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CABINET REPORTS

178212

HELENE VANGO - VIRGINIA REGIONAL MINORITY
-- SUPPLIER DEVELOPMENT COUNCIL - VIRGINIA
-- OPPORTUNITY FAIR SOUVENIR JOURNAL
KAREN BARLAND - LETTER FOR JUDGE BONITA
-- DANCY AND JOAN PRATT
CONRAD AND PEGGY OOPER CAFRITZ - LIST OF
-- SPECIAL GUESTS AND OTHER GUESTS

SUBCODE
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COMMENTS

FG006-01
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RUBY MOY IS ALEXIS HERMAN 'S EXECUTIVE
-- ASSISTANT - DATE RANGE OF MATERIAL IS FROM
-- JAN TO JUN 1996 - THERE IS NO ORDER TO IT
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THE FOLLOWING DOCUMENTS ARE LETTERS, FAXES,
-- MEMOS ADDRESSED TO ALEXIS HERMAN
THE DATES RANGE FROM OCT 95 TO MAY 96
THERE IS NO ORDER TO THE MATERIAL
EMBASSY OF SRI LANKA
HARRIET MICHEL - NATIONAL MINORITY SUPPLIER
-- DEVELOPMENT COUNCIL
LIKELY EFFECTS OF THE CALIFORNIA CIVIL RIGHTS
-- INITIATIVE
FY 97 AGENCY BUDGET ROLLOUT
BACKGROUND MATERIALS ON PRESIDENT CLINTON 'S
-- FY 1997 BALANCED BUDGET
PRESIDENTI WILLIAM J CLINTON VIDEOTAPE
-- MESSAGE TO OLYMPIC ATHLETES
LOTTIE SHACKELFORD -- WOMEN 'S CONVENTION
-- MEETING AND WALK THROUGH IN CHICAGO
PROTECTING FEDERAL GOVERNMENT CONTRACTS FOR
-- BUSINESSES THAT EMPLOY LEGAL WORKERS
PATRICK J BUCHANAN -- THE QUOTA BUSTERS FROM
-- BERKELEY
STATEMENT OF CONGRESSWOMAN ELEANOR HOLMES
-- NORTON UPON THE INTRODUCTION OF THE
-- DISTRICT OF COLUMBIA PENSION LIABILITY
-- FUNDING REFORM ACT OF 1996
SHIRLEY BROWN - HEALTHY BABIES PROJECT
TERRY BAYS SMITH - CITY OF PEORIA - MEETING
-- WITH DORIS MATSUI
MARY LEWIS - FORT WORTH MEN 'S FACILITY
-- CARSWELL AIR FORCE BASE
THE KATE CARR CREW - CORPORATE RESPONSIBILITY
-- EVENT AT GEORGETOWN
KENT AMOS - URBAN FAMILY INSTITUTE - MEETING
-- OF MAY 14 WITH THE PRESIDENT
OFIELD DUKES - ARTICLE ON " PRO NIGERIA
-- ORGANIZATION COURTS U S BLACKS ' - MAURICE

-- DAWKINS
JOHN SNOW - BUSINESS ROUNDTABLE
DEBRA DELEE - DEMOCRATIC NATIONAL CONVENTION
-- LYBRA CLEMONS
HUGH BIGHAM - NATIONAL FRANCHISEE ASSOCIATION
-- BURGER KING NATIONAL FRANCHISEE
-- ASSOCIATION GOVERNMENT AFFAIRS COMMITTEE
DIANE BRANCH
WELDON LATHAM - NETWORKING MEETING - MAY 15
RICHARD NUCCIO - NOTIFICATION OF RESIGNATION
SUZANNA VALDEZ - CUBAN AMERICAN FLOTILLA
BARBARA WOOLLEY - WOMEN IN TRADE BUSINESS

-- DEVELOPMENT MISSION - AMSTERDAM & LONDON
NIANI KILKENNY - PROGRAM IN AFRICAN AMERICAN
-- CULTURE - SMITHSONIAN INSTITUTION
BREAST CANCER RESOURCE COMMITTEE -- NATIONAL
-- AWARENESS DAY KICK-OFF
LINDA LIPSEN - ASSOCIATION OF TRIAL LAWYERS
-- OF AMERICA - PRODUCT LIABILITY CONFERENCE
-- REPORT
SECRETARY CISNEROS PRESS CONFERENCE ON THE
-- BALTIMORE CONSENT DECREE - THOMPSON V HUD
-- BALTIMORE PUBLIC HOUSING DESEGREGATION
-- SETTLEMENT
SHELLEY LONGMUIR - UNITED AIRLINES - JAPANESE
-- THREAT TO CANCEL AIR CARGO ROUTES - DEMAND
-- THAT JAPANESE CARRIERS BE FAVORED
SHELLEY LONGMUIR - UNITED AIRLINES - AIR WARS
HOLLY - FOLLOW UP TELEPHONE CALLS - MAR 21
HERBERT MILLER - AMERICAN MALLS INTERNATIONAL
-- INVITE THE PRESIDENT TO SHOWCASE OPENING
-- OF U S STORES IN JAPAN WHILE ON VISIT
PETER O'KEEFE - FLORIDA YPO
KATE SMITH CARR - COFFEE WITH BANKING
-- INDUSTRY MEMBERS
KAREN BOONE - KK & THE FEELING FRIENDS
-- EASTER EGG CEREMONY AT THE WHITE HOUSE
HILARY ROSEN - RECORDING INDUSTRY ASSOCIATION
-- OF AMERICA - RIAA - NATIONAL ASSOCIATION
-- OF RECORDING MERCHANTISERS - NARM
-- CONVENTION
AGENDA FOR THE AFL CIO MEETING WITH THE
-- NATIONAL ECONOMIC COUNCIL
J J HICKEY - WRITING A BOOK
KATE CARR - DISTRICT OF COLUMBIA REPS MEETING
RANDY ESPINET - INVITATION TO RECEPTION FOR
-- RENE PREVAL - PRESIDENT OF HAITI
ROBERT BAKER - DEATH OF ELTORY HILL OF MOBILE
-- OLDEST PERSON TO HAVE LIVED IN THE UNITED
-- STATES
DANNY WEXLER - GRID LISTS FOR SCHEDULING
-- EVENTS FOR OFFICE OF PUBLIC AFFAIRS FOR
-- PRESIDENT, FIRST LADY, AND VICE PRESIDENT
-- FOR 1996
MARILYN DIGIACOBBE - STATE OF THE UNION

-- REMARKS
HOLLY - OHIO TRIP & HEMINGWAY SPEECH
PHEBE VICKERS - OMB - INFORMATION PAPER -
DEATH RELATED PAYMENTS FOR MILITARY AND
-- CIVILIAN PERSONNEL
KITTY HIGGINS - WASHINGTON INTERFAITH NETWORK
-- WIN
ANNE LEWIS - JOE DEAR - DEPARTMENT OF LABOR
-- OSHA 25TH ANNIVERSARY - OCCUPATIONAL
-- SAFETY AND HEALTH ADMINISTRATION
HAROLD ICKES - BLACK NEWSPAPER PUBLISHERS
-- DOROTHY LEAVELL - NATIONAL NEWSPAPER
-- PUBLISHERS ASSOCIATION

STEPHEN SILVERMAN - SECRETARY RON BROWN 'S
-- CABINET ROOM CHAIR
HAROLD ICKES - CONGRESSIONAL BLACK CAUCUS
-- DINNER
JOHN BRYAN - SARA LEE CORPORATION - SENIOR
-- MINISTER LEE KUAN YEW OF SINGAPORE
LORI KELLER - PRESENTATION OF CONGRESSIONAL
-- GOLD MEDAL TO REVEREND & MRS BILLY GRAHAM
JANET ABRAMS - OLYMPICS
DAVID PHILLIPS - FAMILIES & CHILDREN FIRST -
-- LLOYD WARD - LAUREL HOMES INITIATIVE
NICHOLAS NICK GLAKAS - STATE VISIT OF
-- PRESIDENT OSCAR LUIGI SCALFARO OF ITALY
-- COULD RAND ARASKOG OF ITT BE INVITED TO
-- STATE DINNER
CENTER FOR NATIONAL POLICY - MAUREEN
-- STEINBRUNER - AFFIRMATIVE ACTION - BEYOND
-- " EITHER / OR " - UPCOMING SQUARETABLE
-- DISCUSSION
YVONNE THOMPSON - ASAP COMMUNICATIONS - BLACK
-- WOMEN BUSINESS OWNERS IN THE UNITED
-- KINGDOM - MEETING IN UK
WASHINGTON POST - " IN THE LOOP " ARTICLE
-- RE RESIGNATION OF RAUL YZAGUIRRE
-- CHAIRMAN OF PRESIDENT 'S ADVISORY
-- COMMISSION ON EDUCATIONAL EXCELLENCE FOR
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-- PRESIDENT FROM KITTY HIGGINS - THESE ARE
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THE WHITE HOUSE
WASHINGTON

April 5, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *KMH 3/24*

SUBJECT: Summary of Cabinet Weekly Reports
March 29 - April 5

DEPARTMENT OF TREASURY

- **Secretary Rubin's Activities:** On April 9, the Secretary will meet with Hugh McColl, Chairman and CEO of NationsBank to discuss business mentoring in inner cities. He will also meet with Sir Leon Brittan, Vice President of the European Union. On April 11, the Secretary will meet with Chairman Greenspan, and attend the monthly AFL-CIO meeting.
- **Good Ol' Boys:** On April 1, Secretary Rubin sent the Treasury Policy Review and the Inspector General's Report regarding the Good Ol' Boy Roundup to the Congress. On April 2, the two reports were released to the public.
- **Currency Redesign:** There was continued positive press coverage of the introduction of the new \$100 note. International demand for the new notes was lower than expected.
- **BIF/SAIF:** All reports from the Hill indicate that both sides of the aisle are committed to passing a SAIF recapitalization. The House Republican leadership proved unwilling to include it in the CR passed on March 29, in part because the CBO scores it as a revenue loser. Without Congressional action to resolve SAIF's problems, SAIF could soon face major shrinkage of its deposit base, which would increase the risk of default on FICO bonds and could jeopardize the prospects of building adequate SAIF reserves.
- **Natural Disasters:** On April 16, Sen. Stevens will hold a drafting session for a comprehensive federal natural disaster bill. Treasury staff is working with staff from FEMA and other members of the Administration to develop legislative "modules" that will be provided to Stevens as alternatives. One such module, an excess-of-loss

contract (XOL) program that will be run by the Treasury, will be submitted for informal OMB clearance prior to April 8. The XOL program would direct the Secretary to auction contracts for insurance and reinsurance losses due to a disaster in excess of \$25 billion.

