would be most heavily affected by the Clinton-Gore policies. And these industries are out in force—issuing distorted analyses of the impacts of the proposed energy tax while scrambling to retain their long-time government subsidies and favorite spending programs. UCS's own smaller but very effective force has joined the fight and will be countering the misinformation with fact.

Now for the plan itself. One cornerstone is a modest tax on the heat content (measured in “British thermal units,” or Btus) of most forms of energy; solar, wind, geothermal, and biomass fuels would be exempted. Oil would be taxed at a rate more than twice that of coal

The package represents a major shift in the way the federal government approaches environmental policy.

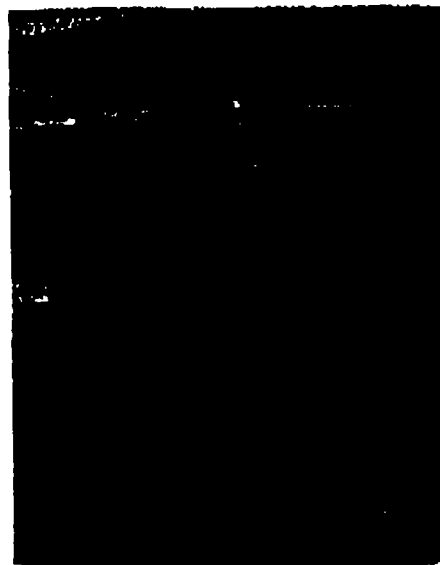
and natural gas, to reflect the national security and trade deficit impacts of continued high dependence on imported oil. Nevertheless, a case can be made on environmental-damage grounds for taxing coal at a rate even higher than oil. The reason the proposed tax rate on coal is lower has less to do with environmental merit than it does with the clout of coal-producing states on Capitol Hill, particularly in the Senate (West Virginia's senior Senator Robert Byrd chairs the powerful Appropriations Committee, and is key to the prospects of the entire Clinton economic package).

The administration estimates that, when fully phased in in 1996, the tax would raise annual energy bills for a family of four earning \$40,000 a year by about \$120; the indirect cost of higher energy prices on goods and services would add another \$200 a year. The tax would raise gasoline prices about 5 percent, natural gas prices about 4 percent, and home heating oil prices about 8 percent; electricity prices will rise about 0.25 cents per kilowatt-hour. The tax is expected to eventually net \$22 billion a year.

At such a low level, the tax is expected to reduce energy consumption only modestly (the administration predicts a reduction of less than 2 percent in energy consumption by the year 2000). But it will help the Clinton administration meet its campaign commitment to stabilize US carbon dioxide emissions at 1990 levels by 2000, and strengthens the hand of those within the European Community who have been pushing for higher energy taxes to help meet Europe's CO₂ stabilization commitment.

The most important feature of the new tax proposal is that it explicitly recognizes the environmental and public health costs to society of our current patterns of energy consumption, and establishes a framework within which tax rates can be adjusted upwards in the future to be more commensurate with those costs. There is already a trend among some state utility commissions to find ways to account for environmental factors when choosing between energy sources; the Btu tax will reinforce this trend.

To offset the impact of the energy tax on lower-income Americans, the Clinton package includes increases



Even though it is expected that the proposed Btu tax would encourage people to reduce their consumption of fossil fuels.

TO 18638195

1991.06-24

02:33PM #470 P.04/04

in the earned income tax credit and in funding for food stamps and the low-income energy assistance program. UCS is working to make sure these offsets stay in the package as it goes through Congress.

The short-term stimulus package, designed to create new jobs over the next year, includes several environmental, energy, and transportation initiatives. Among them are an additional \$752 million for mass transit capital improvements; \$188 million for AMTRAK equipment purchase and overhaul; over \$1.1 billion in grants for sewage-treatment and drinking-water-purification facilities; \$349 million for natural resource protection projects in the National Park system and elsewhere; \$47 million in additional grants for state low-income home-weatherization programs; and \$23 million for EPA's "green" programs to encourage voluntary energy-efficiency improvements by the nation's businesses and industry.

The package's long-term investment proposals are even more

ambitious. Over the four-year period starting October 1, 1993, the Clinton administration is seeking increased spending of \$1.2 billion for mass transit; \$646 million for high-speed rail systems;

\$108 million for purchase of alternative-fueled vehicles by the federal government pursuant to the Energy Policy Act of 1992; \$4 billion for the state clean-water and drinking-water revolving funds; \$1.5 billion for natural resource protection projects

on public lands; \$271 million for environmental technology development; \$1.3 billion for energy-efficiency and renewable energy research and development; \$1 billion for federal building energy-efficiency investments; and \$360 million in low-income weatherization assistance to the states.

Although much of the president's proposed \$493 billion in deficit reduction over the next four years will come from his tax proposals, defense spending cuts, and trims in Medicare and other entitlement programs, several other proposed cuts would save the federal government billions of dollars while also protecting our environment and natural resources. Nuclear reactor research and development would be cut \$820 million over the four-year period, water project construction funding would be trimmed by nearly \$400 million, and spending on uranium enrichment would be cut by \$1.3 billion. President Clinton would reverse the past 12 years of natural resource giveaway policies by increasing fees for livestock grazing on federal lands, raising the price of water from federal irrigation projects closer to its actual cost, charging royalties for hardrock mining on federal lands, and phasing out "below-cost" sales of timber on federal lands (where the government spends more on forest road construction and other expenses than it gets back from sale of the timber). These proposed resource subsidy cuts are already generating political heat out of all proportion to their fiscal impact.

Notably absent from the list of cuts are the billions of dollars in annual tax breaks and other subsidies for fossil fuel production. Although this may be understandable from a purely political standpoint, it makes little sense to exempt these subsidies from the chopping block, while at the same time seeking an energy tax at least



Increased funding for mass transit is an important part of Clinton's short-term stimulus package.

partially intended to reduce polluting fossil fuel consumption. UCS will press Congress to trim back these outmoded taxpayer giveaways to the oil and coal industries.

The Clinton economic package, with its broad-based energy tax and substantial proposed spending increases for energy efficiency, renewable energy, and international climate-related activities, will be the first battleground in the fight to transform US climate and energy policy. The success or failure of this economic package will largely determine the prospects for the Clinton presidency. What is at stake for environmentalists is thus not only the new set of budget priorities embodied in the Clinton package, but the ability of the Clinton administration to deliver on its campaign pledges on issues like automobile fuel efficiency and international environmental leadership.

In his book *The Nature of Scientific Revolutions*, Thomas Kuhn speaks of "paradigm shifts"—when the old way of viewing things gives way to an entirely new perspective. In their effort to marry environmental protection to economic goals (not to mention sweeping deficit reduction with targeted spending increases), President Clinton and Vice President Gore are attempting to force such a paradigm shift. Although some changes will (and should) be made in parts of their package, it is important to all of us that they succeed in this broader objective. ◀



Under the Clinton proposal, most renewable energy sources will be exempt from the Btu tax.



Natural Resources
Defense Council

News Release

May 24, 1993

Contact: Dan Lashof
Marika Tatsutani
(202)783-7800

CUT THE DEFICIT, CUT POLLUTION PASS THE CLINTON ECONOMIC PLAN

After twelve years of gridlock, it is time for Congress to get behind President Clinton's economic program. Like the President, Congress must opt for a plan that puts our economy back on track in ways that improve, not degrade the environment. That includes passing a tax on wasteful energy use that will both cut the deficit and help reduce pollution.

"The BTU energy tax has two distinct advantages over 'alternative' plans currently being floated on Capitol Hill", notes NRDC scientist Daniel Lashof. "First, it represents real deficit reduction, not voodoo economics or unspecified spending cuts. Second, it creates incentives for more efficient technologies and clean, alternate resources that both reduce pollution at home and improve our competitiveness abroad."

"If taxes are needed to cut the deficit", says NRDC's Marika Tatsutani, "we should be smart about it and tax things that are bad for America -- such as wasteful energy consumption -- rather than things we'd like to encourage, such as income and investment." By contrast, opponents of the President's plan would shift the burden of deficit reduction to the elderly and the poor, by cutting, for instance, earned income tax credits for low-income workers.

The BTU tax, as originally proposed, would have been evenly imposed on energy consumption throughout the economy, thereby maximizing efficiency incentives, minimizing regional disparities, and holding the tax burden on any particular sector to relatively modest levels (energy prices would remain far lower than those of our major industrial competitors). In comparison, a gasoline tax of as much as 25 cents per gallon would be required to raise the same revenue as the BTU tax when it is fully phased in. Nevertheless, industry special interests have been clamoring for special exemptions or, preferably, to kill the energy tax outright from the day it was proposed.

"The President's plan is not only progressive and fair," says NRDC senior attorney David Hawkins, "it recognizes that economic and environmental goals can and should support each other." "Now it's up to Congress to choose real deficit reduction and pollution reduction over gimmicks," continues Lashof. "It's up to Congress to stand up to energy industry special interests who would rather cut benefits for the poor and elderly than shoulder their fair share of deficit reduction."

NRDC urges Congress to pass the Clinton budget, including a fair, broad-based energy tax, and do it now.

###



Church Women United

Washington Office, Box 16
116 Maryland Avenue NE, Washington, D.C. 20003
Telephone: (202) 544-8749 Fax #: (202) 543-1297

President
Claire Randall
General Director
Patricia Rumer

Supporting Organizations of Church Women United

African Methodist Episcopal Church
(Women's Ministry Society)
African Methodist Episcopal Zion
Church
(Women's Home and Church
Ministry Society)
American Baptist Churches in the USA
(American Baptist Women's Ministries)
Baptist Church (Ministry of Women)
(International Christian Women's
Fellowship)
Christian Methodist Episcopal Church
(Women's Ministry Council)
Church of God
(Women of the Church of God)
Church of the Brethren
(Program for Women)
Council of Hispanic American
Ministers (Latino/Hispanic)
(Women's Department of CUNAM)
Cumberland Presbyterian Church
(Cumberland Presbyterian Women)
The Episcopal Church
(Episcopal Church Women)
The Evangelical Lutheran Church in
America
(Women of the Evangelical Lutheran
Church in America)
General Convention of the New
Jerusalem (Swedenborgian)
(Alliance of New Church Women)
Greek Orthodox Church of North and
South America
(Saints Philanthropy Society)
International Council of Community
Churches
(Women's Christian Fellowship)
Korean American Church Women
United
(Korean Women's Fellowship)
Lutheran Church in America
(Women's Board: Northern and
Southern Provinces)
National Baptist Convention of America
(Senior Women's Auxiliary)
National Baptist Convention, USA, Inc.
(Women's Convention)
Presbyterian Church/USA
(Presbyterian Women)
Progressive National Baptist
Convention, Inc.
(Women's Department)
Reformed Church in America
(Reformed Church Women)
Religious Society of Friends
(United Society of Friends Women
International)
Reorganized Church of Jesus Christ of
Latter Day Saints
(Women's Ministries Commission)
United Church of Christ
(Coordinating Center for Women in
Church and Society)
The United Methodist Church
(Women's Division)

PRESS STATEMENT

Church Women United Supports President Clinton's Budget Proposal

May 24, 1993

Church Women United, an organization of over half a million Protestant, Roman Catholic, and Greek Orthodox members, strongly supports President Clinton's budget package and urges Congress to enact it as quickly as possible.

We believe that President Clinton's overall budget plan is a bold departure from the policies of the recent past. His budget plan begins closing the gap between rich and poor households by increasing funding for programs that support and strengthen low income families. At the same time, his plan reduces current levels of federal spending and begins to reduce the federal deficit in a fair and responsible way.

Since its formation in 1941, Church Women United has been concerned about the plight of low income individuals and families in this country. During the 80's we were deeply concerned about the many federal economic policies which hurt low income people disproportionately. The average after tax income of the poorest fifth of U.S. households actually fell by 10% while the top fifth experienced an average gain of 34%. The Clinton plan seeks to shift the burden back to the taxpayers who benefitted in the 80's and who can now afford to pay.

Although we recognize that no one is completely satisfied with every line in Clinton's plan, we think many of the themes laid out, including reinvesting in human needs, cutting military spending, reducing the deficit in a fair and responsible way and raising revenue in a progressive manner need to be strongly supported.

Church Women United supports President Clinton's budget proposal and urges Congress to enact it as soon as possible.

Press Contact: Nanoy Chupp
Legislative Director
Church Women United

TO :
FROM : MINISTRY OF GOD'S CREATION

PHONE NO. : 986-39196

MAY 24 1993 1:14PM P 2
PHONE NO. : 202 488 5639



General Board of Church and Society of The United Methodist Church
100 Maryland Avenue, N.E., Washington, D.C. 20002 • (202) 488-5600

May 18, 1993

FOR IMMEDIATE RELEASE

Jobs, Poor People, and the Environment Should Remain Priorities
Statement by the Rev. Thom White Wolf Fassett, General Secretary

On March 4, 1993, I issued a statement on President Clinton's economic program. We stand by this statement. On the basis of resolutions passed by the General Conference, the highest decision-making body of the United Methodist Church, we support the President's program because:

- * It is fair to poor and working people;
- * It focuses on developing jobs;
- * It shifts the emphasis of government funding from war-related investments to constructive development;
- * It begins to make constructive suggestions in the area of environmental programs; and
- * It begins to cut the deficit.

We deplore the defeat of the economic stimulus package. While it can be argued that it may or may not contain adequate stimulus for the entire economy, it would have provided jobs for those who needed them.

Our 1992 General Conference made rebuilding our cities a top priority. In addition to our own work as a denomination, we are working ecumenically through the National Council of Churches on the *Urban Strategy Mobilization*.

We call on Congress and the Administration not to allow the crisis of the cities to drop from the political map. We all must work together to solve the pressing problems confronting our cities or face the promise of economic and social crises resulting from our neglect.