- **ABC News:** Customs has been working with *ABC News* on a story about the increase in heroin swallows detected in Miami from Colombia and their ingestion of heroin. The piece will emphasize Customs role in interdicting this smuggling.

DEPARTMENT OF LABOR

- **Retirement Income Security:** On March 26, agency attorneys in Boston filed an Employee Retirement Income Security Act (ERISA) lawsuit against John Hancock Mutual Life Insurance Company and its investment management subsidiary, Independence Investments Associates. The complaint in the case alleges violation of ERISA's self-dealing prohibitions in connection with the payment by John Hancock's Investment Incentive Plan of more than \$600,000 in excessive investment management fees to Independence Investments Associates. The filing of this lawsuit was reported in the *Boston Globe*, the *Boston Herald*, and the *Wall Street Journal*.
- **America's Job Bank on the Internet:** For the seventh consecutive month, America's Job Bank on the Internet has set a record level of accesses. Total accesses increased to a level of 4.8 million, an increase of more than 16% over the February level.
- **Releases:** On April 10, the Bureau of Labor Statistics will release productivity and costs for the fourth quarter of 1995. On April 11, BLS will release the producer price index for March and on April 12, the consumer price index for March will be released.
- **Electronic Workers:** The International Union of Electronic Workers (IUE), has threatened to strike two GM Delphi Chassis Systems parts plants in Kettering, Ohio, at midnight April 10, unless local outsourcing issues are resolved. The IUE represents 2,700 workers at the two plants, which supply about 95% of GM's shock absorbers and strut assemblies.
- **Service Employees:** On April 1, workers represented by the Service Employees International Union (SEIU) began a three day job action to protest more than 350 alleged unfair labor practices at 20 Pennsylvania nursing homes owned by Beverly Enterprises. The SEIU represents about 1,500 workers at the affected facilities.
- **Employment Situation:** On April 5, the Secretary released the employment and unemployment situation numbers for March.

DEPARTMENT OF TRANSPORTATION

- **Railroad Accident:** On April 4, a Burlington Northern train struck a school van at a signalled grade crossing in Clay, Texas, approximately 60 miles east of Austin. Six teenagers and a 44-year old driver were travelling from the Texas Baptist Children's Home to a track meet. The driver was killed and all occupants were injured, 3 seriously. No train crew injuries were suffered. Two prior accidents have occurred at this crossing, killing five people in 1988 and injuring four in 1990. An investigation of the signal systems is under way.
- **Chicago Green Line to Open May 12:** On March 27, the Chicago Transit Authority Board announced the Green Line Rapid Transit Line would open on May 12. The Chicago Transit Authority's Green Line is mainly an elevated structure providing over 20 miles of rapid transit service that connects the western and southern areas of Chicago. \$230 million in Federal Transit Administration funds has supported the rehabilitation of the track and structure. The Green Line has been closed since January 1994.
- **NAFTA Meeting:** On April 9 and 10, DOT will sponsor a meeting to discuss NAFTA drug and alcohol program issues with Canada. Discussions and presentations will focus on Canadian program implementation efforts, drug testing laboratory certification issues, and rule compliance and enforcement issues.
- **Alameda Corridor Initiative:** DOT's Federal Highway Administration and Federal Railroad Administration expect to issue a Record of Decision (ROD) regarding this project in April. Completion of the ROD will conclude the NEPA-mandated environmental review, thereby allowing locally funded construction segments to proceed on critical rail bridge improvements this June. DOT has met to discuss their concerns about the potential disruption caused by the construction of the depressed trainway.
- **"Truth in Budgeting Act":** The House will take up the Truth in Budgeting Act upon its return the week of April 15. The Department is strongly opposed to this proposal to remove the transportation trust funds supported by excise taxes from the unified budgeting process. In the context of last year's National Highway System Designation Act, the Administration indicated it would veto legislation to move the Highway Trust Fund off-budget.
- **FAA Reform Rollout:** As part of the new rollout of new personnel and procurement reforms, Secretary Peña traveled to New York, April 1, and to Chicago, April 2, to announce special pay incentives for air traffic controllers. While in Chicago, Secretary Peña also announced that the Chicago Center in Aurora, which controls en-route air traffic in the region, will receive a new display computer enhancement ten months ahead of schedule.

- **State Infrastructure Banks:** On April 4, Secretary Peña announced that eight states have been selected to test the use of State Infrastructure Banks (SIB) to help finance transportation projects. The SIB pilot program will allow states to move beyond the traditional means of funding public infrastructure to increase public and private investment in transportation projects. The initiative is designed to cut costs and red tape, enabling states to use more flexibility in securing their portion of transportation investment. The states that were selected are: Arizona, Ohio, Oklahoma, Oregon, Texas, Florida, South Carolina, and Virginia.
- **Sick Building:** After months of investigating air quality, DOT consultants released a draft report concluding that the situation should be classified as a sick building syndrome. On April 3, the *Washington Post* ran a front page story detailing the situation. DOT is going to undergo a massive cleaning of its ventilation system, beginning in May, in an effort to clean up this situation. At that time employees will be relocated from large segments of the building as the clean-up begins. The clean-up should be completed by the end of the summer.
- **International Aviation:** Vice President Gore, on March 29, announced that the United States and South Africa had reached a new aviation agreement that significantly expands opportunities for U.S.-South Africa service. The agreement is the first with an African nation to allow airlines from each country to operate code-share service with those of the other country, a provision that will strengthen global aviation systems and offer a greater variety of services to consumers.
- **New Pan American Airways:** DOT has received an application for domestic scheduled air carrier authority from Pan American Airways, Inc., a new company whose President and CEO is Martin R. Shaugrue, Jr., formerly a high ranking executive with Pan American World Airways, Inc. The families of victims of the Pan Am Flight 103 Lockerbie tragedy intend to object to the application on the basis of allegations that Mr. Shaugrue bears responsibility for changes in security at Pan Am that led to the bombing of Flight 103.
- **Olympics Torch Exemption:** The Research and Special Programs Administration (RSPA) issued an approval on March 29 that authorizes transportation of the Olympic Flame in three lighted Koehler Flame Safety Lamps that are fueled with petroleum naphtha. The lamps will be carried in the passenger compartment of a chartered Delta Air Lines aircraft from Athens, Greece, to Los Angeles, CA.
- **Press:** *USA Today* is preparing an article on competitiveness in the airline industry. DOT's report on the same issue is due out in two to three weeks. *U.S. News & World Report* is preparing a comprehensive article on the status of rail safety in America. *U.S. News* has been attending congressional hearings, talking to all segments of the rail industry, NTSB and labor. On April 18, *U.S. News* will interview Federal

Railroad Administrator Molitoris about the regulatory process, passenger car standards and positive train control. The article should appear mid-April.

- **Secretary's Travel:** On April 8-12, the Secretary will travel to Chile and Argentina for export promotion and attend the Hemispheric Transportation Initiative ministerial in Santiago.

UNITED STATES TRADE REPRESENTATIVE

- **Softwood Lumber:** On April 2, Ambassador Kantor announced that U.S. and Canadian negotiators finalized the softwood lumber agreement which is effective immediately. Canada's four leading lumber producing provinces have agreed to reduce their combined shipments of lumber from 16.2 billion board feet last year to 14.7 billion for the year starting April 1. This will bring Canada's import penetration down to 32.8% from a record high of 36%.
- **National Trade Estimate Report:** On April 1, USTR released their annual National Trade Estimate Report on Foreign Trade Barriers (NTE) which draws attention to the problems and other trade barriers facing U.S. exports, services and intellectual property--including major trading partners such as the EU, Japan, China, and, for the first time, Hong Kong. While significantly greater access has been achieved in most countries, in general our trading partners' trade regimes remained protectionist compared to that of the U.S.
- **China:** Ambassador Barshefsky will travel to Beijing on April 5 to meet with government officials regarding IPR and investment issues. On April 10-11, she will travel to Hong Kong to meet with their officials on the same issues.