Many pieces in the President's economic plan address these crucial problems. In order to work well, all the pieces of the plan that address economic redevelopment must be passed.

This is a statement by the Reverend Thom White Wolf Fassett, General Secretary of the General Board of Church and Society of The United Methodist Church. Only the General Conference speaks for the entire denomination.

Citizen Action

1120 19th Street, N.W., Suite #630
Washington, D.C. 20036
(202) 775-1580
(202) 298-4054 (FAX)

Press Release

For immediate release:
May 21, 1993

For further information
Contact: Ed Rothschild
(202) 775-1580

Citizen Action Blasts Senators Opposing President's Economic Plan

Washington: Citizen Action, the nation's largest consumer advocacy organization, today blasted the group of senators led by Senator David Boren of Oklahoma for attempting to sabotage President Clinton's progressive economic plan.

Identifying Senators Boren and Johnston as "agents of Big Oil" rather than as true representatives of their constituents, Citizen Action called on members of Congress to "reject their regressive spending cut and tax proposals as a grave threat to senior citizens and working families."

"The public should recognize who it is that these senators really represent," charged Edwin S. Rothschild, Citizen Action Energy Policy Director. "Senators Boren and Johnston are running interference for the American Petroleum Institute and the National Association of Manufacturers who are spending millions of dollars to defeat President Clinton's balanced and fair tax proposals, especially the Btu tax," said Rothschild.

"Lest anyone forget, the American Petroleum Institute is not run by oil companies committed to the best interests of the United States. Companies like Exxon, Texaco (half owned by Saudi Arabia), Mobil and Chevron are concerned more about their foreign interests than their domestic interests," said Rothschild.

"What is ironic," continued Rothschild, "is that President Clinton's plan promotes the expansion of the domestic natural gas industry at the expense of imported oil. Yet, these senators from major gas-producing states are not representing their own gas producers, but rather are fronting for the major importers of oil from places like the Persian Gulf," said Rothschild.

"While there may be provisions of the President's program we do not favor, we believe his overall approach is correct and must be supported by members of Congress," concluded Rothschild.

I N S T I T U T E F O R

LOCAL
SELF-RELIANCE

Environmentally Sound Economic Development

May 21, 1993

Ms. Heather Booth
Democratic National Committee
430 South Capitol Street
Washington, DC 20003

Dear Ms. Booth:

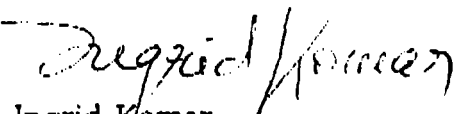
Enclosed are two monographs by the Institute for Local Self-Reliance (ILSR) in support of the President's Btu tax. Both reports analyze how key sectors of the economy can compensate for the proposed tax's costs with simple measures designed to increase the energy efficiency of their operations. *Beating the Btu Tax: The 6 Percent Solution* documents how appropriate agriculture, primary manufacturing, and residential and commercial building management techniques can enable businesses and homeowners to absorb the tax without incurring a net financial loss. *Saving Btus through Recycling: How Manufacturers Can Offset the Proposed Energy Tax* focuses specifically on the effects of the tax on the glass, steel, aluminum, and paper industries.

The ILSR is a Washington-based research organization whose mission is to progress environmentally sound economic development. Our analyses of the President's proposed tax indicate that it is a positive step in that direction.

Should you want further data or explanations on *Beating the Btu Tax*, please call David Morris at our Minneapolis office, at 612-379-3815. Michael Lewis can be contacted at our Washington office at 202-232-4108 for further information regarding *Saving Btus Through Recycling*.

Thank you for your time and consideration in reviewing this material.

Sincerely,



Ingrid Komar
Media and Development Coordinator

Enc.

ADAAction News and Notes

Vol. 5, No. 14.

May 21, 1993



- Opposes Boren/Stenholm proposals
- Support the Freedom of Choice Act, H.R. 25/S. 25
- Mark the date: ADA national convention June 17-20, 1993

BOREN BUDGET PLAN/STENHOLM ENTITLEMENT CUTS THREATEN CLINTON ECONOMIC RECOVERY PLAN AT EXPENSE OF MIDDLE CLASS AND POOR

Two proposals introduced at the end of this week would, if adopted, wreak havoc with the Clinton economic recovery plan and seriously cut the entitlement programs that represent the safety network for the working poor, the poverty population, and senior citizens. The beneficiaries will be the top 2% of family income people and the oil companies.

The Stenholm entitlement cap proposal will be voted on in the House of Representatives on Thursday, May 27th. This proposal originally put forward by Richard Derman in the Bush Administration has the potential for serious cuts in Social Security, Medicaid, Medicare, food stamps, and poverty programs. The cuts could be triggered by increases in need beyond present forecasts.

Under these proposals the most vulnerable population groups will suffer, the richest gain.

ADA ACTION: Phone, write, visit your Representative and express strong opposition to the Stenholm proposals. Do it now!

The Boren proposals in the Senate would cut substantially the tax burden on the wealthy, and open new tax shelters for the most wealthy. The Boren plan will hurt the poor and be hard on the middle-class elderly and disabled. Much of the working middle class will be hurt.

The plan will: drop the Clinton proposal to extend Medicare payroll tax to earners over \$135,000 a year, delay for six months tax increases on upper income people and the largest corporations and provide a large capital gains tax cut; it removes \$38 billion in tax increases proposed by Clinton on two (2) percent of the taxpayers and the largest one-tenth of one percent of the corporations. In addition it eliminates Clinton's food stamp benefits increases, and cuts in half the proposed increase in the earned income tax credit for the working poor, cuts cost of living increases for social security recipients, and cuts the federal share of AFDC and Medicaid. Finally it removes the energy tax, the cornerstone of the Clinton plan.

The gainers under the Boren plan are the Oil Industry and the wealthiest in the nation.

ADA ACTION: PHONE, VISIT, WRITE YOUR SENATORS. EXPRESS YOUR STRONG OPPOSITION TO THE BOREN PLAN

The Boren and Stenholm plans represent a serious danger to progress for America. They are right out of the Reagan/Bush tradition. **LET YOUR REPRESENTATIVE AND SENATORS HEAR FROM YOU!**

CLINTON SIGNS MOTOR VOTER BILL INTO LAW

After five years and eight filibusters, the motor voter bill easing voter registration procedures has been signed into law. While the commitment of President Clinton was vitally significant to Congressional passage of the bill, this was also a victory for the grass roots and Capital Hill lobbying by ADA members and friends. We are all big winners under this new system of inclusion which will make our democratic form of government more reflective of the will of all of the people.

The Motor Voter Act takes effect in 1995 and provides that citizens will be able to register to vote when renewing a driver's license or enlisting in the armed services.

HOUSE JUDICIARY COMMITTEE PASSES FREEDOM OF CHOICE ACT

In a move destined to bring women and their families a step closer to maintaining full control over their reproductive health care choices, the House Judiciary Committee Wednesday marked up H.R. 25 -- the Freedom of Choice Act. Amendments allowing the states to continue with laws governing parental consent for minors seeking abortions and to exempt private institutions from performing abortions were passed in order to facilitate passage of the bill by the full Congress.

ADAAction: Contact your Representative and Senators to urge support of the Freedom of Choice Act without further debilitating amendments. Please call Valerie Dulk in the national office for further information.

OPPOSITION SURFACING TO GUINIER NOMINATION

A potentially divisive, nasty fight is developing over President Clinton's nomination of Lani Guinier to become head of the Civil Rights Division at the Department of Justice.

Guinier, a Radcliffe and Yale Law School graduate, played a major role in extending and improving the Voting Rights Act. The improvement, opposed by the Reagan Administration, established a result-oriented test, i.e. whether the law or regulation resulted in discrimination, rather than whether those who had enacted it had intended to discriminate.

She is now being criticized for her advocacy as a lawyer for successfully convincing judges that her interpretation and not that of the Reagan Justice Department are correct.

ADAAction: Contact Members of the Senate Judiciary Committee and urge them to support the Guinier nomination. For further information, contact ADA counsel Winn Newman at the ADA office or (202) 857-5650.

Published by Americans for Democratic Action, Inc.

1625 K Street NW • Suite 210 • Washington, D.C. 20006 • (202) 785-5980 • FAX (202) 785-5980



Democratic National Committee

MEMORANDUM

all material sent to Dawny
DNC
FBI
FROM KATHY VICK

*CC Dawny
FBI
on attach
3/25*

TO: DNC MEMBERS

FROM: DAVID WILHELM
DNC CHAIRMAN

RE: DNC UPDATE

DATE: 3/25/93

MAR 29 1993

I want to thank you for all your help with contacting your members of Congress for the President's economic plan. With your support, and the overwhelming desire of the American people for real change, the House of Representatives showed its commitment to getting this country back on the right track with a solid vote of confidence for the President's package.

Now we look to the Senate for the courage to say enough is enough and no to gridlock and the status quo. It is important for you to contact your Senators to support the President's complete package. You need to reinforce the importance of the stimulus initiative that will create millions of private sector jobs and a much needed immediate infusion for true recovery. I've enclosed an excellent article on infrastructure from Congressional Quarterly and an issue sheet giving you a good idea of the long term job investment portion of the President's plan for your use.

I think the President said it best at his press conference on Tuesday, March 23, "...reducing the deficit, asking the wealthy to pay their fair share, investing in the future and creating jobs will work as a package, and Congress should pass the package. Just as the best social program is a job, the best deficit reduction program is a growing economy."

On a personal note, I would like for you to take a few minutes and either write a note or call your members that stood with the President to end the gridlock and thank them for their bold step for the future of this country.

DNC Members

Page 2

I want to thank you for your participation on the last Teleconference call, almost 200 hundred DNC members took part. The survey response was just as encouraging, with requests ranging from wanting more information on the economic plan to looking down the road on how members can prepare for solidifying support for the President's health care initiative.

In order to keep you up to date on pressing issues such as the health care proposal and political reform, I have asked **Secretary Kathy Vick to schedule the next conference call for May 4**, which will take place sometime between 6:00-7:00 PM (EST). Between now and then, as information is released we will get it to you for your use in building grassroots support. The Secretary's office will send additional information on the next conference call, including exact time and phone numbers, a few weeks prior to May 4.

The Secretary's office has put together a helpful DNC Directors staff list and a White House directory for you. We've also included talking "response" points from Ross Perot's current public statements, the transcript from the last conference call and an overview of the President's National Service Initiative for you to look over.

Just a reminder, the next DNC Executive Committee Meeting will be June 26, in Albuquerque, New Mexico at the Hyatt Regency. The next full DNC Meeting will be October 7-10, in Washington, D.C. at the Sheraton Washington Hotel. The Secretary's Office will send you the appropriate registration forms once they are available.

You will notice that a calendar of events form has been included in this mailing. It is very important for both the DNC and the White House to know about any event in your area that could be important for building grassroots support for our initiatives. This could include anything from state fairs, professional association meetings or political events. Please fill the calendar form out and return it to the Secretary's office as soon as possible.

Again, I want to thank you for your hard work and commitment to make this country a better place for all Americans and our children. We've got a lot of work ahead of us and we're committed to keeping you informed and armed with the tools to help our President, the Democratic Party and this country.

Democratic National Committee Division Directory
(all numbers begin with 863)

Chairman	David Wilhelm	8121
Chief of Staff	Kent Markus	8121
Deputy Chief of Staff	Martha Phipps	8121
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Director of Strategic Planning	Page Gardner	7108
Director of DNC Affairs, Intergovernmental Affairs	Alice Travis	8024
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Deputy Political Director	Pete Dagher	8079
Constituency Director	Minyon Moore	7112
Midwest Political Desk	Jeff Forbes	7123
Midwest Research Desk	Ansley Jones	7122
Northeast Political Desk	Natalie Zellner	8083
Northeast Political Desk (NY, NJ, PA, DE)	Nick Baldick	8059
Southern Political Desk	Fred Humphries	7125
Southern Research Desk	Monica Aboud	7125
Western Political Desk	Marcy Sandoval	8196
Western Rocky Mountain Desk	Craig Hughes	7124
Press Division		
Director of Media Affairs Press Secretary	Catherine Moore (KiKi)	8151
Midwest Assistant Press Secretary	Kelley Lees	8020
Northeast Assistant Press Secretary	Adam Sohn	8020
Southern Assistant Press Secretary	April Mellody	8020
West Assistant Press Secretary	Unassigned	
Press Assistant	Joe Wagner	8020
Research		
Director of Research	Ertharin Cousin	8000
Deputy Director of Research	Tom Janenda	8000

Kathleen M. Vick
Secretary

Democratic National Committee Division Directory**Other Divisions of the DNC**

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Young Democrats	Jamie Daves	8005
College Democrats	Mike Evans	479 - 5189

Office of Secretary Kathy Vick, (numbers begin with 479)

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Deputy Director	Brian Bond	5175
Meeting Planner	Kelley Flick	5110
Systems Analyst	Jose Ceballos	5177
Staff Assistant	Lucy Cooper	5170

Democratic Governor's Association, (numbers begin 479)

Executive Director	Katie Whelan	5153
Deputy Director	Hubert Riley	5153
Policy Director	Jake Siewert	5153
Director of Research	Matt Learnard	5153
Director of Operations	Cricket O'Connor	5153

Association of State Democratic Chairs, (numbers begin with 479)

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Deputy Director	Larry Weatherford	5121
Executive Assistant	Geneva Jones	5121

Democratic Senatorial Campaign Committee, 224-2447

Executive Director	Donald J. Foley	
Political Director	Gail Stoltz	
Finance Director	Kate Carr	
Research Director	Peter Lindstrom	

Democratic Congressional Campaign Committee, 863-1500

Executive Director	Genie Norris	
Political Director	Monica Maples	
Director of Finance	Judy Fazio	
Research Director	Beth Scovitch	

Kathleen M. Vick
Secretary

The White House
1600 Pennsylvania Avenue
Washington, DC 20500

William J. Clinton	Office of the President	456-1414
Thomas F. "Mack" McLarty	Office of the Chief of Staff	456-6797
Albert Gore, Jr.	Office of the Vice President	456-2326
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Kathleen M. Vick
Secretary

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Democratic National Committee

FVI
FROM KATHY VICK

MEMORANDUM

TO: DNC MEMBERS
FROM: DAVID WILHELM
DNC CHAIRMAN
RE: DNC UPDATE
DATE: 3/25/93

MAR 29 1993

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DNC Members
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BIOTECHNOLOGY
INDUSTRY
ORGANIZATION

August 5, 1993

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The Honorable Alexis M. Herman
Director of Public Liaison
The White House
Washington, D.C. 20500

AUG - 9 1993

Dear Ms. Herman:

As you can see from the enclosed news article, BIO is fighting to pass the President's Reconciliation Bill.