DEPARTMENT OF JUSTICE

- **Favorable Ruling in Case Challenging SBA Program:** McCroscon Construction Co. v. Cook, et al. On April 2, a federal judge in New Mexico denied plaintiff's motion for preliminary injunction in a case that challenges the constitutionality of the Small Business Administration's 8 (a) program (affirmative action program). In denying the plaintiff's motion, the judge stated, among other things, that the plaintiff had failed to demonstrate a likelihood of prevailing on the merits of its constitutional challenge, and that the government had "submitted significant evidence that the 8 (a) program may survive strict scrutiny as articulated in Adarand."
- **Last Agent Orange Tucker Act Claim Voluntarily Dismissed:** On March 19, the last remaining Agent Orange manufacturer seeking reimbursement from the United States voluntarily dismissed its \$25 million Court of Federal Claims complaint. Maxus Energy Corp. v. United States. This dismissal brings to a close six years of

litigation in which the courts rejected attempts of the Agent Orange manufacturers to shift \$55 million of their losses onto the federal taxpayers.

- **Attorney General to Announce New Florida Immigration Plan:** On April 10, the Attorney General and Florida Governor Chiles will announce an aggressive plan to remove criminal and other illegal aliens from the State and to control illegal immigration into Florida through airports, seaports, and by way of alien smuggling rings.
- **U.S. To Appeal Court's Refusal To Enter Consent Decree:** By April 8, the United States will file a notice of appeal to the Court of Appeals for the Fourth Circuit in United States v. State of North Carolina Department of Corrections, et al., a Title VII case in which the district court refused to enter the parties' proposed consent decree resolving allegations of sex discrimination against women in male-only prisons. The U.S. maintains that refusal to enter a consent decree is subject to interlocutory appeal under 28 U.S.C. 1292(a)(1), and that the district court relied on many erroneous legal assumptions.
- **Court Enters Consent Decree In Civil Rights Matter:** On March 27, the judge in United States v. Tennessee signed the Consent Decree in this CRIPA (Civil Rights of Institutionalized Persons Act) action. The Consent Decree settles the government's CRIPA investigation into conditions of patient care and treatment at the Memphis Mental Health Institute (MMHI). Among other things, the Decree requires MMHI to make improvements in the delivery of medical, psychiatric and nursing care and requires the facility to develop appropriate discharge plans for patients. Department representatives will tour the facility on May 1-2, with the Department's experts, and provide technical assistance to MMHI staff.
- **Summary Judgment Granted In Post-Adarand Litigation:** On March 20, the district court granted the government's motion for partial summary judgment and denied plaintiffs' motion for summary judgment in Safeco Insurance Company of America v. The City of White House, Tennessee and the U.S. Environmental Protection Agency (EPA). In this post-Adarand case, the plaintiff challenged the constitutionality of an EPA procurement regulation that requires recipients of EPA funds and their prime contractors to take affirmative measures to solicit bids on subcontracting opportunities from minority and women owned businesses on EPA funded projects. The regulation does not require the attainment of any numerical goal, but requires that contractors make good faith efforts to attempt to subcontract with minority and womenowned firms by taking the positive steps specified the regulation. The district court held that the program is not subject to strict-scrutiny because it does not establish any preferences based on race or gender, and does not require recipients or contractors to discriminate on the basis of race or gender to comply with the regulation. For these same reasons, the court denied plaintiffs' motion for summary judgment that the regulation is unconstitutional.

- **Title VIII Consent Decree Filed:** On March 20, the parties filed a proposed Consent Decree in United States v. Casa Alondra Mobile Home Park, et al., a Title VIII case, which was filed after authorization and referral of the matter by HUD, alleging discrimination on the basis of familial status. The United States' complaint alleged that Rules and Regulations in effect at Casa Alondra, located in San Francisco, CA, discriminated against families with children, and managers at Casa Alondra sought to evict Sherry Black because her minor son violated those discriminatory rules. In addition to ordering fairly standard injunctive relief, the Consent Decree orders Casa Alondra to amend its Rules and Regulations. In addition, the Defendants must pay Sherry Black \$17,000 in compensatory damages.
- **Cryptographic Software:** In a major victory for the government, the district court dismissed a First Amendment challenge to the State Department's licensing controls on the export of cryptographic software. Philip R. Karn v. Department of State. Plaintiff challenged a "commodity jurisdiction" determination made by the State Department that he may not export a diskette containing certain powerful cryptographic source codes without first obtaining a license. Plaintiff claimed that this violates his constitutional right under the First Amendment to freedom of speech, in part on the ground that a book containing the source codes at issue had previously been licensed for export.
- **World Trade Center Bombing Case:** On March 28, the Government of Pakistan notified the U.S. of its consent to the trial of Ramzi Ahmad Yousef, "for conduct which constitutes offenses and conspiracies to commit offenses under the Montreal Convention of 1971." Pakistan officials extradited Yousef to the United States in February 1995, to stand trial for his role as the mastermind in the World Trade Center bombing. The diplomatic note covers all the offenses with which Yousef has been charged relating to the bombing of the PAL flight that resulted in the death of one passenger and conspiracy to place bombs on other aircraft in East Asia. Yousef's trial on these charges is scheduled for May in the Southern District of New York. He will be tried later for his role in the World Trade Center bombing.
- **PIRA Terrorist Waives Extradition to Britain:** On March 28, District Judge Ward, of the Southern District of New York, accepted PIRA terrorist Peter John Gabriel McMullen's waiver of extradition, and ordered McMullen into the custody of waiting British police. This marked the end of McMullen's extradition case, which has taken ten years to resolve. McMullen will face numerous charges in England related to his association with the PIRA.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **LA County Update:** Progress is being made regarding the Department's decision on Phase I of the State of California's request for a Section 1115 Medicaid demonstration

for Los Angeles County. A draft waiver decision and rollout package was reviewed and should occur in the next few days.

- **Study on Effects of Cigarette Advertising on Teens Released:** On April 4, the Campaign for Tobacco-Free Kids announced results of a new study about the influence of cigarette advertising on teenagers. The study shows that teenagers are three times more sensitive than adults to cigarette advertising when making brand decisions. Authors of the study argue that advertising is primarily a battle for the youth smoker, refuting industry claims that advertising only leads to brand switching among adult smokers.
- **Nicotine Patches:** On April 19, an FDA advisory panel will discuss safety and effectiveness data on two nicotine transdermal patches for Over-the-Counter (OTC) use. Both products are currently approved as prescription drugs to aid in smoking cessation for the relief of nicotine withdrawal symptoms. The panel will review data and make a recommendation on whether a switch to OTC use may be appropriate for these products.
- **First Blood Test for Breast Cancer Recurrence Approved:** On March 29, FDA approved a blood test that measures a tumor marker found in the blood of patients with breast cancer and certain other types of cancers. The new test accurately detected breast cancer recurrence in 60% of women whose cancer recurred. The test adds a new tool to current monitoring methods such as mammography, MRI, and x-ray.
- **Appropriations:** On April 18, Secretary Shalala will testify before the House Appropriations Subcommittee on Labor, HHS, Education and Related Agencies on FY 97 appropriations for the Department.
- **Secretary's Travel:** On April 9, Secretary Shalala travels to Austin, TX to visit the Domestic Violence Hotline national headquarters, and to Dallas, TX for the HHS regional awards ceremony. On April 13, she will travel to New York to speak to the 23rd Annual Community Conference sponsored by State Senator Franz Leichter. On April 17, she will travel to New York to join White House AIDS Office Director Patsy Fleming in meetings with leaders of major health care philanthropies and executive directors of major AIDS service organizations.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **HUD Settles Class Action Suit:** On April 5, Secretary Cisneros will host a press conference to announce an agreement among HUD, the City of Baltimore, and the Housing Authority of Baltimore City to settle a class action lawsuit filed last year by residents of Baltimore's public housing. The lawsuit alleged that certain public housing developments in the city are preserved as "black only" and "white only."

- **Secretary's Travel:** Secretary Cisneros will travel to six cities in the next two weeks to advance the Administration's success in increasing homeownership and implementing profound changes in public housing. The Secretary will be in Casper, WY; Las Vegas, NV; Philadelphia with Mayor Rendell; San Francisco with Mayor Brown; Madison, NJ; and Chicago, IL.
- **Homeownership Strategy:** To build on the homebuying season, HUD is sponsoring for the first time several Free Homebuyer Schools in targeted cities throughout the country to help first-time homebuyers and others become homeowners. On April 13, HUD will kick-off the first sessions in this series, which will be held in Chicago, IL and San Bernadino, CA. Up to 10,000 participants are expected to participate in these events.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Break The Cycle:** ONDCP is getting ready to roll out its Breaking the Cycle Demonstration Program. This program, which calls for universal testing of arrestees and the placement of persons testing positive for drug use into treatment, exemplifies how State and local justice systems can implement your Drug Testing Initiative.
- **Drug Control Strategy:** On April 9, the Director will meet with the leadership of the Law Enforcement Steering Committee to brief them on the Drug Control Strategy and to afford the police officials an opportunity to voice their concerns and priorities. The draft Strategy was sent out for review and comment on April 1 to all drug control departments.
- **Philadelphia Event:** On April 12, the Director will visit Philadelphia to observe various model drug treatment programs, a DARE class and a neighborhood meeting on community policing initiatives supported by DOJ's COPS Program.

VETERANS AFFAIRS

- **National VA Research Week:** VA has declared the week of April 7-13, National VA Research Week. VA medical centers will host events during the week to recognize the essential role VA research plays in caring for those who have served.
- **Exams Begin for Persian Gulf War Veterans' Families:** On April 1, the Department of Veterans Affairs began its Persian Gulf Veterans' Spouse and Children Examination Program. 33 VA medical centers established contracts with affiliated medical schools to conduct the examinations of the spouses and children of Persian Gulf veterans. The exams are intended to gather information that may help VA better understand the prevalence of illnesses in family members of those who served in the Persian Gulf War. VA estimates that the \$2 million authorized by Congress for this program will provide exams for approximately 4,500 individuals.

- **Congressional Activity:** On April 23, the House Appropriations Subcommittee will hold a hearing on VA's '97 budget. The Senate Appropriations Subcommittee is scheduled to have their hearing on May 3. Secretary Brown is expected to testify at both hearings.
- **VA Cuts Paperwork for More than 500,000 Beneficiaries:** VA is eliminating annual income reports for certain beneficiaries of income-based programs, cutting paperwork for hundreds of thousands of veterans and their survivors. This change reflects gains in computer matching programs that allow VA to validate a beneficiary's income through comparisons with other Federal agencies' automated files.
- **1996 National Veterans Wheelchair Games:** More than 550 veterans from across the U.S., Puerto Rico, and Great Britain are expected to compete in the largest annual wheelchair sporting event in the country - the 16th National Veterans Wheelchair Games, set for July 2-6 in Seattle, WA. The event, co-sponsored by VA and the Paralyzed Veterans of America, is open to all U.S. military veterans who use wheelchairs due to spinal cord injury, certain neurological conditions, amputations, or other mobility impairments.

SOCIAL SECURITY ADMINISTRATION

- **First Anniversary:** March 31 marked the first anniversary of SSA's status as an independent agency.
- **GAO Report:** GAO will release the final report, "Social Security: Issues Involving Benefit Equity for Working Women," on April 10. The report will indicate that a number of proposals have been made that would address concerns about the fairness of the Social Security benefit structure for working women and their families. However, these proposals have not been enacted, in part, because they would either involve additional cost to the program or require reductions in benefits to some categories of beneficiaries, many of whom are also women.

DEPARTMENT OF INTERIOR

- **Alaska North Slope Oil:** The Interior Department has been participating with NOAA, DOE, and the Coast Guard in developing the required environmental review and recommendations for a Presidential decision allowing the export of Alaska North Slope Oil under the recently enacted PL 104-58. The technical agencies, including the U.S. Fish and Wildlife Service and the Minerals Management Service, have reached consensus on draft recommendations for permit stipulations to minimize the environmental risk posed by the establishment of a tanker export route south of the Aleutian Island chain. The recommendations include stipulating and monitoring a

proposed route that maintains a 200 mile distance offshore, thus reducing the risk of oil spill impacts on the wildlife-rich Aleutian Islands.

- **Wolf Reintroduction:** Director Mollie Beattie of the U.S. Fish and Wildlife Service (USFWS) will travel to Yellowstone National Park from April 10-12 to release 17 wolves. On March 29, U.S. District Judge William Downes dissolved a temporary restraining order and denied a preliminary injunction against the release of the wolves.
- **Endangered Species Act Hearing:** Representative Young, chair of the House Resources Committee, has requested the Secretary testify at the April 17 hearing to review the implementation and administration of the Endangered Species Act. The hearing is scheduled for the first day of the Secretary's C&O Canal walk. The Department has notified the committee that the Secretary is available to testify earlier that week but is not available on April 17. We have asked the Committee to reschedule the hearing if possible so the Secretary can personally appear. The Committee is claiming the Secretary is travelling too much and unavailable to the committee. This is only the latest attempt by Representative Young to discourage travel by the Secretary.
- **Secretary's Schedule:** On April 6, the Secretary will travel to Boulder, CO, to participate in an event with Representative Skaggs at the Two Ponds National Wildlife Refuge. On April 11, the Secretary will travel to Mesa, AZ, to address the Associated Church Press. On April 12, the Secretary travels to San Diego, CA, to participate in an event to highlight the transfer of land from the Point Loma Naval Complex to benefit the Multi Species Habitat Conservation Plan in San Diego County.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Karnal Bunt:** On April 1, USDA announced crop destruction orders for about 4,000 acres infected with Karnal bunt in NM and TX. Those who comply with this emergency action may be eligible to receive compensation from the Department. We have also imposed quarantine restrictions on the entire state of Arizona, four counties in New Mexico, and two counties in Texas. On April 4, representatives from the affected state departments of agriculture will meet with Secretary Glickman and USDA officials on the current status of Karnal bunt.
- **Bovine Spongiform Encephalopathy (BSE):** In a March 29 joint press release, USDA and the U.S. Public Health Service (PHS) expressed support for voluntary measures announced by the livestock industry in the ongoing effort to ensure that the United States remains free of BSE. USDA and the PHS also announced additional steps government agencies would take to provide consumers with the assurance that the U.S. food supply remains among the safest in the world.

- **Timber Issues:** On April 2, Secretary Glickman sent a letter to the operator of the First and Last timber sales on the Umpqua National Forest in Oregon requesting a cessation of harvesting activities. The letter extended a final offer to the operator to exchange timber within the sale area for alternative volume to minimize environmental harm.

On April 3, the Forest Service published a *Federal Register* notice of interim final rule for disposal of National Forest System timber and modification of timber sale contracts in extraordinary conditions. Secretary Glickman announced on March 29 that he had signed an order to provide the Forest Service with an additional tool it needs to modify the most environmentally damaging timber sales authorized under the timber provision of the Rescission Act of 1995. This policy will allow the agency to modify timber sale contracts by substituting timber volume from outside the existing sale areas.

On April 4, the Okanogan National Forest in Washington will make the official offer to Double A Logging, the highest qualified bidder on the Thunder Mountain salvage timber sale. Northwest Ecosystem Alliance originally bid the sale, but acknowledged it could not fulfill the obligations in the contract.

- **Russian Poultry:** On March 28-29, U.S. and Russian trade negotiators met to discuss Russia's recently announced tariff increases assessed on imported poultry products. Russia agreed to consider taking steps to ensure that imported U.S. products not be subject to any minimum reference prices. For poultry, the United States requested that Russia revise its tariff structure and apply either an ad valorem rate of 30% or a specific equivalent. The Russian delegation agreed to contact representatives of the U.S. delegation within two weeks regarding the two proposals.
- **Florida Tomato Growers File Dumping Case:** On March 29, the Florida tomato industry filed an action with the International Trade Commission alleging that Mexico is dumping tomatoes into the United States.
- **China Makes Preliminary Announcement On New Tariff Rates:** China has announced the long-promised tariff reduction information for agricultural products, which took effect on April 1, offering the potential for increasing U.S. farm exports to that country. The Chinese government has announced they are placing Tariff Rate Quotas on items in 42 tariff lines, including wheat, barley, corn, rice, soybeans, soybean oil, and soybean meal.
- **Cigarette Manufacturer Owes \$5.5 Million In Assessments:** Liggett Group, the smallest of the six major domestic manufacturers of cigarettes, owes about \$5.5 million in the domestic marketing assessments of cigarettes in 1994. A decision memorandum is being prepared to allow Liggett to pay the assessment due over a five-year period.

- **USDA Conducts Methyl Bromide Research:** Methyl bromide, a soil fumigant and post-harvest commodity treatment, is scheduled to be banned nationally by the year 2001. Agricultural Research Service scientists have developed an experimental "gas mask," which would protect the earth's ozone layer from this controversial chemical.
- **Nutrition:** On April 11-12, in an effort to reach children and mothers with nutrition education messages, Under Secretary for Food, Nutrition, and Consumer Services Ellen Haas will be interviewed by *Parenting, Mothering, Healthy Kids, Safe Step, Child Life, Children's Playmate, Essence, Glamour, Better Homes and Gardens, Good Housekeeping, Working Mother, Working Woman, Ladies Home Journal, Self, and Vogue* in New York.

DEPARTMENT OF ENERGY

- **University of California:** Secretary O'Leary is expected to make a public announcement late in April announcing the Department's decision whether to extend or complete the existing contracts with the University of California for management and operation of Lawrence Livermore National Laboratory, Los Alamos National Laboratory, and Lawrence Berkeley National Laboratory. There is a high level of interest in the local area on the results of this decision from the Governor's office to the local Livermore, CA, newspapers. The current contracts expire on September 30, 1997.
- **Start Up of World's Largest Fuel Cell Demonstration Project:** Energy Research Corporation's 2-megawatt molten carbonate fuel cell demonstration project at Santa Clara, CA, began this week. The Santa Clara demonstration project, the largest of its kind in the world, is a joint funding effort between local governments, utilities, and the DOE. California intends to be one of the first States to accept and deploy fuel cells for distributed power generation. This technology is a power source that is environmentally benign, reliable, and highly efficient. If successful, this technology will provide a new flexible source of power to the U.S. as well as represent a new U.S. industry in the world market.
- **Hanford Site Tank Waste Remediation System:** DOE plans to distribute the Draft Environmental Impact Statement (EIS) for the Hanford Site Tank Waste Remediation System on April 5. The draft EIS will be sent to the Governors of WA and OR, the committees, Federal agencies, special interest groups, and citizens that have expressed an interest in the draft EIS. Secretary O'Leary will meet with local radio stations and possibly with the editorial board of the *Seattle Post-Intelligencer* to discuss progress in the Hanford Site cleanup.
- **Approval for Community Assistance Grant in Nevada:** A 5 million grant has been approved for the Nevada Community Reuse Organization Programs supported under this grant include a business development and marketing effort to expand mining and

environmental testing at the Nevada Test Site, a program to accelerate the creation of technology-related businesses and jobs, and a capital finance program based on a revolving loan fund.