We have seen that the Clinton Administration understands the vital role that emerging companies play in creating jobs. We very much appreciate its help on the targeted capital gains and R and D credit incentives.

We look forward to working with the Administration on a wide-ranging agenda of initiatives of interest to emerging companies.

Thanks for your help.

Sincerely,

Chuck Ludlam

Vice President for
Government Relations



BIO Endorses Clinton's Budget

By David C. Holzman
Washington Editor

WASHINGTON — The battle over the president's budget is heading into the final rounds, with the House of Representatives voting on the measure today and the Senate voting Friday.

The biotechnology industry has everything to gain by passage of the bill. "We are urging our members to support its ratification in the House and Senate," Chuck Ludlam, vice president for government relations at the Biotechnology Industry Organization (BIO), told *BioWorld*.

"We have no confidence that any bill that might be agreed to in September or October would be better, and we have every belief that any future bill to replace this would be worse," he said.

• "On the R&D tax credit, we did better than we expected," said Ludlam. The credit will be retroactive to July 1, 1992, and will run through June 30, 1995. "We

were worried that we would get the Senate provision, a one-year credit from July 1, 1993."

• The targeted capital gains provision will provide up to \$50 million — "a powerful incentive for investments in small biotechnology companies," said Ludlam.

• The orphan drug credit has been extended from July 1, 1992, "although we don't know how far forward it has been extended," said Ludlam.

• The bothersome bovine somatotropin (BST) provision, which as of a few days ago would have banned sales and distribution of the milk booster for a year, was pared down to a three-month ban on sales following FDA approval. Sen. Russ Feingold, D-Wis., the provision's sponsor, "put out a press release claiming victory," Dick Godown, senior vice president of BIO, told *BioWorld*. "If this is a victory, we hate to see what is a defeat."

• And the formulary language may have been improved, said Mary Beth Bierut, BIO's director of federal government relations. Cautioning that she hadn't seen the bill, Bierut told *BioWorld* her understanding is that compounds for treatment of life-threatening diseases cannot be placed on formulary.

Moreover, the previous version would have placed

See Budget, Page 3

THURSDAY, AUG. 5, 1993

BIOWORLD TODAY

PAGE 3 OF 4

Budget

Continued from Page 1

drugs on formulary solely on the basis of labeling. "We argued that was too narrow on scientific grounds," said Bierut. This basis was expanded to include compendia, the official reference books on drugs and biologics, she believes.

Support in House

Ludlam said the reconciliation bill had picked up some supporters in the House. But the situation remains dicey in the Senate, where six Democrats had previously voted against passage of the reconciliation bill, creating a tie that Vice President Al Gore was forced to break. The six Democrats are Sam Nunn of Georgia, Bennett Johnston of Louisiana, Frank Lautenberg of New Jersey, Dennis DeConcini of Arizona, Richard Bryan of Nevada and Richard Shelby of Alabama.

Sen. David Boren, D-Okla., who voted for the reconciliation bill, has since defected, and the president needs to lure one of the defectors back to the fold. The best bets are DeConcini and Bryan.

In addition, several Senators, including Bob Kerrey of Massachusetts, are perched on the fence. But Joe Lieberman of Connecticut announced Wednesday that he would vote with the president.

The Republicans in the Senate, though, are firmly united against the bill, "a glowing testimonial to the leadership capabilities of Bob Dole," whether we like it or not, Ludlam told *BioWorld*.

But Ludlam had nothing but praise for the president. "We obviously had some important victories which would not have occurred except for the enthusiasm of President Clinton for high-technology industries. If he had not fought for the capital gains incentive and the substantial R&D credit, they never would have been included in the final bill.

"We were in the competition with the working poor, the real estate industry and other powerful groups, and in that competition we did very well," Ludlam said.

"We are enthusiastic about the provisions the president secured on our behalf," Ludlam added, "and grateful for the priority he gave to our industry on these key issues." ■

Recon

AMH

THE PRESIDENT HAS SEEN

7-29-93

AMH
REMBAC
Genentech, Inc.

460 Point San Bruno Boulevard
South San Francisco, CA 94080
(415) 225 1210
FAX: (415) 225-2929

G. Kirk Raab
President and
Chief Executive Officer

ACK

July 29, 1993

30 1993

The Honorable William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

My mother taught me to always write a thank you note after being a guest for a meal, hence, thank you for yesterday's lunch and your support on the R&D tax credit. I thought you would find the attached Op Ed piece I wrote in yesterday's *San Francisco Chronicle* of interest. I'll be on *McNeil /Lehrer* tonight at 6:00 pm EST and you'll see that you have my support.

Regards,

Mike

[Signature]

Funding Research Helps State Economy

THE DEVIL IS in the details, as Ross Perot is fond of saying.

And the way Congress handles the details of President Clinton's economic program will say a lot about what the future has in store — particularly for the emerging biotechnology industry, which

holds so much promise for California's economy.

We're all aware of the high profile issues — cutting the deficit, increasing the burden on wealthier taxpayers, raising additional revenues through some form of energy tax. What hasn't gotten nearly enough attention are the critical

decisions being made on items like the research and development (R&D) tax credit.

There is obviously a dynamic tension at work here. On the one hand, everyone recognizes the need to significantly reduce the budget deficit. On the other hand, squeezing money out of programs like R&D can only serve to inhibit the kind of economic growth that is needed to produce the kind of revenue growth we need to really close the budget gap.

In trying to trim the deficit, the congressional budget doctors must be careful to avoid crippling side effects.

There are hundreds of companies in California — large and small — whose mission is to invest in developing ideas and technology that really makes a difference. Whether it's advances in health care, information technology, or environmental design, research and development are critical ingredients for fueling progress.

Aggressive research and development programs are essential for biotech and other U.S. industries fighting to be competitive in the world marketplace. Genentech, for instance, spends more than \$115,000 per employee on R&D — more than any other public U.S. corporation. Those dollars fuel discoveries about the causes of the world's most deadly diseases.

Right now, American biotechnology is the world leader in developing effective treatments and is considered one of the critical tech-

nologies for the 21st century.

With other countries heavily subsidizing research and development operations, the R&D tax credit is vital for America's technology-driven companies. The existing R&D tax credit has been extended on a year-to-year basis, but that approach inhibits growth of R&D by not allowing for long-term planning and investment. President Clinton has noted this flaw and asked Congress to make the R&D tax credit permanent.

To her credit, Senator Dianne Feinstein is taking the lead and has forged a coalition dedicated to fighting for the R&D tax credit in order to encourage U.S. industry to invest the necessary resources to stay on top of breakthrough developments.

The question is whether Congress will heed Clinton and Feinstein in recognizing the kind of positive impact a permanent R&D tax credit will have on biotechnology and other high-value industries.

Or will this be another case where Washington turns out to be penny-wise and pound foolish?

Cutting the federal deficit is essential, but shortsighted efforts to take a few dollars out of the budget at the expense of present and future economic and technological growth will exact a huge price — both in the short and long term.

G. Kirk Raab is president and chief executive officer of Genentech, Inc. in South San Francisco.

THE WHITE HOUSE
WASHINGTON

July 20, 1993

Clinton Deficit Reduction Plan:
Briefing for Business Reporters.

3:15pm Indian Treaty Room, OEOB

Agenda:

1. Roger Altman, Deputy Secretary of the Treasury
Welcome.
2. Laura Tyson, Chair, Council of Economic Advisors
Current Economic Conditions.
3. Robert Rubin, Chair, National Economic Council
President's Economic Package, Broader Strategy
for Growth and Job Creation.
4. Roger Altman
President's Economic Plan and Reconciliation.

THE ECONOMIC MESSAGE

The President's Plan Is Good For Our Country

The President's plan is good for the country, good for the economy, and good for the middle-class working families who have suffered for too long.

- I. This plan puts us back in control of our economic destiny. After years of government policies that failed us, **there are no quick fixes -- just long-term solutions. We didn't get into this mess overnight, and we won't get out of it overnight.** The Clinton economic plan steps up to the plate and takes responsibility for the economic strength of this country. This plan is good news for the economy:
 - It has the largest deficit reduction in history;
 - It has over 200 specific spending cuts totalling \$250 billion;
 - It puts America's economic house in order;
 - It makes it possible for America to grow again, for our economy to expand again, by finally paying down the deficit that has been choking off jobs and growth, and by shifting the federal budget away from wasteful spending and toward sound investment.
- II. With this plan, we will create permanent, productive, private-sector jobs. Over the next four years, with this plan in place, we will add 8 million jobs to our economy. This plan is a job generator because:
 - It makes it easier for business to grow. If we keep interest rates at their present low level for the rest of this year, we will have pumped **\$50-100 billion of new private spending** into the economy.
 - It has targeted new incentives to encourage business -- especially small business -- to create new jobs.
 - It includes targeted public investment in education, training and infrastructure.

III. This plan will improve the standard of living for the American people, lower interest rates resulting from this deficit reduction will make it easier for Americans to own their own home, buy a new car, finance a college education, and pay down consumer debt.

- This is real money in the pockets of real people. For example, if you make about \$40,000 a year and refinance a \$100,000 mortgage down from 10% to 7.5%, you will save \$175 a month -- more than ten times what you'll be paying in new taxes.
- Lower deficits mean lower interest rates and higher private investment. President Clinton believes the private sector is the vital engine of economic growth. Lower interest rates and higher private investment will lead to higher productivity, more jobs and a higher standard of living for all Americans.

The President's Plan Represents Real Change

The President's plan represents a fundamental break from the old, failed trickle-down policies of the past. It is **change that is historic in its scope**: the largest deficit reduction in history. This is truly fundamental change.

- The old ways left deficits out of control. Now we're putting our economic house in order;
- Where trickle down sheltered the powerful and privileged, and tried to balance the budget on the backs of the middle class, this economic plan is fair, shared and balanced.
- The well-off are finally paying their fair share. At least 70% of the taxes come from those making over \$200,000.
- The working poor actually get a break. If you make \$30,000 a year or less and have children in the home, this plan gives you a tax break, to help you raise your children above the poverty line.

- **The middle class wins in this plan.** After twelve years in which the Republicans taxed working people and helped wealthy people, this is a plan in which the middle class wins. The total tax burden on the middle class ranges from about \$5 a month in the Senate version to a maximum of \$17 a month in the House version. But the benefits far outweigh the burdens: lower interest rates on everything from your home to your car loan to your credit card payments (see p.1 for a good example of this good deal); historic deficit reduction; real spending cuts in 200 specific programs; incentives for business to create jobs here in America; and the kind of sustained, long-term growth that America needs.
- **This plan makes real cuts in specific programs -- more than 200 specific cuts in programs that cut more than \$250 billion from the budget.** The old ways included using phony numbers, gimmicks and tricks to avoid making real spending cuts.
- Under business as usual, deficit reduction disappeared as time passed. But this plan locks the savings once and for all in a deficit reduction trust fund.
- *For every \$10 we put in that \$500 billion trust fund, \$5 comes from spending cuts, \$4 comes from taxes on the wealthiest 6%, and only \$1 comes from the middle class.*
- The trust fund will be proof that we really are paying down the deficit -- unlike the policies of the past, when the Republicans used gimmicks like "budget caps" that were lifted or ignored.
- In the old, failed way of doing things, the most vulnerable were the most victimized. The President's plan achieves more deficit reduction than the Republican proposals, with vastly smaller cuts in Medicare, veterans benefits, and health care.
- The old way of doing things allowed politicians to look no further than the next election. This plan looks to the next generation. From historic deficit reduction to lower interest rates to investing in our children, this plan sets the stage for long-term growth.
- Under the old policies, Presidents weakened America by ignoring economic crises here at home. Now the world has greater respect for the leadership America is showing. President Clinton's success at the G-7 Summit in Tokyo was due to the fact that America is finally taking responsibility for paying down the deficit, creating jobs and expanding growth.

The President's Plan Is The Only Alternative

The President's plan is the only plan with: credible deficit reduction; courage to make the well-off pay their fair share; specific spending cuts; reduction in interest rates to expand the economy; targeted investments to create jobs; targeted investments to spur growth; and security for older Americans. On each of these points, where the President's plan is strong, the Republican schemes are weak.

- **The Republicans have no plan.** They offer nothing but more of the same. They looked the deficit squarely in the eye...and blinked.
- **America cannot afford more of the same.** The Republicans did offer a couple of last-minute excuses for an economic plan. Here's what they propose: a continuation of the status quo, more uncontrolled deficits, more tax breaks for the most well-off, more cuts in Social Security, Medicare, veterans' benefits and health care for the most vulnerable.

A Plan For Economic Change And Growth

After 12 years of inaction and talk on the deficit, Bill Clinton stepped up to the plate and proposed the largest deficit reduction package ever proposed by a President. This is a specific and detailed plan to reduce the deficit and increase investment in our people, and spur long-term economic growth. If this plan fails, it will be a victory for gridlock, higher interest rates and ever growing deficits. When it succeeds, it will help us build an economy that will be strong, invest in the businesses that create jobs, and prepare our people for lives of prosperity and opportunity in the future.

I. Strong And Fair Deficit Reduction To Get Our Economic House In Order

The President's plan calls for \$500 billion in deficit reduction, evenly divided between \$250 billion in net spending cuts and \$250 billion in tax increases. For every \$10 in deficit reduction, \$5 comes from spending cuts, \$4 comes from taxing those over \$100,000 and only \$1 comes from everyone else.

II. Fair And Progressive Taxation

The overwhelming majority of these taxes fall on the most well-off Americans. There is no income tax increase for 98.8% of American taxpayers. Only those families making over \$180,000 would see their income tax rates increase. Indeed, the Congressional Budget Office analyses of both the House and Senate version of the Clinton plan show that approximately 70% of the taxes raised fall on those making over \$200,000.

III. Spending Cuts

The Clinton plan calls for \$250 billion in net spending cuts — \$1 in cuts for every \$1 raised in revenues. Every dollar of new investments is paid for with over \$3 in spending cuts. There are over 100 domestic program cuts that exceed \$100 million each. The Clinton plan cuts overall spending in real terms, through a "hard freeze" — there is no inflation adjustment to increase overall discretionary spending for five years.

IV. Deficit Trust Fund

Under the President's plan every dollar that is targeted for deficit reduction will be locked away in a deficit reduction trust fund so that savings promised for deficit reduction can never be used for pet spending projects by anyone.

V. New Investments -- Borrowing Less While Investing More

The President's plan borrows less and spends less, while still investing more in the things that are fundamental for long-term economic growth -- like education, technology, children, worker training, new cops on the street and technology and defense conversion. Quite simply, it seeks to invest more in -- not borrow more from -- our future. The plan does this by cutting enough spending to invest \$100 billion more in our people, while still finding \$250 billion in net spending cuts to contribute to a \$500 billion deficit reduction package.

- **Rewarding Work Tax Credit:** The Clinton plan will fund the Earned Income Tax Credit so that no parent who works full-time and has a child at home will live in poverty.
- **Small Business, Pro Jobs Tax Incentives:** The plan includes a new venture capital gains tax cut for investments held for over 5 years in small-medium sized companies. Furthermore, the plan more than doubles the amount of expensing small businesses are allowed to take immediately.
- **Investing in People:** The plan has a bold commitment to lifelong learning: It fully-funds Head Start and WIC; calls for a new school-to-work initiative, National Service and EXCEL College Opportunity Accounts and Dislocated Worker Initiatives -- investments with high returns for our future.
- **Making America Stronger, Safer, and Smarter:** President Clinton has announced a major defense conversion package for the next five years, a new technology initiative that includes "information superhighways," a national network of manufacturing extension centers; and a permanent R&D tax credit to spur private sector investment in cutting-edge technologies. The plan also includes a new and innovative empowerment zones proposal and a Community Development Bank initiative.

VI. Stronger Economy

The Clinton plan has already lowered long-term interest rates significantly and had a positive effect in turning this economy around.

- **Jobs:** We have created 813,000 jobs in the first five months of this administration. Over 90% (740,000) of these jobs are in the private sector, while under half the job growth in the Bush Administration was in the private sector. Thus, while the Bush Administration created just 1 million private sector jobs in four years, we have created 70% of that total in just five months.
- **Inflation:** Inflation was virtually flat last month and has shown a modest 2.5 annual rate so far in the Administration. We are creating jobs and getting growth back without sparking inflation.

- **Housing and Construction:** Lower interest rates have led to over 112,000 construction jobs created in the last five months, after losing over 700,000 in the last four years.
- **Autos:** Sales of domestically-built autos have been strong. In June, 7.136 million were sold, up 489,000 units since January 1993.

Highlights Of Investments In The President's Economic Plan

I. The Investment Deficit

In the 1980's, while tax burdens increased on the middle class and federal deficits soared, public investment in America and the American people plummeted dramatically. As stated in Putting People First, "in the emerging global economy, everything is mobile: capital, factories, even entire industries. The only resource that's really rooted in a nation -- the ultimate source of all its wealth -- is its people. The only way America can compete and win in the 21st Century is to have the best educated, best trained workforce in the world, linked together by transportation and communication networks second to none."

The Clinton plan seeks to accomplish the challenging goal of increasing investments in education, technology, defense conversion, and crime prevention, at the same time that we are decreasing the deficit. This requires cutting spending that is not needed or can no longer be justified, to make room for investments in our future. Just as many American families have had to cut back on luxuries in order to invest in their children, government must do the same. Thus, the Clinton plan pays for every dollar of new investments by cutting spending somewhere else. In fact, there are \$3 in spending cuts for every \$1 of new investments. Simply put: The Clinton plan includes enough spending cuts to pay for all of its new investments and still have \$250 billion left over for deficit reduction.

II. Investment Incentives Within The President's Reconciliation Package

The President's economic plan seeks to spur private-sector investment by reducing the deficit and providing targeted tax incentives. That is why the reconciliation includes both targeted growth incentives and the largest deficit reduction plan in our history.

A. The President's Economic Package Is Pro-Small Business:

- **More Than Double Small Business Expensing Incentives:** Following the President's lead, both the House and Senate have called for legislation to allow small businesses to expense immediately more than twice the \$10,000 of business investment that is currently permitted. Under the House bill the threshold is increased to \$25,000. Under the Senate bill the level is increased to \$20,500. This will free up cash flow for small businesses and allow them to make new investments in training and equipment and to create new jobs.
- **New Small Business Capital Gains Exclusion:** The plan gives investors generous tax incentives to provide equity capital to productive small businesses, thus encouraging risk-taking and innovation. Half the long-term capital gains from investment in small businesses would generally be excluded from income and would not be subject to the alternative minimum tax.
- **Reducing The Cost Of Health Insurance Premiums For The Self-Employed.** The package extends the 25% deduction for health insurance premiums

paid by the self-employed. The extension will last through the end of the year in anticipation of broad health care reform measures to be introduced by the Clinton Administration.

- **Tax-Exempt Financing For Small Business.** By extending qualified small-issue bonds and creating a new category of enterprise zone facility bonds, the plan provides certain small businesses with greater access to tax-exempt financing.
- **Small Issue Manufacturing And Farmers Bonds:** The plan extends the provision in current law that allows local jurisdictions to issue tax-exempt qualified small-issue bonds to finance manufacturing facilities or agricultural land and property purchases for first-time farmers.
- **"Super-Expensing" In Empowerment Zones.** The plan also increases from \$10,000 to \$75,000 the amount that small businesses located in ten "empowerment zones" may expense, and provides other incentives for small businesses located in our Nation's most distressed communities.

B. The President's Economic Plan Includes Pro-Growth Incentives For Large and Small Companies:

- **Modify AMT Depreciation Schedule:** This is an incentive for new capital investment. It provides relief on the tax treatment of depreciation deductions for corporations paying the corporate minimum tax, and is of enormous value to capital-intensive companies. By allowing such depreciation deductions to be accelerated considerably, the provision promotes capital investment.
- **Extend The R&E Tax Credit:** The plan fosters economic growth, technological development, and international competitiveness permanently by extending the research and experimentation credit. It extends the provision that provides a 20% credit for qualified research expenditures. It includes a new rule relating to start-up companies that will make it easier for new enterprises to qualify for the credit by simplifying and rationalizing the rules for computing research eligible for the credit.
- **Mortgage Revenue Bonds:** The plan extends the current law provision that permits local jurisdictions to issue tax-exempt qualified mortgage bonds to finance the purchase, rehabilitation, or improvement of, single-family, owner-occupied residences located within the jurisdiction of the issuer. This is an important financing tool for many first-time home buyers and an important stimulus for the housing industry.
- **Passive Loss Liberalization.** The plan provides relief to real estate professionals by allowing qualifying taxpayers to deduct from income certain losses from real estate activities in which they materially participate.

C. The Reconciliation Bill Encourages Worker Training and Education:

- **New Excel Accounts for College Access/Direct Student Loans:** The Clinton plan calls for a new program that will allow every young person who wants to go to college to receive an EXCEL Account that will allow him or her to take out money needed for college, and then pay it back as a small percentage of future income. This will allow young people to go into public service or try to start a new business without facing a crushing debt burden from college loans. In addition, the Clinton Administration has introduced legislation to overhaul the student loan system. By cutting out the middle-man, eliminating costly subsidies to private lenders, and lending directly to students, the Government will lower interest rates for students and save billions for the taxpayer. The program will be phased in over four years, and save taxpayers billions over the next five years.

- **School-To-Work Tax Credit:** This tax credit will provide important incentives to businesses to join in the President's effort to create new pathways to high-skill, high paying jobs for young Americans who choose not to go to college but still seek further training for a chosen trade or profession.

- **Employer-Provided Educational Assistance:** The plan extends the current law provision that excludes from gross income amounts paid by employers for workers' educational assistance.

- **Targeted Jobs Tax Credit:** The plan extends the current law provision that allows employers to claim a targeted jobs tax credit equal to 40% of up to \$6,000 of first-year wages paid to members of certain targeted groups.

D. The Reconciliation Bill Provides Work Incentives And Tax Relief For Low-Income Americans

- **Rewarding Work By Increasing The Earned Income Tax Credit To Help Make Work Pay For The Working Poor.** By expanding and simplifying the earned income tax credit (EITC) significantly, the plan ensures that no American family with a full-time worker will be below the poverty line. America's poor will have greater incentive to work, and low-income taxpayers will receive larger direct payments to help them with basic living expenses. Extending the EITC to working poor taxpayers without children expands work incentives to additional Americans and increases equity.

- **Extend Low-Income Housing Credit Permanently:** By permanently extending the housing tax credit for new or substantially rehabilitated low-income rental housing, and providing more generous rules for projects developed in the 110 empowerment zones and enterprise communities that will be designated, the plan increases opportunities for affordable housing development by the private sector.

- **Empowerment Zones:** The President's Empowerment Zone proposal represents a new approach to the problems of distressed urban and rural communities. It gives local communities the incentives and regulatory flexibility they need to work

with the private sector to develop comprehensive economic strategies to attract businesses, create jobs, make their streets safe, and empower people to get ahead. A total of 110 zones will be chosen through a competitive challenge grant process that will reward those communities that submit innovative comprehensive strategic plans that involves a partnership between government, private businesses and local residents of the targeted distressed areas. The 110 zones will receive an enterprise grant and a package of tax incentives designed to attract new business activity. Each zone will also receive special priority for participation in many innovative federal programs, including Community Development Banks, Community Policing and the Education Department's "enterprise schools" initiative.

E. The Reconciliation Package is Pro-Children:

In addition to the strong agenda for children in the President's overall package, the President's reconciliation proposal includes important investments in the health and well-being of all of our children.

- **Earned Income Tax Credit:** The President's expansion of the EITC ensures that no child whose parents work full-time will be raised in poverty.
- **Childhood Immunizations:** All American children should be assured of a healthy start through appropriate immunizations. The President's Budget calls for a 96% increase in the funding received by the Centers for Disease Control (CDC) for such activities. A recent CDC survey indicated that only about 60 percent of the Nation's children had received the recommended immunizations by age two. The President's FY 1994 request for CDC will focus resources on this group of children. The President's budget also increases funds for State immunization infrastructure support so that States can hire more clinic personnel and keep clinics open longer, allowing more children to receive immunizations on schedule. In addition, the Administration is working with Congress on legislation that will allow it to provide free vaccines to needy children.
- **Family Support And Preservation:** The House has approved major new child welfare services legislation proposed by the Administration. The proposed capped entitlement program would help prevent child abuse and help parents learn the skills and tools they need to help raise their children, such as parenting classes and assistance to families with at-risk children. The program would place special emphasis on preventing family dissolution and on reunifying families through supportive community-based interventions.
- **Child Hunger Prevention:** The Food Stamp Program is the Nation's first-line of defense against hunger. The Administration has proposed improving the Food Stamp Program by enacting the Mickey Leland Hunger Prevention Act. The initiative will reduce hunger among poor children, simplify and improve program administration, help prevent abuse of the Food Stamp Program, and help offset the effect of the proposed energy tax on low-income households. Most of the benefits would go to low-income families with children.

SMALL BUSINESSES WILL BENEFIT FROM THE CLINTON PLAN

The Clinton Economic Plan is fair and beneficial to small businesses. The vast majority of small businesses will come out ahead under the tax proposals in the Clinton plan.

THE CLINTON PLAN IS PRO-SMALL BUSINESS. Those who plow money back into their businesses for economic growth and expansion will be able to take advantage of tax incentives like the expensing provisions and the capital gains exclusion for investments in small business. Benefits include:

- **Lower borrowing costs.** Markets have responded to the President's deficit reduction plan. Long-term interest rates are at a 16-year low, and mortgage rates are at a 20-year low.
- **Increased expensing.** The President proposed more than doubling from \$10,000 the investment that small business will be able to expense immediately.
- **Special capital gains tax cut for investments in small and medium-sized businesses.** The President has strongly supported a new provision to cut capital gains taxes for new investment in businesses.
- **Retroactive extension of the 25% deduction for health insurance premiums of the self-employed.**
- **Retroactive extension of the ability of State and local governments to issue tax-exempt bonds for small businesses.**

THE CLINTON PLAN WILL SPUR JOB GROWTH: During the last four years, only one million private sector jobs were created — just 20,000 a month. In the first five months of the Clinton Administration, 740,000 private sector jobs have been created — over 140,000 jobs per month — seven times the rate of the last Administration. Several independent analysts have projected that growth in the economy under the Clinton plan will create over 8 million jobs in the next four years. Furthermore, studies by the Joint Economic Committee and the National Venture Capital Association show that the President's capital gains cut for small businesses and his expensing provision will create at least an additional 200,000 jobs in small businesses.