- **National Forum of Black Public Administration:** On April 17, Secretary O'Leary will address the National Forum of Black Public Administrators. Her comments will focus on the Administration's commitment to diversity, expanding economic opportunity, and Historically Black Colleges and Universities. She will also stress the overall accomplishments of the Administration at home and abroad.

ENVIRONMENTAL PROTECTION AGENCY

- **Pesticide Announcement:** This week EPA announces a voluntary agreement with Uniroyal Company to stop the sale and distribution of propargite, a pesticide, for use on a variety of fruits and vegetables for which the dietary risks of getting cancer over a lifetime of consumption have been determined to be too high. Propargite will continue to be used on other food for which the dietary risks are negligible. The advantage of a voluntary agreement over a formal rulemaking is that the product will be taken off the market immediately, before this year's growing season, avoiding the lengthy period required to develop a regulation.
- **California Trip:** On April 12, Administrator Browner will travel to Los Angeles to address a major environmental and business conference called Eco-Expo 1996. Following her speech, the Administrator will meet with leaders of women's groups in the LA area.
- **U.S./Mexico Agreement:** The Administration reached a preliminary agreement last week with Mexico to establish the first cross-border pollution control zone. The zone would include El Paso, TX, and Juarez, Mexico, which neighbor each other and have the worst air pollution of any area along the border. As part of the agreement, a Committee will be formed to comprehensively address cross-border pollution issues and recommend innovative strategies to reduce air pollution in the region.

DEPARTMENT OF EDUCATION

- **Secretary's Travel:** On April 11, Secretary Riley will be in CT to meet with college presidents. On April 14, the Secretary will address the AACC conference in Atlanta. On April 15, he will address the National School Boards Association in Orlando. On April 16, the Secretary will participate in a forum with Governor Hunt in Raleigh, NC. He will also participate in the next satellite town meeting, "Preparing Your Child for College." On April 19, the Secretary will be in Denver to address the annual meeting of the United Methodist Church and for other events. On April 23, he is scheduled to address the National Family Literacy Conference in Louisville. Finally on April 26,

the Secretary will address the Illinois PTA and kick off the READ*WRITE*NOW! summer program.

GENERAL SERVICES ADMINISTRATION

- **Federal Civil Aircraft Fleet Reform:** GSA has completed a study which examines the operations of the Federal Civilian Aircraft Fleet. The study, which has not been released, highlights a potential \$84 million that could be realized by disposing of excess aircraft and \$92 million through more efficient management and operation. There is Congressional interest in this study.

OFFICE OF PERSONNEL MANAGEMENT

- **Career Transition for Federal Employees Facing Downsizing:** The Interagency Group (IAG) of executive branch personnel directors has won an endorsement from the Greater Washington Board of Trade for a blue-ribbon panel of area CEOs and senior federal officials to develop electronic linkage between the displaced federal employees seeking jobs and private sector companies seeking experienced workers. OPM is coordinating with OMB and the White House on the appointment and announcement of the new panel.
- **Performance-Based Organizations (PBOs):** OPM has distributed to agencies a "template" or prototype personnel structure with guidelines on steps they might take to get their Performance-Based Organizations off to a fast start. The "template" pointed out 1) flexibilities that already exist on hiring, pay, and job classification and 2) demonstration-project authority that already exists. The Vice President announced the PBO initiative in March.

DEPARTMENT OF STATE

- **Croatia Task Force:** In response to the tragic crash of Secretary Brown's aircraft in Croatia, a Task Force has been established in the Operations Center to assist families seeking information.
- **China/Taiwan:** Since the Taiwan elections, both Beijing and Taipei have shown some signs of restraint without changing their basic positions. Taiwan's leaders have been reaffirming the goal of unification, not independence, and foreshadowing possible gestures toward the mainland. But they have also signalled their intent to continue raising Taiwan's international profile. The PRC has continued to send signals that it accepts the results of Taiwan's recent presidential elections but that Taiwan must take concrete steps to reunify with the mainland.

- **Deputy Secretary Travel:** At the invitation of the Russians, Deputy Secretary Talbott will travel to Moscow April 10-12 to hold a final round of preparatory talks before your April 19-21 trip.

DEPARTMENT OF DEFENSE

- **Military Aircraft Accident:** Because of events surrounding the T-43 accident in Croatia, Secretary Perry curtailed the Egypt portion of his trip and returned to Washington on April 4.
- **Persian Gulf Illness Report:** On April 2, Assistant Secretary for Health Affairs Steve Joseph released the Comprehensive Clinical Evaluation Program report. The report summarizes the diagnostic results of the more than 18,000 systematic clinical evaluations completed through the program. No single cause of illness among Persian Gulf veterans and no "syndrome" unique to those veterans has been identified.

UNITED NATIONS

- **UN Humanitarian Report:** On April 4, Ambassador Albright will introduce the annual Global Humanitarian Report to the UN. This report compiles data on all of the major humanitarian disasters -- both natural and man-made around the world.
- **Iraq:** The Council adopted a resolution establishing a mechanism for monitoring trade with Iraq in the event that sanctions against Baghdad are lifted or eased. Negotiations between the UN and Baghdad over implementation of the Security Council resolution authorizing the limited sale of Iraqi oil for the purchase of humanitarian goods are scheduled to resume April 8. Also, the Council will conduct the regular six-month review of the UN observer mission on the Iraq-Kuwait border April 4.

CENTRAL INTELLIGENCE AGENCY

- **Brothers to the Rescue:** CIA received a request from the Florida Corporation Brothers to the Rescue, Inc., for any information "concerning the organization ... plots by the Cuban government to assassinate any member of the organization ... or communications of any nature with the Cuban government concerning the organization." The request also sought a "copy of the full transfer transcript and audio tape of the conversations ... between the MiG pilots and their controllers in Havana."

UNITED STATES INFORMATION AGENCY

- **Drug Control Policy:** USIS Mexico provided support for the visit of the contact group led by General Barry McCaffrey. Coverage emphasized U.S. respect for Mexico's sovereign right to decide what level of military-to-military cooperation it

would approve in the drug fight, denial of any U.S. intention to "militarize" the border, and U.S. success in reducing drug consumption and jailing drug dealers.

- **Mad Cow Disease:** USIS London reports that coverage of mad cow disease still dominates the British media and USIS London continues to work to keep the U.S. out of the controversy. A major newspaper, *The Independent*, sought comment on "reports" attributed to the USDA allegedly noting that U.S. herds were susceptible to the disease, as well as stating how the U.S. "was avoiding British PR mistakes." No such reports existed and USIS London, working with the Agriculture Attache, put the writer in touch with an expert at USDA who totally refuted the charges. As a result, no media story appeared.

cc: The Vice President
Leon Panetta
Evelyn Lieberman
Harold Ickes
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Donald Baer
Ron Klain
Rahm Emanuel
John Hilley

cc See

THE WHITE HOUSE
WASHINGTON

April 12, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS

SUBJECT: Summary of Cabinet Weekly Reports
April 5 - April 12

DEPARTMENT OF TREASURY

- **BEA Program:** The CDFI Fund is currently in the final stage of reviewing applicants for the Bank Enterprise Award (BEA) Program. An announcement of approved applicants is expected before the end of April.
- **IRS Deductions:** The IRS has published a final regulation that implements the OBRA '93 provisions that (a) deny the tax deductions for club dues and for the travel expenses of a spouse who goes along on a business trip; and (b) allow a deduction of up to 50% of the costs of business meals and entertainment expenses. The final regulations give the employer the option of either absorbing the deduction disallowance, or characterizing the expenses as compensation paid to the employee. The regulation extends the same options to businesses that hire independent contractors.
- **Libya:** Treasury staff continues to work with the NSC on its proposal to possibly "set aside" a portion of the blocked Libyan assets to compensate families of the victims of the 1988 bombing of Pan Am Flight 103 over Lockerbie, Scotland.
- **Proposed Constitutional Amendment Regarding Tax Increases:** On April 15, the House will take up a resolution which would amend the Constitution to require a two-thirds vote in Congress for final adoption of legislation changing the internal revenue laws.

- **Taxpayer Bill of Rights:** The House likely will take up expanded Taxpayer Bill of Rights legislation under suspension of the rules on April 16. While the Treasury Department has raised some objections to some of the legislation's provisions, such as new restrictions on retroactive regulations, the Administration largely supports the legislation.
- **The House Subcommittee on Crime:** The second federal law enforcement oversight hearing will occur on April 17. The focus of the hearing will be local law enforcement officials' views of federal law enforcement.
- **Senate Judiciary Committee Hearings on ATF:** The Senate Judiciary Committee is planning a hearing on the future role of the ATF and may cover some of the Good Ol' Boys findings. It is expected that Senator Specter will have an active role in these hearings and the Committee most likely will request that the Secretary testify.
- **District of Columbia:** Congress approved the District's receipt of the remaining \$219 million of its annual Federal Payment. This cash infusion will enable the District to meet its expenses through July. At that point an approved Financial Plan will likely be in place, thus allowing the Treasury to lend to the District. \$250 million in statutory lending authority remains.
- **Anti-Smuggling Efforts:** On April 17, Customs staff will brief Representative Bilbray on actions being taken by Customs to combat the smuggling of stolen vehicles into Mexico from San Diego.
- **Savings Association Insurance Fund (SAIF):** During negotiations over the most recent continuing resolution, Treasury's proposal to strengthen SAIF stalled in part because of the cost of a related Congressional proposal to rebate Bank Insurance Fund premiums. On April 9, the CBO accepted the argument that the rebate would cost only \$10 million under the legislative language previously passed by both Houses as part of the budget reconciliation bill. After meeting with Treasury officials, the House Republican leadership staff viewed the \$10 million cost as acceptable and said that the leadership would like to get SAIF's problems resolved, but bristles at proposals to use SAIF to pay for additional spending.
- **Press Interview:** On April 15, Secretary Rubin will meet with Chris Matthews of the *San Francisco Examiner*.