ONLY 4.2% OF SMALL BUSINESS OWNERS THAT FILE INDIVIDUAL RETURNS WILL PAY MORE WHILE OVER 90% WILL RECEIVE OR BE ELIGIBLE FOR A TAX CUT. Some small business owners who are among the top 1% of taxpayers will have to pay more. But only 4.2% of the business owners who file individual returns — proprietorships, partnerships or subchapter S corporations — will be affected by the increases in individual tax rates, because only 4.2% of these returns show income over \$180,000 a year. Over 90% of small businesses and subchapter S corporation owners will either receive

or be eligible for a tax cut through increased expensing, a targeted capital gains tax cut or the extension of the 24% health insurance deduction for the self-employed.

ONLY THE TOP 1.2% WILL PAY INCREASED INCOME TAXES. The Clinton plan raises income taxes only on households who earn over \$180,000 a year or individual filers who take in over \$140,000 a year (adjusted gross income). No matter what your occupation, you will only pay more income tax if you have a yearly income of \$180,000. And no family that makes less than approximately \$180,000 will pay any higher income tax.

ONLY THOSE BUSINESS OWNERS WHO MAKE THE MOST WILL PAY MORE: Those 4.2% of business owners who will pay higher income taxes are quite well-off. The average business owner who will pay more makes \$560,000 a year and nearly half (43%) of all income of these taxpayers goes to people who make over \$1 million. Often these business owners are highly paid doctors, lawyers or investment bankers rather than owners of small businesses such as the corner store.

AGGRESSIVE ASSAULT ON THE CREDIT CRUNCH: The President has implemented more than 10 regulatory initiatives designed to increase lending to small and medium-sized businesses. These initiatives have cut unnecessary paperwork and regulations, increased bankers' ability to make "character" loans, and created an ombudsman so that regulatory mistakes get corrected. The bottom line is more business loans at lower interest rates.

MAJOR NEWSPAPERS SUCH AS THE WALL STREET JOURNAL AND THE NEW YORK TIMES HAVE EXAMINED REPUBLICAN CLAIMS THAT THE CLINTON PLAN IS BAD FOR SMALL BUSINESS AND FOUND THEM TO BE "SPECIOUS."

News reports confirm what we already know — that Republicans have been distorting the truth, claiming that the Clinton plan hurts small business, when, in fact, the income tax increases fall on only 4% of small business owners, while Republican plans eliminate tax cuts that could benefit over 90% of small business owners.

WALL STREET JOURNAL:

"Having been battered in last year's presidential campaign as defenders of the wealthy, Republicans hardly want to oppose the president's proposed income tax increases head on and bemoan the burden on the nation's richest 1.2% of the population. So they're playing up the plight of small business. . . .

"But many of the Republican arguments are specious. Despite GOP claims that most of the burden of the higher rates would fall on small business owners, Joint Tax Committee data show otherwise. . . .

"[T]he higher income tax rates wouldn't affect the vast majority of small businesses, the Treasury Department says. About 300,000, or 4.2%, of the seven million taxpayers who are actively involved in S corporations, partnerships or sole proprietorships would be subject to the higher taxes. And many of those are upper-income investment bankers, doctors and lawyers —

hardly the image of small business owners evoked by some of the Republicans.

"A [Treasury] department analysis shows that the 300,000 active business owners who would be affected by the higher individual rates have income before itemized deductions averaging \$560,000." [Wall Street Journal, 6/25/93]

THE NEW YORK TIMES:

"The Republicans maintain that a large portion of the higher tax rates the Democratic plan would impose on taxpayers with taxable income above \$140,000 would fall on small businesses and would inhibit the owners from pouring money back into the business so they could expand and hire new workers. ...

"One problem with the argument is that many of these businesses are actually doctors, lawyers and other professionals – not the sort of entrepreneurs normally associated with job creation.

"Another problem is that these businesses pay taxes only on their profits, after deductions are taken for expenses like paying wages to employees or making new investments to expand.

"The Republicans never quite explained why surgeons, or even the owners of hardware stores or canneries, should be taxed less on their income than someone who draws a salary from, say, the United States Treasury." [New York Times, 6/24/93]

WASHINGTON POST:

"The affected businesses include such affluent professionals as doctors, lawyers and accountants. If they were exempt from the personal rate increase, they would have a lower tax rate than corporate executives and other professionals who receive income in the form of salary." [Washington Post, 6/24/93]

THE NFIB (NATIONAL FEDERATION OF INDEPENDENT BUSINESS) HAS PREVIOUSLY GIVEN TESTIMONY STRESSING THE IMPORTANCE OF KEY PROVISIONS OF THE PRESIDENT'S PLAN: EXPENSING, TARGETED SMALL BUSINESS CAPITAL GAINS CUT, AND LOWER INTEREST RATES FROM DEFICIT REDUCTION

NFIB'S position on these provisions from that testimony is as follows:

- **DEFICIT REDUCTION:** *"Our members feel that there is very little the government can do right now to bring us out of the recession in the short-term and would focus on the deficit rather than cutting taxes."*

The Clinton Plan is the largest deficit reduction plan in history -- \$500 billion in deficit reduction over five years.

- **EXPENSING:** *"In the area of investment incentives, let me simply say that we're consistent. Simplicity is the key for the small business community. We prefer above all other things an increase in direct expensing." (emphasis added)*

The President's plan would more than double from \$10,000 the investment that small businesses will be able to expense immediately.

- **CAPITAL GAINS:** *"If you wanted to focus, though, on creation of small businesses and creation of jobs, I think that Senator Bumpers' proposal does an admirable job in that area."*

The President's plan adopts the key provisions of that proposal.

Source: Testimony of NFIB Vice President John Motley at Hearing of the Senate Finance Committee on "Economic Growth and the President's Proposals: Focusing on How the Proposals Will Affect the Economy, 2/13/92.

FACTS ON CLINTON BUDGET SPENDING/TAX RATIOS:

BOTH HOUSE AND SENATE SCORING CONFIRM A ONE-TO-ONE RATIO:

There are now two versions of the plan -- the House and the Senate plan.

The House Budget Committee has done an analysis of the House plan and found that their bill had \$250 billion in cuts and \$250 billion in taxes -- exactly \$1 to \$1.

The Senate Budget Committee found that the package used more than a \$1 to \$1 ratio -- with \$1 in spending cuts for every 92 cents in revenue increases.

Both versions of the Clinton plan result in approximately \$500 billion in deficit reduction. There are \$250 billion in spending cuts -- roughly \$100 billion in entitlement cuts; \$100 billion in other spending cuts; and \$50 billion in savings from interest we pay on the national debt.

There are over 100 cuts of \$100 million or more in domestic programs in the Clinton budget.

DOLE & PACKWOOD INCORRECTLY DISPUTE THE \$1 to \$1 RATIO AND SAY THAT THE REAL TAX/SPENDING RATIO WAS 3:1 OR WORSE AND THAT THE DEFICIT REDUCTION WAS AS LITTLE AS \$347 BILLION:

Senator Dole has tried to block change and President Clinton's leadership by distracting the American public from what is really at stake: the largest deficit reduction package ever proposed by a President. The Republicans should join the President in showing leadership on deficit reduction.

Senator Dole's calculation is inaccurate because: 1) it does not count discretionary spending cuts as spending cuts at all; 2) it does not count interest savings as spending cuts; and 3) it does not count first time user fees as spending cuts. Senator Dole includes only taxes and some entitlement cuts in calculating the 3:1 ratio.

Discretionary Spending Cuts: Senator Dole denies all of the plan's \$100 billion in spending cuts that come from the caps and sequesters -- even though the plan presents line-by-line cuts. He ignores 125 domestic discretionary cuts. He states that there is no enforcement, ignoring the extension of the strict current enforcement procedures in the budget resolutions and the House Bill.

- When Senator Dole spoke about the 1990 deficit reduction plan, he counted discretionary spending savings created by the same cap and sequester that is being extended in the Clinton plan. (See quotes on following page.)

Cuts in Paying Interest on the National Debt: Republicans say that cutting the interest government spends on the national debt is not a spending cut, and that we are wrong to count interest savings as a spending cut.

- Interest savings were used to calculate the total deficit reduction in 1990, and they were always considered spending cuts.

- The Kasich plan uses \$50 billion in net interest in its "all spending cut/no taxes" House Republican alternative.

Fees: Some Republicans argue that user fees should not be seen as spending cuts. For years, every Administration -- Republican and Democrat -- has counted them as cuts.

- In 1985, Senator Dole was the point person on a deficit plan, in which they specifically counted fees as spending cuts.

- The 1990 bi-partisan plan had user fees, and they were clearly scored by the Republican Administration's OMB as spending cuts.

- The Kasich plan has fees and specifically lists them as spending cuts -- the plan boasts that it has no new taxes.

THERE IS NO REPUBLICAN LEADERSHIP -- WHILE THEY CRITICIZE THE RATIOS, THEY OFFER NO NEW SPENDING CUTS:

The Republicans offered nearly a dozen amendments to the Senate Finance bill and not one had any net spending cuts. The rest all increased spending.

The Republican response by Senator Packwood is that "we are not going to do [additional spending cuts] alone" because they do not want to take the hits of showing leadership. (Washington Post, June 19, 1993) Yet, President Clinton -- alone -- put out an entire deficit reduction plan of nearly \$500 billion, with every cut and revenue raiser line-by-line, and year-by-year.

Investments In People And Technology In Entire Clinton Plan

The following are other key investments in the Clinton plan:

A. JOB TRAINING

- **Dislocated Workers Program:** Today the average American worker changes jobs eight times in a lifetime. The President wants to transform our current unemployment system to a reemployment system. The Clinton program calls for a new worker training initiative that will guarantee for the first time that workers who lose their jobs through no fault of their own will be given training to find new jobs. This new national initiative will replace a current system that is fragmented and has poor quality control with a new system designed to provide rapid access to basic assistance and training for anyone who has suffered permanent job loss.
- **One Stop Shopping:** If you want to learn and earn, why should you have to go to 14 federal agencies plus state and local organizations? One-Stop Shopping will create a network of convenient outlets that provide unified, simplified and sensible access to self-help job assistance as well as a clearinghouse for additional government and private assistance. Using bold experimentation at the state and local level, the program will provide Americans with an information highway to careers, training programs and financial aid.
- **Profiling Unemployed Workers:** Some people have a harder time than others finding new jobs. Unemployment insurance profiling identifies those who need extra help quickly, before their benefits run out. The plan will provide grants to states for automating identification and referrals by the fifth week of unemployment.

B. Economic Growth And Job Creation

- **Defense Reinvestment And Conversion:** President Clinton has announced a comprehensive five-year package to ensure that those people and communities that helped win the cold war are not left out in the cold. This effort includes a joint program of the Defense Department and the National Economic Council to provide economic development assistance to hard-hit communities, worker training to dislocated defense workers, and a new emphasis on dual-use technologies to ensure that the technological and scientific know-how that once went into winning the cold war is targeted toward creating civilian jobs and ensuring our economic security.

● **Technology Initiative:** The Administration's Technology Initiative, unveiled on February 22nd, will create high-wage jobs in the industries of the 21st century and increase U.S. economic growth and productivity. This initiative includes:

- "information superhighways," which will enable Americans to access information in any form at any time, creating a \$300 billion market for new products and services;
- a national network of manufacturing extension centers to help America's 360,000 small- and medium-sized manufacturing firms adopt modern manufacturing techniques;
- an extension of the R&E tax credit to spur private sector investment in cutting-edge technologies; and
- development of "green" technologies to reduce pollution and conserve our natural resources.

● **Community Development Banks:** Across the country, many communities are deprived of credit and basic banking services. In these communities, credit-worthy small business and other lending needs go unmet. The President has introduced an initiative to create a national network of community development financial institutions that will begin to meet this need. The proposal, which will invest \$382 million over five years, will provide start-up capital on a matching basis to community development financial institutions that have a primary mission of developing and serving a targeted, underserved area.

C. Education And Youth Training

● **Education Reform:** All American children need greater access to better education -- not just to make the American Dream more available, but to make the American economy more productive. The President's plan includes \$3.2 billion over five years to support the legislative proposal known as GOALS 2000: Educate America Act. It is a downpayment on a national program of support for fundamental change in America's elementary and secondary schools. Most of the funds would help States and localities involve public officials, teachers, parents, students, and business leaders in designing systematic education reforms. The President's plan also includes substantial new funding for a SAFE schools initiative.

● **National Service:** The Clinton Administration has called for a new national service program that will allow tens of thousands of young people to pay for higher education by serving their community and their Nation as police officers, teachers, hospital workers, or drug and homeless prevention workers. This program combines two of this Nation's best ideas: the GI Bill and the Peace Corps. Beginning in 1994, those who participate in meeting community and national needs through the National Service program will be eligible to receive a \$5,000 educational award for each year of service (up to a maximum of \$10,000) payable toward educational expenses.

D. Children And Families

- **Head Start:** The President aims to provide full funding for the Head Start program which has proven results and is cost-effective. Studies have shown that preschoolers who participate in Head Start do better in school and become more productive adults. The program provides educational, social, medical and nutritional services to at-risk preschoolers so they can become problem solvers instead of problems. The President aims to make Head Start available to all children who need it.
- **WIC:** If our Nation is going to prosper, children will have to grow up healthy, not hungry. This special supplemental food program for Women, Infants, and Children (WIC) helps make sure that they do. By the end of FY 1996, all eligible children ages 1 to 4, including some 2 million who were not served last year, will be assisted.

E. Safe Neighborhoods, Safe Streets, Safe Schools

To combat increasing crime and associated violence, the President is requesting \$390 million for 1994 for the Justice Department to implement a comprehensive crime initiative to hire police and promote public safety throughout America. At the core of this initiative is a new Federal/State Partnership program to assist States and localities in their fight against crime. The program supports community and neighborhood-oriented policing programs; a Police Corps program; and upgrading criminal records at the Federal and State levels. In addition, resources are requested to meet other Federal law enforcement needs such as the Bureau of Prisons' projected increase in the Federal prison population. The total 5-year investment to combat crime and associated violence is \$4.4 Billion.

Police On Our Streets

Overall, the President's budget requests for the Justice Department include a five-year investment of \$2.174 billion to increase police presence and to expand community policing dramatically. To meet the 100,000 new police pledge, this investment will be leveraged with \$150 million in policing grants already approved by Congress, \$500 million requested as part of the President's Empowerment Zones legislation and policing investments requested for other agencies — including HUD's proposed Community Partnerships Against Crime (COMPAC), the Department of Education's Safe Schools legislation, and the public safety component of the President's National Service proposal. Together, these proposals will offer state and local governments a full menu of options — and maximum flexibility — in putting more police on our streets.

F. Public Health And Health Research

- **AIDS, Women's Health, And Other Public Health Initiatives** These initiatives increase funding for HIV/AIDS research and treatment, as well as for programs addressing women's health issues, teenage pregnancy, and other efforts

focusing on the leading causes of morbidity and mortality. These investment initiatives would provide substantial new funding for these programs over several years, including:

- additional funds for the fight against HIV/AIDS, through the Ryan White program, for CDC HIV/AIDS prevention, and for NIH HIV/AIDS research.
 - additional funds to address women's health issues, including breast cancer research, breast cancer screening, family planning efforts, and research on women's health issues at NIH.
 - additional funds to reduce our Nation's voracious appetite for illegal drugs, for increased treatment availability and for drug prevention programs.
- **Rural Health Initiative:** The President's rural health initiative is designed to address the unique, and acute, problems faced by rural hospitals. It extends authority for demonstration projects for limited-service rural hospitals, special payments for small, rural Medicare-dependent hospitals, and classification of hospitals as Regional Referral Centers.

G. Environmental And Energy Technologies

- **Drinking Water State Revolving Funds:** The Safe Drinking Water Act sets rigorous health-based standards for drinking water systems. In recent years, these requirements have imposed a large financial burden on drinking water systems. The President has requested new funds to provide capitalization grants to States so that they in turn can provide low-interest and no-interest loans to municipalities that must improve their drinking water systems.
- **Clean Water State Revolving Funds:** The Administration has requested funds to capitalize Clean Water State Revolving Funds. These Funds would make low-interest loans to municipalities for construction of projects to address water quality problems and help municipalities comply with new legal requirements for controlling stormwater run-off and wastewater pollution.
- **Environmental Technology:** The President's Environmental Technology Investment Initiative would increase funding for environmental engineering and technology development. The focus of this initiative will be long-term research and pollution prevention by EPA, other Federal agencies, and the private sector. The goal is to develop more advanced environmental systems and treatment techniques that can yield environmental benefits and increase exports of "green" technologies.
- **Alternative-Fuel Vehicles:** This initiative provides \$18 million in 1994, and \$30 million per year from 1995 through 1998 for Federal purchase of alternatively-fueled vehicles or conversion of the Federal fleet.

H. Transportation And Infrastructure

- **Mass Transit Formula Capital Grants:** After twelve years of neglect, America suffers from a crumbling transit infrastructure. These grants, together with State and local investment, will be used to upgrade rail facilities and equipment, and replace rail rolling stock, thus beginning to eliminate the rail investment backlog. These funds will also support bus and van replacement and bus facility rehabilitation. The new vehicles, which are needed to replace the aging U.S. transit fleet, will be more reliable and more accessible to disabled persons.
- **Federal-Aid Highways/Intelligent Vehicle Highway Systems:** The President proposes to increase highway spending to improve conditions and performance on the Nation's most important roads, the National Highway System, which carry over 40 percent of all highway traffic. The proposal would also increase funding for the Intelligent Vehicle/Highway Systems (IVHS) program. This "smart cars/smart highways" program will improve traffic control systems, warn drivers of dangerous situations, and make more efficient use of the existing highway infrastructure. It will combine state-of-the-art communications, warning systems, electronic displays, and computer technology.
- **High-Speed Rail Transportation:** High-speed rail systems can meet the transportation needs of several of the Nation's high-density corridors. These systems could relieve congestion, improve air quality, reduce oil consumption and improve safety. The funds could be used to start upgrading High-Speed Rail Service in selected rail corridors outside the Northeast Corridor. Train speeds would be increased by over 30 percent. In addition, funds would be provided for prototype design of magnetic levitation (MagLev) transportation and research on new turbine engines. MagLev speeds could exceed 250 miles per hour.

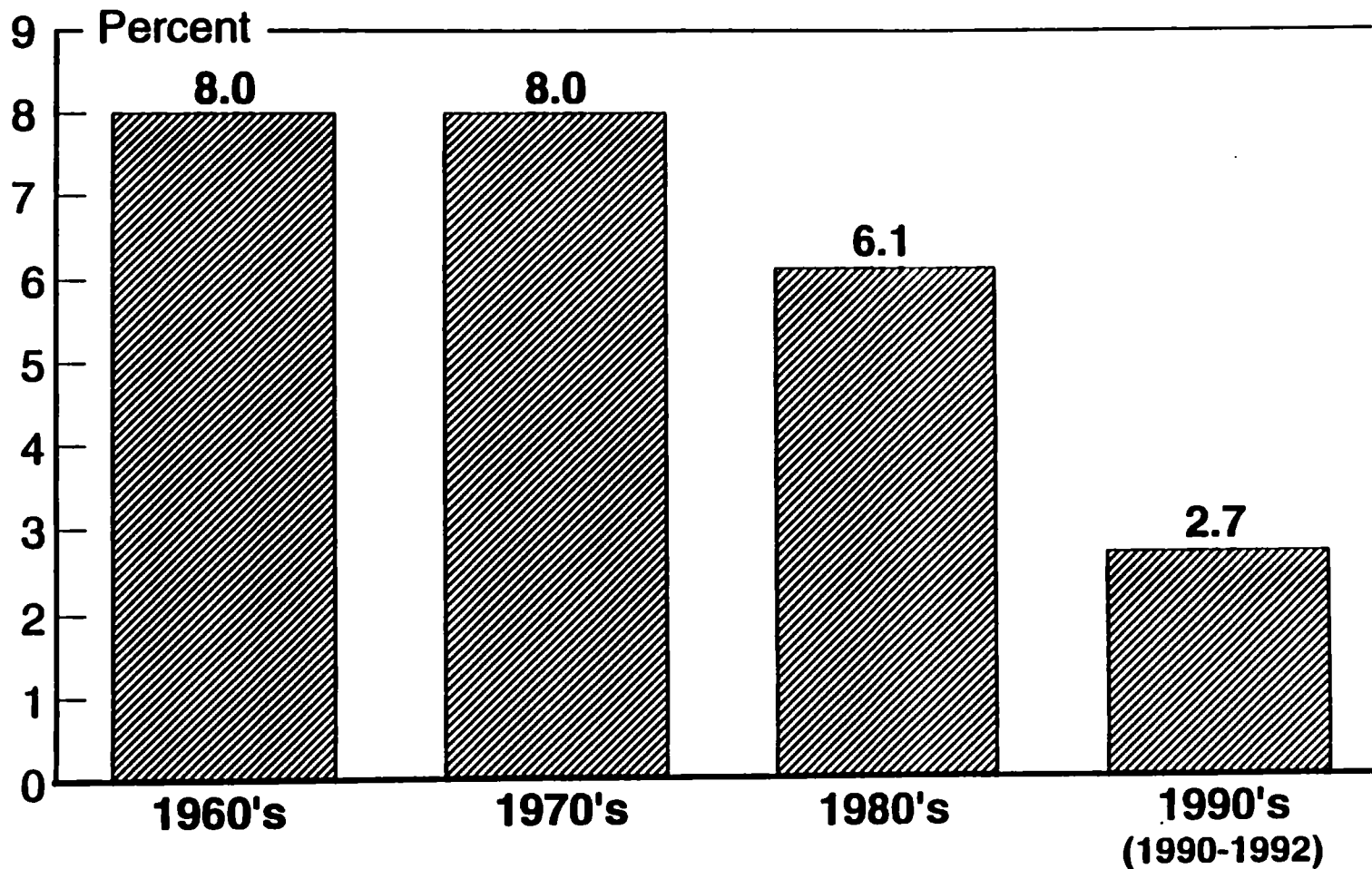
I. Agriculture

- **Equipment Expensing:** Under the President's plan to encourage small businesses to invest, farmers will be able to expense an increased amount of their capital investment. Agriculture is capital-intensive and good farming requires regular investments in productive capital, such as new and used equipment and machinery, special structures, motor vehicles, and farm and land improvement. The increased expensing reduces the cost of investment and frees up cash flow for use elsewhere on the farm.
- **Extending Small Issue Agriculture Bonds:** By extending this program, farmers entering agriculture can receive low interest rate loans from state, county or local governments to enable them to meet the high investment costs associated with beginning a farm operation. The government units raise the lower-cost funds through small-issue agricultural bonds, and most states with these loan programs depend upon these bonds to raise the funds for their programs. The Administration proposes to extend the right of state and local governments to issue these bonds, enabling entering farmers to meet the investment needs of their farm operations.

- **Extending The Health Insurance Deduction:** Because they are self-employed, farmers need comprehensive affordable health insurance; yet many cannot afford it. The Administration proposes to extend the 25 percent deduction for health insurance costs of self-employed workers and their families through at least December 31, 1993. This means continued savings for farmers.

Net Private Investment Has Fallen

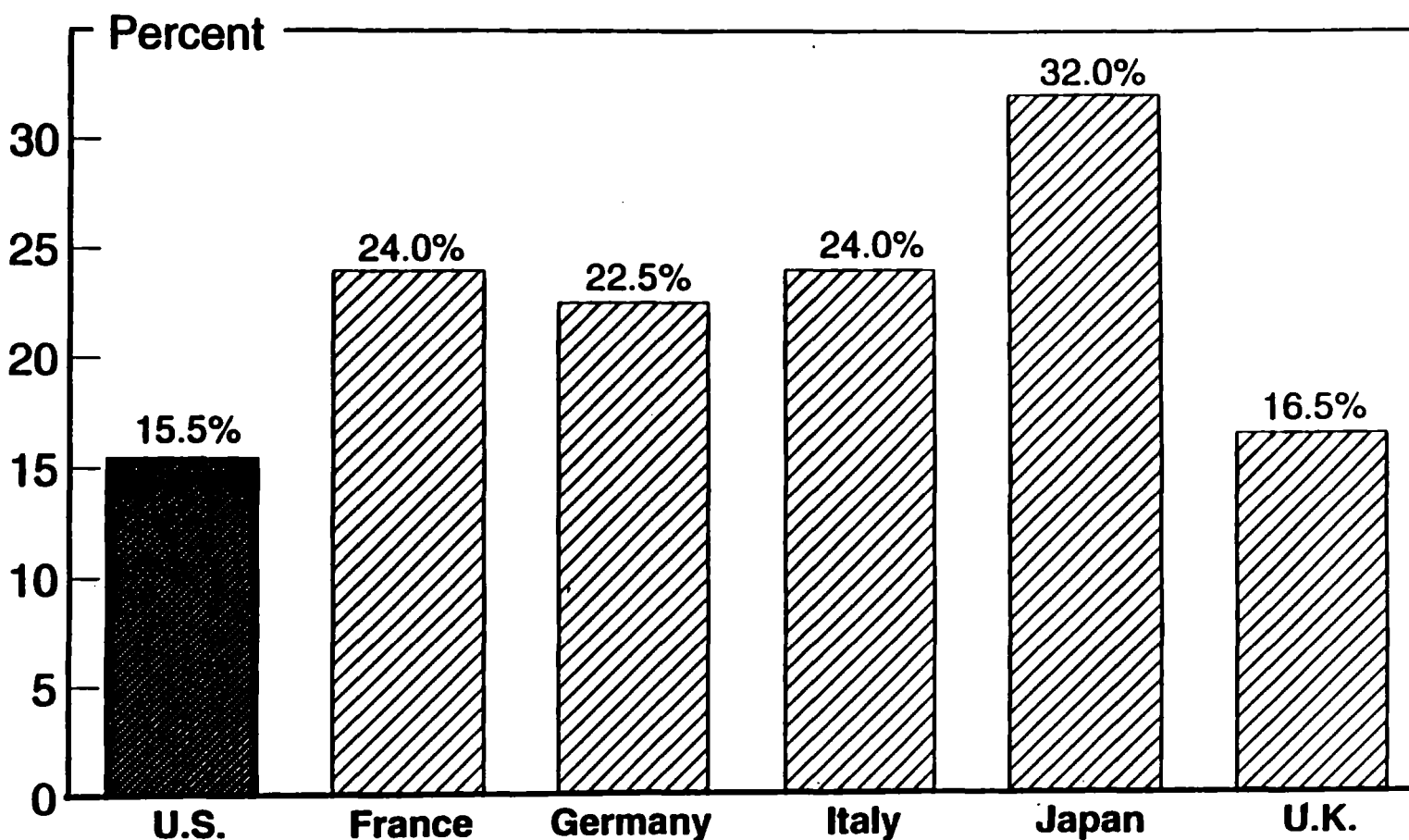
Total Private Investment as a Percent of NDP