DEPARTMENT OF LABOR

- **Olympics:** The Employment and Training Administration (ETA) has been working with the Atlanta Committee for the Olympic Games (ACOG) to certify approximately 300 foreign workers under the H-2B (temporary labor certification) program to work

in various positions during the Olympic Games. ETA expects to receive ACOG's formal applications in the next few days. In coordination with local union officials and the Georgia Employment Service, ETA will ensure that the jobs cannot be filled by qualified U.S. workers before the positions are offered to foreign workers.

- **Railroad strike:** Following rejection of a National Mediation Board proffer of arbitration, the Transportation-Communications International Union announced that its members will strike one or more of the Nation's major freight railroads at 12:01 a.m. May 9, unless agreement is reached or a Presidential Emergency Board is created. The railroads are represented in the negotiations by the National Carriers' Conference Committee. Under provisions of the Railway Labor Act, the appointment of an emergency board would establish an additional 60-day "cooling-off period." The TCU represents about 40,000 clerks and carmen. Failure to resolve this dispute peacefully could result in the threat of a national rail strike on or about July 8. The Federal Railroad Administration is preparing a strike impact analysis and monitoring the negotiation process.
- **General Motors:** The International Union of Electronic Workers and General Motors have reached a tentative agreement settling a local labor dispute at two Delphi Chassis Systems parts plants in Kettering, OH. The union had threatened to strike at midnight April 10, unless local outsourcing issues were resolved. The IUE represents 2,700 workers at the two plants, which supply about 95 % of GM's shock absorbers and strut assemblies. Union members will vote on the proposed settlement on April 12.
- **Kaiser Permanente:** On April 12, Service Employees International Union, which represents 10,000 workers in Southern California, rejected Kaiser Permanente's final contract offer. The company's proposal would have frozen wages in the first year and, if necessary, cut pay up to 2.5 % in each of the second through five years of the proposed five-year contract. Some 14,000 employees of Kaiser Permanente in Northern California, also represented by the SEIU, have been working without a contract since October 28, 1995.
- **Secretary's Travel:** On April 15, Secretary Reich will meet with corporate officials and front-line workers from Coca-Cola in Atlanta, GA. On April 16, the Secretary will travel to Los Angeles to deliver a speech to the Los Angeles Town Hall, meet with community leaders, and tape appearances on *The Tonight Show* and *Politically Incorrect*. On April 17, he will travel to San Francisco to open a Garment 2000 training center with a ribbon cutting ceremony and deliver remarks at Mayor Brown's Economic Summit. On April 18, he will travel to Portland, OR to meet with local labor leaders.

DEPARTMENT OF TRANSPORTATION

- **Intelligent Transportation Society (ITS) of America:** On April 15, Secretary Peña will address this forum in Houston to provide further amplification of the Operation Timesaver message to this audience of 3,000 key industry officials. He will also join Mayor Lanier to open the Houston Traffic Management Center.
- **Dubroff Flight Investigation:** FAA Administrator Hinson held a news conference on April 11 in response to the crash of the plane flown by seven-year-old Jessica Dubroff and her instructor in Wyoming. The Administrator announced that the National Transportation Safety Board will investigate the cause of this crash. The FAA will also review policies regarding the use of controls by non-licensed persons, including children.
- **ICAO Investigation:** International Civil Aviation Organization (ICAO) investigation of the Cuban shutdown of civil aircraft continues. DOT General Counsel and FAA representatives met in Montreal with ICAO investigators on April 11 about the facts surrounding the Cuban shutdown of unarmed U.S. civilian aircraft.
- **U.S. - Japan:** Talks continued in Washington, D.C., this week to complete the formal agreement implementing the aviation all-cargo principles agreed to in Tokyo two weeks ago. The agreement will enable UPS to serve Osaka's Kansai airport with 12 flights per week. Federal Express, Northwest, and United also will have additional all-cargo service flexibility. They will be able to operate from any U.S. point, to serve three additional Japanese cities, and to combine these services with their existing operations. Japan Air Lines and Nippon Cargo Airlines will have rights to additional U.S. and beyond points, and NCA will be able add seven flights per week.
- **Aviation Talks:** Talks will begin in Budapest the week of April 15 to negotiate a new, more open aviation agreement between the U.S. and Hungary. On April 23, talks will continue in Washington between U.S. - Columbia and U.S. - Singapore. On April 29, talks will continue between U.S. - Brazil.
- **U.S. - China Maritime:** Talks will begin in Beijing on April 17 to solve various business problems encountered by our maritime shipping lines in China.
- **Integrated Atlanta Regional Intelligent Transportation System:** On April 11, Deputy Secretary Downey, FHWA Administrator Slater and Federal Transit Administrator Linton participated in the unveiling of the Integrated Atlanta Regional Intelligent Transportation System with Governor Miller and Atlanta Mayor Campbell. Georgia's system represents the most fully integrated advance transportation system currently in operation within the United States.

- **International Aviation:** On April 24, the House Transportation and Infrastructure Committee, Subcommittee on Aviation will hold a hearing on aviation relations between the U.S., U.K., and Japan. The Department has been asked to testify.
- **Meetings on Expiration of Excise Taxes:** FAA Administrator Hinson met with counsel of the Joint Tax Committee on April 3, and was informed that, although the reauthorization of the ticket taxes may not occur until July, the tax would probably be extended on a permanent or semi-permanent basis.
- **Detroit:** On April 30 - May 1, Secretary Peña will travel to Detroit to attend Northwest Airlines' inaugural event for its Detroit to Beijing route, and meet with the Big Three auto manufacturers.

UNITED STATES TRADE REPRESENTATIVE

- **Japan:** Ambassador Kantor met with Ambassador Saito in preparation for the upcoming U.S.-Japan Summit. Among the issues raised by Kantor included disappointment with Japan's position on renewal of the agreement on semiconductors, MOF's proposal on insurance, lack of progress in sound recordings negotiations, and the Government of Japan's continued refusal to engage in discussions on the Kodak/Fuji film dispute.
- **EU Trade Commissioner:** Ambassador Kantor met with Sir Leon Brittan to discuss a range of key bilateral and multilateral trade issues in advance of next week's Ministerial meeting hosted by Japan in Kobe. The discussion focused on the need to reinvigorate telecom and maritime services negotiations, progress on mutual recognition of standards, and progress on technical discussions on information technologies. The EU delegation also raised a number of concerns including the ongoing dispute over banana trade, implementation of the Helms-Burton law and U.S. efforts to renew the semiconductor agreement with Japan.

DEPARTMENT OF JUSTICE

- ***En Banc* Fourth Circuit Upholds Constitutionality Of Statements Provision Of Military's New Homosexual Policy:** *Thomasson v. Perry*, (4th Cir.). In this case, a service member was discharged because he stated he was a homosexual and then failed to rebut the presumption that he engages in, or likely will engage in, homosexual acts. The district court upheld the discharge, and the plaintiff appealed. On April 4, the *en banc* court upheld the constitutional validity of the military's policy. Applying the rationality review, the court held that the policy does not violate equal protection. This is the first appellate decision to rule on the validity of the military's new policy.

- **District Court Invalidates Freedom Of Access To Clinic Entrances Act (FACE):** On April 1, a district court struck down FACE on the grounds that Congress lacked power under the Commerce Clause (and the Fourteenth Amendment) to enact it, and that it violated the First Amendment. Hoffman v. Hunt, (W.D. NC). The court also invalidated the North Carolina version of FACE.
- **Torts Branch Assists In Croatian Crash:** Aviation specialists on the Aviation & Admiralty Staff of the Torts Branch provided information and assistance to members of the Air Force Accident Counsel branch in the aftermath of last week's tragic crash. DOJ provided information concerning the litigation history of the Boeing 737 in recent years, and advised the Air Force concerning the inclusion of National Transportation Safety Board, Federal Aviation Administration, and Boeing representatives on the Air Force accident investigation board and the confidentiality of the investigation.
- **District Court Enjoins Discharge Of Navy Seaman For Homosexual Conduct:** On March 29, the district court issued a temporary restraining order precluding the Navy from discharging a service member who had been found to have engaged in homosexual conduct. Barnes v. Perry (D. DC). A hearing on plaintiff's motion for a preliminary injunction is set for April 12.
- **District Court Rules In Challenge To Military's "Don't Ask, Don't Tell" Policy:** On March 29, the court granted in part and denied in part plaintiff's motion for summary judgment in Holmes v. California Army Nat'l Guard, et al. (N.D. CA), a challenge to the military's "Don't Ask, Don't Tell" policy. Andrew Holmes, a former lieutenant in the California and United States Army National Guards, had his federal recognition withdrawn after sending his commanding officer a memorandum stating that he was gay. The court held that the military's policy violated Holmes' rights to equal protection and free speech.
- **United States Files Amicus Brief In Homeless Case:** On March 29, the government filed an amicus brief in the Ninth Circuit in Joyce v. City & County of San Francisco, addressing the City's enforcement of various laws (under what was once called the "Matrix" program) against homeless persons sleeping in public areas. The district court granted summary judgment for the City, holding that regardless of whether homelessness is a status, the challenged sleeping, camping, and lodging laws applied to conduct, not status, and thus did not violate the Eighth Amendment. The Department argued that enforcement of the laws against homeless persons sleeping in public when there are no available shelter beds punishes such persons for their status of being homeless in violation of the Eighth Amendment.