Source: Bureau of Economic Analysis

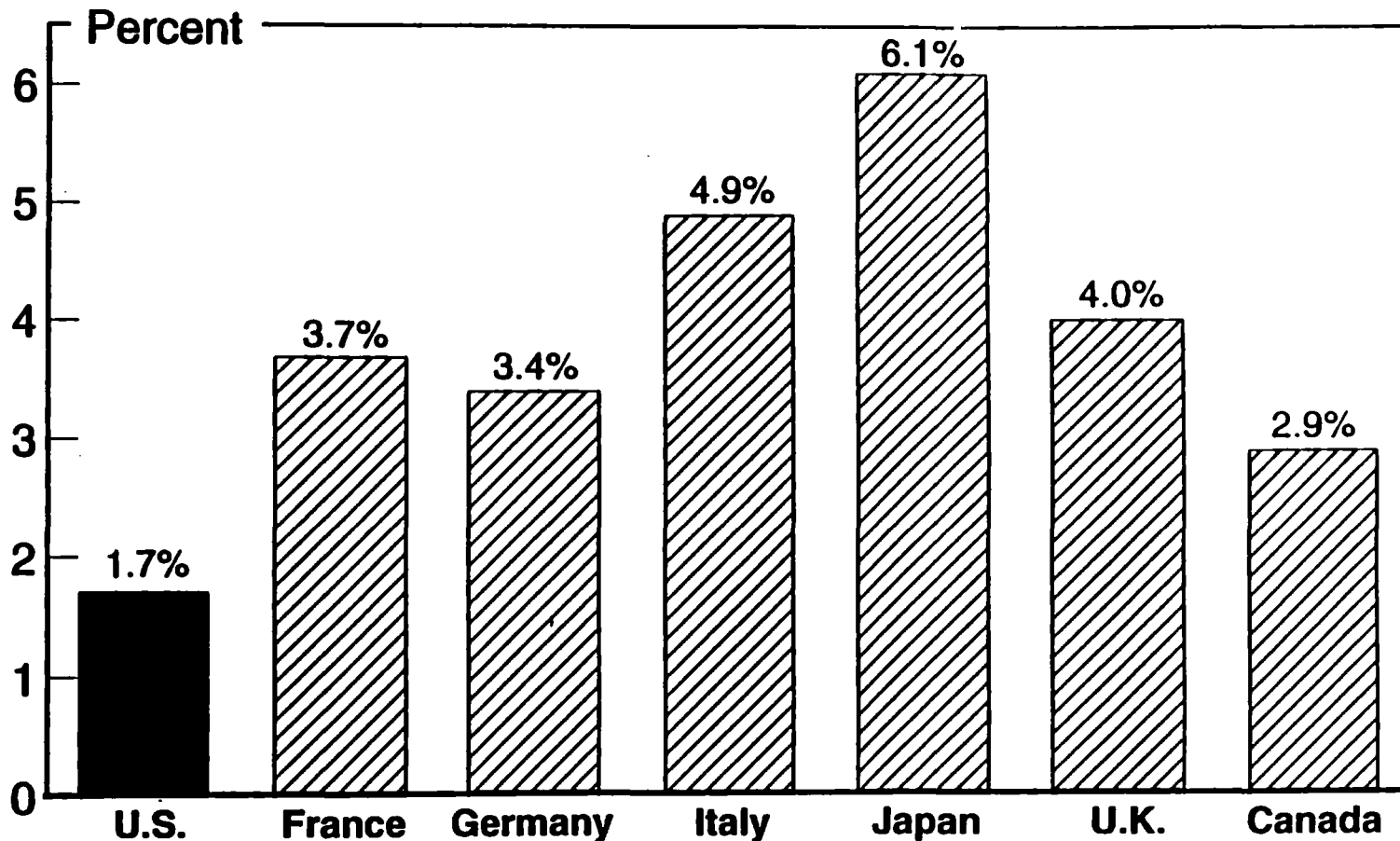
U. S. Invests Less Than Its Competitors

**Gross average annual private investment as a percent of GDP
1980-92**



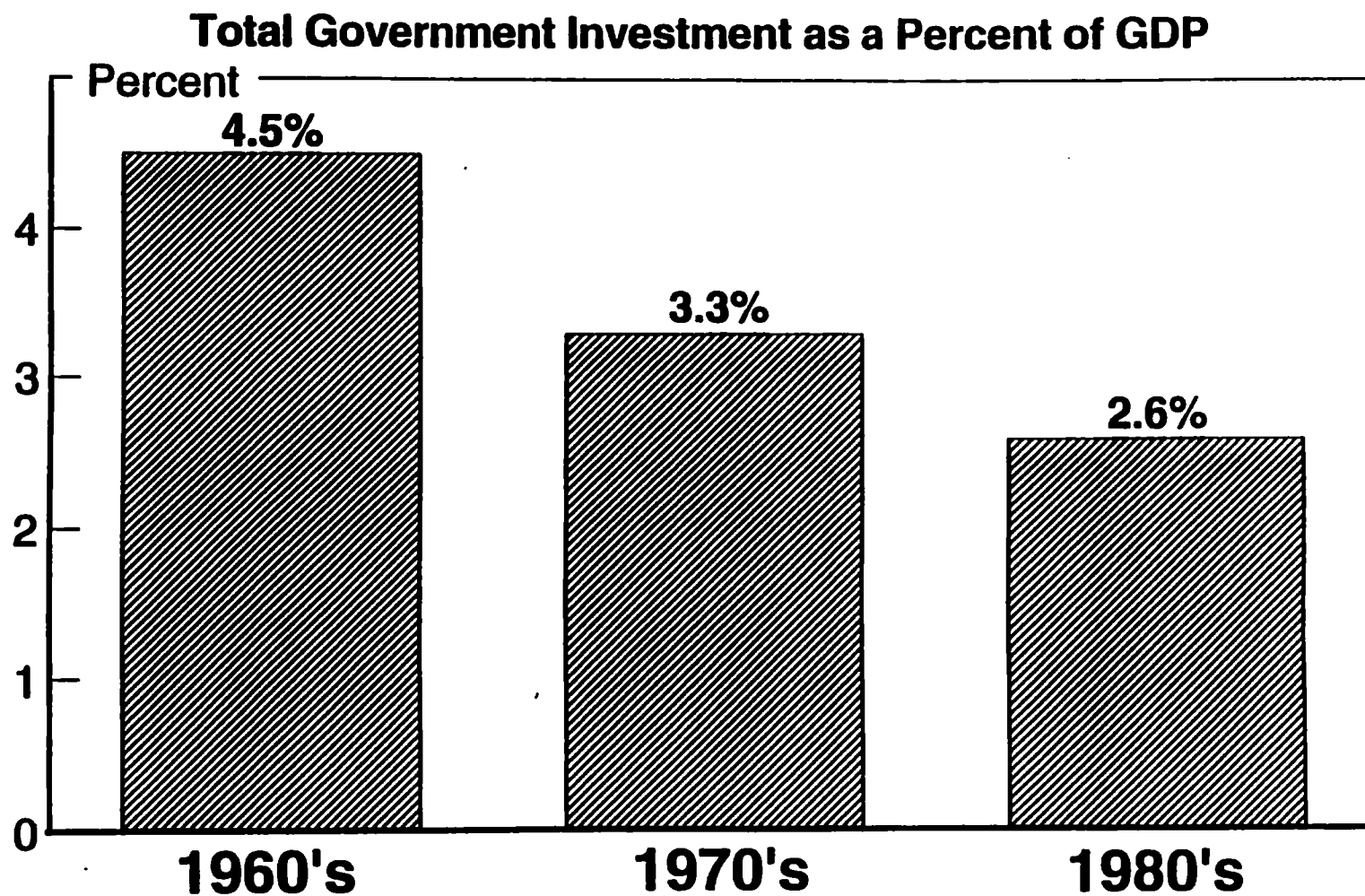
Source: OMB

U.S. Public Investment Is the Lowest of the G-7 Countries



Public investment as a percent of GDP, 1990

Public Investment Has Declined



Source: OMB

Altman

To: Roger Altman
From: Specialty Press/Media Affairs
RE: Business Press on Reconciliation Plan through 7/21

MM

Proposed:

Monday 7/19

7am - 9am

Administration spokesperson on FOX Morning News and WTOP or NPR to drive coverage of business briefing.

1pm - 2:30 pm
Rm 450 OEOB

Business Press briefing
Goals of the Reconciliation Conference
McLarty, Gergen, Bentsen, Altman, Panetta,
Rubin, Tyson, Sperling, Herman.

Invited:

Business Reporters for Nat'l Business Magazines, Wires, Dailies, and Broadcast Outlets. Cameras allowed for specific time period to be determined.

Note: Audio of briefing available to business reporters from regional magazines (via telephone bridge through Agriculture).

Rationale:

Sets the tone for business coverage for the rest of the cycle...
Outlines goals for the reconciliation conference...
Trumpets business support for the plan...
Billboards the President's Tuesday event on the hill...
Forecasts gloom if the plan doesn't pass...
Slams the Dole/Domenici/Kasich naysayers...

Note: press handouts should be xeroxed from the economic plan and include the analysis of the Republican plan.

Ancillary Coverage:

Bob Altman is doing Nightly Business Report, but we shouldn't forget that CNBC has a 6pm business program, and that CNN's Moneyline is on at 7pm that evening.

Secretary Brown, in San Francisco on Monday, should do a teleconference with California Business Magazines.

Tuesday 7/20

Business Press invited to cover President's hill event.

Follow-up conference calls or small briefings with business reporters requesting specific individuals as a result of Monday's briefing. Also, conference calls with regional business press who were not able to cover Monday's event.

Wednesday 7/21

1:30pm - 2pm **President & Small Business Owners Photo-Op.**
Following the President's Small Business Owners lunch at noon, the President and the luncheon guests ought to make brief remarks to the press in the Rose Garden (or elsewhere). POTUS would characterize the meeting, SBOs would issue statements of support.

2pm - 3pm **Briefing on how "Small Businesses will benefit from the Clinton Plan."**
Small Business Owners who support the plan and administration surrogates to be determined.

Invited:

Small Business Reporters from National and Regional Business magazines, newspapers, wires and broadcast outlets. Reporters from credit, banking and tax newsletters also should be invited. Access for cameras not necessary.

Handouts would include fact sheet on small business from Economic Plan publication.

Ancillary Coverage:

Small Business Owners booked on CNBC following luncheon, announcement or briefing; also booked on Moneyline and Nightly Business Report.

IMPORTANT NOTE: The press notification on Wednesday's small business events should include all events of the day to allow news operations enough advance time and information to either cherry-pick the events or make arrangements to cover all. Small Business briefing need not be opened to cameras because of the number of photo-ops available on that day.

1215 copy



Democratic National Committee
POLITICAL DEPARTMENT

430 SOUTH CAPITOL STREET, SE
WASHINGTON, DC 20003
202-863-8000
FAX 202-863-8196

FAX COVER SHEET

DATE: 7/9/93 TIME: _____

TO: ALEXIS HERMAN

FAX #: _____ #PAGES (including cover): 10

FROM: CRAIG SMITH, DNC POLITICAL DIRECTOR

SUBJECT: OPPOSITION BUY (ADS + SCRIPT)

IF YOU HAVE TROUBLE WITH THIS TRANSMISSION, PLEASE CALL LIZ
202-863-7121

COMMENTS:

This document is confidential and is intended only for the
fax recipient. Thank you.

Opposition Radio Buys and Ads

Name of Group	Location, buy	Who Named
Center for Sound Taxation	MI	Sen. Riegle
Citizens for a Sound Economy (CSE)	OH	Cong. Strickland
CSE	<u>Chicago</u>	Cong. Sangmeister
CSE	WSGM, Saginaw; WKYO, Coro	Cong. Barcia (this also hits Kildee and Carr)
Nat'l Energy Alliance	<u>Corpus Christi Collar Times</u> , full page ad	Cong. Solomon Ortiz (27th)
CSE	KFOR, Ch. 4, Oklahoma City, small radio buy	
New Energy Alliance	<u>The Advocate</u> , LA, full page ads	Cong. Fields (8th), Sen. Breaux & Johnston
CSE	<u>The Advocate</u> , LA, half page ad	Sen. Breaux
CSE	radio, New Orleans, small buy	
CSE	Paris County, TX, full page ad	Cong. Andrews (25th)
CSE	Beaumont area, TX, full page ad	Cong. Stenholm (17th)
CSE	<u>Arizona Republic</u> , AZ, full page ad	Sen. DeConcini
CSE	<u>Arizona Tribune</u> , AZ, half page ad	Sens. DeConcini & McCain
CSE	<u>Reno Gazette Journal</u> , NV, half page ad	Sens. Reid & Bryan

Citizens for a Sound Economy radio spot

"The committee to raise a whole lot of taxes is back in order.

Frankie, we need to raise more taxes.

Shouldn't we cut spending first?

Nah, some of my buddies in the government will lose their jobs.

Well, let's tax small business. You know, car washes, bums, grocery stores. We'll say it's a tax on the rich.

Yeah, but they hire a whole lot of people, it means they'll have to fire some folks.

Ah, so what it's just a couple of nobodies in each of these places.

But Frankie, there millions of these businesses, that's a lot of people who might get the axe.

Better their job than ours.

(Laughter)

(Music Bed) I want cash, strictly cash.

Announcer-With his budget vote Sen Riegle controls your cash and your job. In next years election you'll control his job. Call Sen Riegle at 1-800-4 no taxes, that's 1-800-4 no taxes. It's your cash and your job.