- **29 Arrested in Florida Housing Complex:** On March 28, after a two-month investigation, federal, state, and local law enforcement officials arrested members of a violent drug gang that controlled parts of Dade County's Arthur Mays Villas housing complex.
- **Solicitor General to Defend FEC Act Before Supreme Court:** In a case arising out of contributions made by the Colorado Republican Party, the Solicitor General will argue on April 15 the statutory restrictions on political party contributions are constitutional because they serve a compelling government interest in preventing both actual and apparent corruption of the political process.
- **Solicitor General to Defend Certain Police Stops:** On April 17 the Solicitor General will present argument in the Supreme Court in Whren v. United States, which presents the question of whether a court may invalidate a stop of a vehicle on the ground that the stop was impermissibly "pretextual" under the Fourth Amendment. DOJ will argue that if officers could have stopped a vehicle based on objective observations of a traffic violation, the stop is valid under the Fourth Amendment, even if the officers were motivated to make the stop by suspicions of other wrongdoing. The petitioner argues that a stop should be held invalid unless a reasonable officer would have made the stop in the absence of his other suspicions.
- **Youth Focused Community Policing:** On April 10-12, mayors, police chiefs, school representatives, and representatives of nine Empowerment Zones (EZ/ECs) will attend the East Coast Key Leader Session to discuss the Department's new initiative in the EZ/ECs, *Youth Focused Community Policing*.
- **Senate to Take Up Immigration Bill:** The Senate will consider Senator Simpson's illegal immigration bill April 15-17. Justice officials have been meeting with Senate staffers to strategize against possible floor amendments that would effectively repeal the National Voter Registration Act, deny undocumented children public education benefits, and require some form of English only.
- **Church Burnings:** On April 5, two agents who attended the Good O' Boys Roundup were removed from church fire task force teams after being referred to ATF for possible disciplinary action by Secretary Rubin. On April 16, DOJ will brief members of the Congressional Black Caucus and the Blue Dog Democrats on church arsons and the Department's efforts to solve these crimes. This briefing was scheduled in response to a request that was sent by the two groups to the Attorney General.

- **Hearing on Bill That Would Repeal Bilingual Requirements in Voting Rights Act:** The House Judiciary Subcommittee on the Constitution will hold a hearing on April 18 on a bill that would repeal the bilingual provisions of the Voting Rights Act.
- **Newspaper Editors:** On April 17, The Attorney General will address the American Association of Newspaper Editors.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **LA County Update:** The Department has completed its review of the State of California's Section 1115 Medicaid Demonstration Project for Los Angeles County. This waiver will stabilize and set in motion long term restructuring of the County's health care delivery system. The Secretary called Governor Wilson, the LA County Supervisors, and key Members of Congress on April 12 to announce waiver approval.
- **New Head Start Performance Standards:** Next week, the Department will publish in the *Federal Register* a Notice of Proposed Rulemaking updating program performance standards for Head Start grantees for the first time since the 1970's.
- **Demonstration Sites to Be Announced:** On April 15, the HCFA expects to announce the names of the 25 managed care organizations selected as candidates for site awards in the Medicare Choices Demonstration. The sites will test a broad range of managed care delivery system options and payment methods for the Medicare program. Final 3-5 year awards will be contingent upon the successful completion of negotiations and plan certification, but some sites could begin enrolling beneficiaries as early as this summer. The Medicare Choices Demonstration is part of HCFA's continuing effort to expand Medicare beneficiaries' choice of health plans and to improve the way plans are paid. Most of the plans are located in market areas that currently have limited enrollment in managed care. HHS is working with the White House on this announcement.
- **Decline in Drug Abuse Among U.S. Workers:** On April 12, HHS released a first-time report examining illicit drug use by U.S. workers. The report, based on a new detailed analysis of the National Household Survey on Drug Abuse, finds that use of illicit drugs has declined by more than half among American workers since the mid 1980's.
- **Ovarian Cancer:** On April 19, an FDA advisory panel will discuss Smith Kline Beecham's Hycamtin injection for the treatment of ovarian cancer after failure of first line treatment.

- **Secretary's Travel:** On April 22-23, Secretary Shalala will travel to California to meet with a group of major film and studio executives and leaders from the four major guilds to discuss ways in which the Department may assist them in addressing underage tobacco use and other youth health issues in movies and television programs. The Secretary will deliver a major address at UCLA and kick-off the Childhood Immunization Partnership for Santa Clara County in San Jose. On April 25, Secretary Shalala will travel to Philadelphia where she will participate in an immunization event with Mayor Rendell and deliver remarks at a symposium hosted by the University of Pennsylvania.
- **1995 Report of Measles Cases Lowest Since 1912:** The *Mortality and Morbidity Weekly Report* for April 19 is expected to carry an article which reports that there were only 301 confirmed cases of measles in the United States last year, the lowest annual total since measles first became notifiable in 1912, and a 69 % reduction from 1994 rates as well.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Memorial Service:** On April 12, Secretary Cisneros spoke at the memorial service for James Rouse. James Rouse was a personal friend and teacher of the Secretary.
- **San Francisco Economic Summit:** On April 16, Secretary Cisneros will give the welcoming remarks at Mayor Brown's Economic Summit. The summit, a convention of local and national business and community leaders, will discuss the state of the national economy and generate ideas on how existing resources, new partnerships, and innovations can be tapped to stimulate growth in the Bay Area and throughout the State.
- **First Annual "State of America's Communities" Address:** On April 25, Secretary Cisneros will deliver the first-ever "State of America's Communities" Address. The speech, to be delivered at the National Press Club, will spotlight the Administration's success in supporting the growth of the nation's cities on their way back from years of disinvestment and decline. The speech will also challenge the business community, religious organizations, and local communities to come together to heal the wounds of our cities.
- **One Strike Policy.** The Secretary will host events in San Francisco, Chicago, and New Jersey in the next two weeks to promote the "one strike and you're out" policy. HUD is also working with the White House and ONDCP to organize a five-city tour of One Strike with Director McCaffrey and the Secretary.
- **Homeownership Strategy:** On April 24, Secretary Cisneros will host a press briefing to announce a nationwide advertising campaign by the Federal Housing Administration

(FHA) to help millions of Americans become new homeowners. FHA's outreach effort includes increasing minority counseling efforts to reach more individuals and releasing a 1-800 number to make FHA more accessible to its consumers.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Council on Counter-Narcotics:** The first meeting for the Council is tentatively scheduled for April 30. ONDCP will begin chairing an interagency working group to discuss this meeting.
- **New York City:** On April 15-16, Director McCaffrey will visit New York City where he will visit various drug treatment and law enforcement organizations and programs.
- **Appropriations:** On April 17, The Director will appear before the House Appropriations Subcommittee to discuss ONDCP '97 budget submission. On April 24, he will appear before the Senate Subcommittee.

SMALL BUSINESS ADMINISTRATION

- **Olympics:** Administrator Lader will join Atlanta Committee for the Olympic Games CEO Billy Payne, Ambassador Andrew Young, and other officials in an event recognizing the role of small business in the Olympic Games in Atlanta on April 18.
- **Hearing on Privatizing the Small Business Investment Company (SBIC) Program:** Congressman Torkildsen will chair a hearing in the Government Programs Small Business Subcommittee on April 18 on privatizing the SBIC program. There is little support for this proposal among small business committee members and the Administration would likely oppose it as well.

SOCIAL SECURITY ADMINISTRATION

- **Social Security Advisory Council:** On April 13, the Social Security Advisory Council will meet in Washington, D.C. The Council will discuss their preliminary findings and recommendations and review cost and "moneysworth" data on the three options developed by Council members for addressing the long-range financing issue. It is expected that this will be the last public meeting of the Advisory Council before issuing its report.

DEPARTMENT OF INTERIOR

- **Seminole Decision:** The Department intends to issue in the next few days an advanced notice of proposed rulemaking, seeking comments on its authority under the Indian Gaming Regulatory Act (Act) to authorize casino gaming on Indian reservations

when States refuse to negotiate a "compact" with the Tribe as required by the Act. The advanced notice is necessary because the Supreme Court's recent decision in Seminole Tribe of Florida v Florida leaves in doubt the process now to be followed by tribes that cannot secure State cooperation in the compacting process, and Circuit Courts of Appeal have given conflicting suggestions on the manner in which the Secretary should now proceed.