Announcer: paid for by citizens for a sound economy

eg. Riegle /MI

Thank You Senator Bryan!

On behalf of Citizens for a Sound Economy's 1,500 members in Nevada, thank you for voting last week against the latest tax & spend economic plan.

Courage of Your Convictions

You had the courage to stand up for the best interests of Nevada and vote against the tax plan that will crush small businesses, throw hundreds of thousands of people out of work, and cost taxpayers hundreds of millions of dollars. Keep up the great work!



Senator Reid, Why?

Senator Reid voted in favor of the tax-hiking, job-destroying plan. It will:

- cost Nevada over \$3,000 per household over five years
- throw over 3,100 Nevadans out of work
- add over \$1 TRILLION to the national debt
- throw up to 660,000 Americans out of work
- crush small businesses, the engine of economic growth
- raise gas taxes by 6.8 cents per gallon



IT'S STILL ALIVE!

Vote NO on the tax & spend plan when it leaves the conference committee.

Vote "NO" on the Final Plan

Call your Senators TODAY and tell them to defeat this devastating tax & spend plan.
Senator Bryan — Reno (702) 784-5007 Senator Reid — Reno (702) 784-5568

Paid for by Citizens for a Sound Economy, 325 South 3rd Street, Suite 8-100, Las Vegas, NV 89101

id NV

Are You Ready To Pay Taxes Every Time You Turn On Your Lights?

At \$475 a year per family of four

Higher Taxes. Despite the fact that a large majority of Americans are against it, the BTU Energy Tax Bill is up for vote again in Congress. If it passes, it will cost an average family of four \$475 a year in new taxes, with automatic increases every year. Worse yet, it will hit working Americans the

eg Ortiz, TX

2 page
Tribune Newspapers
7-8-93

Thank You Senators DeConcini and McCain!

On behalf of Citizens for a Sound Economy's 6,000 members in Arizona, thank you for voting last week *against* the latest tax & spend economic plan.

Courage of Your Convictions

You had the courage to stand up for the best interests of Arizona and vote against the tax plan that will crush small businesses, throw hundreds of thousands of people out of work, and cost taxpayers hundreds of millions of dollars. Keep up the great work!

However, if this tax-hiking, job-destroying plan passes it will

cost Arizona over \$2,200 per household over five years

and throw over 8,400 Arizonans out of work

and over \$1 TRILLION to the national debt

throw up to 660,000 Americans out of work

crush small businesses, the engine of economic growth

raise gas taxes by 6.8 cents per gallon



IT'S STILL FIVE!

Vote NO on the tax & spend plan when it leaves the conference committee

Vote "NO" on the Final Plan

Call your Senators TODAY and tell them to defeat this devastating tax & spend plan.

Senator DeConcini — Mesa (602) 379-4998 Senator McCain — Mesa (602) 835-8994

Paid for by Citizens for Sound Economy, P.O. Box 60542, Phoenix, AZ 85082-0542

9 AZ

ARIZONA REPUBLIC
7-8-93

Are You Ready To Pay Taxes Every Time You Turn On Your Lights?

Higher Taxes. Despite the fact that a large majority of Americans are against it, the BTU Energy Tax Bill is up for vote again in Congress. If it passes, it will cost an average family of four \$475 a year in new taxes, with automatic increases every year. Worse yet, it will hit working Americans the hardest because you spend the biggest share of your income on energy.

Every time you turn on your lights, open your refrigerator, watch TV, start your car or do anything that uses energy, you'll be paying this tax. And you'll be hit again when you buy anything that takes energy to produce, which is just about everything.

Fewer Jobs. It's also estimated that the BTU Energy Tax will eliminate 400,000-600,000 jobs nationwide, 6303 jobs right here in Arizona. These aren't just jobs in the energy industry. These are manufacturing, transportation and agricultural jobs. One of them might be your job.

You can stop this tax if you make it your job to act right now. Call your Senator and tell him to stop any BTU Energy Tax. It's your money. It's your job.

Call Senator Dennis DeConcini at 379-6756.

Senator Dennis DeConcini, Senate Office Bldg., Washington, D.C. 20510

I am opposed to the BTU Energy Tax and I'm counting on you to defeat it.

Name _____

Address _____

City/State/Zip _____



Stop The BTU Energy Tax

ag LA

On Your Lights?

per family of four

means hit hardest

600,000 jobs lost
nationwide

ing transportation
culture hit hardest

Higher Taxes. Despite the fact that a large majority of Americans are against it, the BTU Energy Tax Bill is up for vote again in Congress. If it passes, it will cost an average family of four \$475 a year in new taxes, with automatic increases every year. Worse yet, it will hit working Americans the hardest because you spend the biggest share of your income on energy. Every time you turn on your lights, open your refrigerator, watch TV, start your car or do anything that uses energy, you'll be paying this tax. And you'll be hit again when you buy anything that takes energy to produce, which is just about everything.

Fewer Jobs. It's also estimated that the BTU Energy Tax will eliminate 400,000-600,000 jobs nationwide, 37,693 jobs right here in Texas. These aren't just jobs in the energy industry. These are manufacturing, transportation and agricultural jobs. One of them might be *your* job.

You can stop this tax if you make it your job to act right now. Call your Congressman and tell him to stop any BTU Energy Tax. It's your money. It's your job.

Call Rep. Solomon P. Ortiz, at 883-5868.

Energy: Unchecked! The National Association of Manufacturers Opposes The President's

Rep. Solomon P. Ortiz, Senate Office Bldg., Washington, D.C. 20510

I am opposed to the BTU Energy tax and I'm counting on you to defeat it.

Name _____ Signature _____

Address _____

City/State/Zip _____

Printed by the American Energy Alliance (AEA), a coalition of over 100 energy industry groups, companies, associations, and trade organizations. AEA is supported by the National Association of Manufacturers, and R. Shankar, President of AEA. For more information, call 1-800-451-1111.



Stop The BTU Energy Tax

Ortiz
eg/TX

P002/004

TO 98638196

FROM US Rep. Billy Tauzin

JUL-08-93 05:37PM

P.02

TAUZIN-WFHH DC

TO

FROM U S REP TAUZIN-GO-00465

09:21

JUL-08-1993

Are You Ready To Pay Taxes Every Time You Turn On Your Lights?

■ \$475 a year per family of four

Higher Taxes. Despite the fact that a large majority of Americans are against it, the BTU Energy Tax Bill is up for vote again in Congress. If it passes, it will cost an average family of four \$475 a year in new taxes, with automatic increases every year. Worse yet, it will hit working families the

Worse yet, it will hit working families the

*Advocate
7/8*

08-1A

JUL-08-1993 09:21 FROM U S REP TAUZIN-GONZALES TO

TAUZIN-WFHH DC P. 03

REPRODUCTION OF THIS DOCUMENT IS PROHIBITED

■ 400,000-600,000 jobs lost
nationwide

■ manufacturing, transportation
and agriculture hit hardest

your car or do anything that uses energy you'll be paying this tax. And you'll be hit again when you buy anything that takes energy to produce, which is just about everything.

Fewer Jobs. It's also estimated that the BTU Energy Tax will eliminate 400,000-600,000 jobs nationwide, 8713 jobs right here in Louisiana. These aren't just jobs in the energy industry. These are manufacturing, transportation and agricultural jobs. One of them might be your job.

You can stop this tax if you make it your job to act right now. Call your Senators and Congressman and tell them to stop any BTU Energy Tax. And send them copies of the following coupon. It's your money. It's your job.

Call Sen. John Breaux at 504-589-2531. Call Sen. J. Bennett Johnston at 389-0395. Call Rep. Cleo Fields at 343-9773.

Source: EPA/DOE-Hill, Railroad Association of America, "Sausage Tax Foundation"

Sen. John Breaux, Sen. J. Bennett Johnston, Rep. Cleo Fields
Senate Office Bldg., Washington, D.C. 20510

I am opposed to the BTU Energy Tax and I'm counting on you to defeat it.

Name _____ Signature _____

Address _____

City/State/Zip _____

Printed by the American Energy Alliance (AEA), a coalition of over 300 American groups, for public distribution purposes only. AEA is sponsored by the National Association of Manufacturers, Public Power, and the American Electric Power Association. 1101 Pennsylvania Ave., N.E. 20004 Washington, D.C. 20004-1101



Stop The BTU Energy Tax

Thank You Senator Johnston!

On behalf of Citizens for a Sound Economy's 2,750 members in Louisiana, thank you for voting last week *against* the latest tax & spend economic plan.

Courage of Your Convictions

You had the courage to stand up for the best interests of Louisiana and vote against the tax plan that will crush small businesses, throw hundreds of thousands of people out of work, and cost taxpayers hundreds of millions of dollars. Keep up the great work!



Senator Breaux, Why?

Senator Breaux voted in favor of the tax-hiking, job-destroying plan. It will:

- cost Louisiana over \$2,100 per household over five years
- throw over 8,700 Louisianans out of work
- add over \$1 TRILLION to the national debt
- throw up to 660,000 Americans out of work
- crush small businesses, the engine of economic growth
- raise taxes on energy consumption



IT'S STILL ALIVE!

Vote NO on the tax & spend plan when it leaves the conference committee.

Vote "NO" on the Final Plan

Call your Senators TODAY and tell them to defeat this devastating tax & spend plan.
Senator Johnston — Baton Rouge (504) 389-0395 Senator Breaux — New Orleans (504) 589-2531

Fold for by Paul Bookout, President, Citizens for A Sound Economy H 8 7, Washington, D.C. 20005

07-08-93 09:28AM P.04 2006 #47

200X

LA

07-08-93 08:38PM FROM US Rep. Billy Tauzin TO 98638136
JUL-08-1993 08:21 FROM U S REP TAUZIN-CONGOLES TO
TAUZIN-WASH DC P.04



NFIB SMALL BUSINESS NEWS

100 Maryland Avenue, Northwest, Suite 700 • Washington, DC 20024 • 202-551-4000 • Fax 202-551-0400
The Guardian of Small Business for Fifty Years

Contact: Terry Hill or Angela Jones (202) 554-9000

PRESIDENT, SENATE LEADER PLEAD CASE FOR SMALL-BUSINESS SUPPORT

JUL - 7 1993

WASHINGTON, June 29--Addressing the National Federation of Independent Business here today President Bill Clinton and U.S. Senate Minority Leader Bob Dole (R-Kansas) agreed that American small businesses are crucial to the nation's future. But beyond that, the two share little in their approach to reinvigorating the economy.

"Your group is one of the most aggressive participants in the economic budget debate," the president told some 1,200 entrepreneurs gathered for the NFIB's national public policy conference, seeking support for his economic plan. "If we can pass this bill and keep interest rates down, it will put \$110 billion into the economy and create more jobs. The bottom line is, the Senate and House bills would reduce the budget deficit by \$500 billion."

In contrast, Dole reminded the group that only three weeks remain before Congress will attempt final passage by the measure, which NFIB has vowed to oppose.

"We all agree that the budget deficit is too big, but the president's plan is not the solution," said Dole. "The president's plan will increase taxes on small business by as much as 45 percent and increase the rate for big business by 35 percent. He should cut spending first before he talks about higher taxes on anybody."

NFIB President Jack Faris confirmed the group's opposition to government-mandated health care which is part of the Administration's health reform plan. More than two-thirds of all small firms offer health plans for their workers, Faris said, and those who do not are unable to afford it.

Other speakers included Trade Ambassador Mickey Kantor, Small Business Administrator Erskine Bowles, U.S. Sens. Jay Rockefeller (D-West Virginia), Phil Gramm (R-Texas), Don Nickles (R-Okla.), Florida Gov. Lawton Chiles, former Tennessee Gov. Lamar Alexander, and entrepreneurs Jim Herr of Herr Foods, Pennsylvania and Arlene Goodman, KOA Campground, Nashville.

NFIB, which recently enlisted its 607,000th small-business owner, is celebrating its 50th anniversary.

Amey
So much for making friends"
Callin
Expansion
San Antonio

JUL 8 1993
 NHO

s/Recon

MEDIA ALERT---MEDIA ALERT---MEDIA ALERT---MEDIA ALERT

FOR IMMEDIATE RELEASE
June 8, 1993

CONTACT: Victoria Wagman
(202) 479-6613

**SENIOR GROUPS TO RESPOND
TO BUDGET AND TAX PROPOSALS
AT NEWS CONFERENCE ON JUNE 10**

WHAT: News Conference about cuts in Medicare and Medicaid and caps on Social Security COLAs

WHEN: 10:00 A. M., Thursday, June 10, 1993

WHERE: 215 Dirksen Senate Office Building
1st and C Streets, N.E.
Washington, D. C. 20510

The Leadership Council of Aging Organizations (LCAO), a coalition of organizations representing millions of senior citizens, families, children and individuals with disabilities across the country will make an important announcement about budget and tax proposals on Thursday, June 10, 1993. The news conference will feature statements from consumer and membership groups addressing the difficult questions of probable winners and losers in the debate about the budget and the Federal deficit.

"The untold story in the debate about government spending and deficit reduction concerns the way in which the tax and program-cutting sacrifices will be distributed and shared among the American people," said Dr. Daniel Thurman, Chairman of LCAO.

The claim has been made that the "grass roots" have not been heard from in the current budget debate. The upcoming news conference is an opportunity for you to hear first-hand what organizations representing millions of Americans are saying about the distribution of the tax burden and program cuts in the current discussions on the budget.

Copy To Mike Lux
Steve Hilton
ASAP 6:40 P 6/9/93



Democratic National Committee

FAX TRANSMITTAL COVER SHEET

DATE:

5:30 PM June 9

TO:

Alexis Herman

SUBJECT:

FROM:

Minyon Moore
Deputy Political Director
Director Constituency Outreach

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