- **Forest Plan Decision:** The Ninth Circuit issued a decision on April 10 that affirmed federal Judge Dwyer's earlier decision upholding your Forest Plan against legal challenges brought by industry and environmentalists. In its opinion, the court unequivocally validated the government's environmental analysis, particularly the application of viability regulations. The most important effect of this decision is that it allows the federal agencies to continue to move ahead with environmentally sound timber sales without being enjoined. Logs will go to the mills while habitat of threatened and endangered species, including salmon habitat, will be conserved. The decision does not directly affect or influence the controversy over implementing the so-called "timber salvage" provisions of the Rescission Act enacted into law in the Spring of 1995. The decision is, however, a strong affirmation of the Forest Plan as crafted by the Administration.
- **Endangered Species Act:** On April 17, Director Beattie of the U.S. Fish and Wildlife Service, will testify before the House Resources Committee on the administration and implementation of the Endangered Species Act. Her testimony will discuss the negative impacts that the moratorium and the budget cuts are having on efforts to implement and administer the Act.
- **Chesapeake & Ohio Canal:** Beginning April 17, Secretary Babbitt will hike from Harper's Ferry, WV, to Georgetown. The Secretary will be highlighting the importance of broad-based partnerships between federal agencies, local communities, and corporate and grass-roots volunteers to maintain open spaces. Secretary Babbitt will complete his 4 day, 60 mile hike along the towpath in the C & O Canal National Historical Park with a rally in Georgetown Waterfront Park.
- **Mining Patent Press Conference:** On April 15, Secretary Babbitt will have a press event to sign a mining patent and focus on the need for mining law reform. The patent forces the DOI to accept \$200 for land in Utah worth an estimated \$100 million. Secretary Babbitt will dramatize the giveaway by displaying 10 mailbags, enough to hold 40,000 tax returns of average Americans -- an amount equal to the \$100 million the Federal Government is giving away.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Risk Protection:** On April 10, the Secretary announced that producers of spring-planted crops have until May 2 to obtain catastrophic risk protection coverage. This will help provide producers with the time to evaluate their risk management needs. Given the diminished safety net in the new farm bill, producers will need crop insurance to secure credit and manage risk.
- **Agreement On First and Last Timber Sales:** On April 6, the Forest Service reached an agreement that will halt the logging of the First and Last old-growth timber sales on the Umpqua National Forest in Oregon. The agreement states that Scott Timber will voluntarily accept alternative timber in a less environmentally sensitive area in exchange for the First and Last timber sales. The agreement culminates weeks of efforts by the Forest Service to find a way to implement a workable solution that protects the sales.
- **Forest Service Seeks Resolution In Timber Lawsuit:** On April 9, the Federal District Court in AK deferred ruling on a proposed settlement offer and ordered all of the parties in the Alaska Wilderness, Recreation, and Tourism Association (AWRTA) v. Morrison litigation, including the timber industry, to re-engage in settlement negotiations, until all parties can reach agreement. All parties are to report back to the court on April 17 to report the status of negotiations. Over 280 million metric board feet (mmbf) of timber from the Tongass National Forest in Alaska is currently enjoined under a lawsuit by AWRTA that alleges the Forest Service violated the law by failing to consider, through a public process, any alternatives in offering timber that had been prepared to meet contract commitments with the Alaska Pulp Company (APC) prior to the termination of APC's long-term contract. USDA, DOJ, and the plaintiffs sought approval by the courts of an offer to settle a portion of the lawsuit to lift injunctions on 105 mmbf.
- **Salvage Sale Withdrawn:** The 2.5 million metric board feet Barkley timber sale, in CA, was advertised but withdrawn last week. The proposed salvage timber sale ran into opposition from several groups, including the Quincy Library Group, due to entry into the former roadless area, particularly the roughly two miles of temporary road to be constructed, and impacts on a spring chinook salmon run.
- **Rice Laboratory Established:** On April 12, Deputy Secretary Rominger will join Senator Bumpers in Stuttgart, AR, for the ground-breaking ceremony for the new Agriculture Research Service National Rice Germplasm Evaluation and Enhancement Center. This world-class Center will enable scientists to conduct research dedicated to the needs of the U.S. rice industry. Representatives from the Arkansas rice industry and the University of Arkansas will also be present.

DEPARTMENT OF ENERGY

- **1996 Workforce Restructuring in WA:** The Department has reached agreement with members of the WA delegation, including Senators Gorton and Murray and Congressman Hastings, on any further reductions. In order to assure that the transition to the new "management and integration" contract is efficient and that the necessary mix of employee skills is achieved to perform site missions, no significant involuntary reductions will take place for the duration of 1996. On April 11, DOE announced that 60-day notices of involuntary separation will be issued to up to approximately 200 employees and subcontractors at the Hanford Site. These notices complete action on the estimated reduction of 4,774 positions. The majority of separations at the site since the beginning of 1995 have been voluntary. Involuntarily separated employees may be eligible for benefits under the terms and conditions of the Hanford Work Force Restructuring Plan approved in February 1995.
- **Hanford Site:** The draft Environmental Impact Statement (EIS) for the Hanford Site clean-up of 177 underground tanks, containing millions of gallons of highly radioactive waste was released on April 5. Several of the tanks are leaking, while others contain chemical and radioactive mixtures that could be dangerous in the long-term if left in their current configuration. The EIS describes a range of options for clean-up from no action to retrieving 99 percent of tank waste and glassifying it for disposal. Both the worker health risks and the cost increase as more is retrieved. This draft will allow the public to comment until May 28, with the final document expected in July.
- **Receiving Spent Nuclear Fuel from Abroad:** DOE has proposed to retrieve spent nuclear fuel elements from foreign research reactors. The uranium in this fuel, which originated in the U.S. could be used to make nuclear weapons. DOE is within weeks of making a decision regarding receipt of this fuel and proposed beginning shipment in mid-1997 of a limited amount of fuel from Asia (5 shipments over 13 years) through Concord Naval Weapons Station site in the San Francisco Bay area, which will be shipped to DOE's facility in Idaho. The remaining approximately 300 shipments will go through Charleston, SC, to DOE's SC facility. The California delegation is questioning the basis for using the Concord site, suggesting that all the fuel be shipped through the East Coast port. If these shipments were diverted to the East Coast, they would have to be shipped across the country to Idaho. While DOE believes this can be done safely, they don't believe this would be equitable.

ENVIRONMENTAL PROTECTION AGENCY

- **Guidelines for Carcinogen Risk Assessment Announcement:** Next week, EPA expects to announce its proposed guidelines for carcinogen risk assessments, which will be published in the *Federal Register* for public comment for 120 days. The

proposed guidelines -- which are used to assess the cancer risk posed by pollutants -- will replace and improve EPA's current guidelines, last updated in 1986.

- **Superfund:** Negotiations continue in the Senate, with discussion centering around the new draft of Senator Smith's and Senator Chafee's Superfund Reauthorization bill. The Committee has tentatively scheduled a hearing on the revised draft bill on April 23 at which Administrator Browner will testify. The new draft still does not meet the Administration's priorities of faster, fairer, and more efficient clean-up.
- **Appropriations:** On April 16 and 17, Administrator Browner and EPA officials are scheduled to testify at the House Appropriations hearings regarding their FY '97 budget. The Senate hearing is scheduled for May 24.

DEPARTMENT OF EDUCATION

- **OCR On-Site Investigation:** On April 22, the Office for Civil Rights will begin an on-site investigation of Junction City, Arkansas, addressing seven allegations of racial and sexual harassment and discrimination.
- **FAFSA Backlog:** The Department has made significant progress in eliminating the processing backlog of applications for federal student aid, and we expect to have processed all applications received by March 31 in several days.
- **NSBA Speech:** On April 15, the Secretary will address the National School Boards Association in Orlando.

OFFICE OF PERSONNEL AND MANAGEMENT

- **Investigations Privatization/ESOP:** OPM has awarded a contract for investigations services to US Investigations Services, Inc. (USIS), an employee-owned corporation whose employee-owners will be the more than 600 former employees of OPM's Investigations Service. This is the first employee-owned corporation to be formed through the privatization of a government operation. Pursuant to the contract, USIS will perform background and security investigations of current and potential Federal employees for a base period of three years, with two one-year options exercisable by OPM. All Investigations Service employees who are separated from OPM due to this privatization will receive offers of employment from USIS at salary and benefit levels comparable to what they are now receiving. OPM anticipates that most of the Investigations Service workforce will be separated from Federal Service via a reduction-in-force later this year.

DEPARTMENT OF STATE

- **Sharm el-Sheikh Follow-up:** Following the Moscow Summit, the Secretary will travel to Luxembourg for an April 22 EU-hosted ministerial. The ministers will consider recommendations State Department officials are drafting to keep up the momentum initiated at Sharm el-Sheikh.
- **Bosnia:** Senate Intelligence Committee Chairman Specter began a round of inquiries following Senator Dole's April 5 call for investigations of press allegations regarding U.S. acquiescence to Iranian arms transfers to Bosnia through Croatia. Ambassador Redman (Bonn) told Specter that he would certainly cooperate with an investigation, but asked that any questions be submitted in writing. State Department officials have similarly informed Specter's staff and offered an interagency briefing as soon as possible. On April 9, Specter and SSCI Vice Chairman Kerrey wrote the Secretary requesting detailed information on the allegations.
- **Zaire:** President Carter is expected to call you to urge that President Mobutu be issued a visa to participate in a Carter Center program in Atlanta. Several congressional members are strongly opposed to a visa, and CBC Chair Representative Payne recently introduced a resolution opposing a visa for Mobutu.

DEPARTMENT OF DEFENSE

- **North Korea:** Heavily armed North Korean troops prepared sandbagged positions in the Joint Security Area the evening of April 5-7. No North Korean troops crossed the Demilitarized Line. The DPRK's recent DMZ incursions are probably aimed at prodding the U.S. into direct bilateral peace talks. They also seem intended to show the North is not collapsing.
- **Rocket Contracts:** On April 1, the Air Force awarded two Titan program contracts to Lockheed-Martin Corporation. A \$642M production contract includes final assembly and storage of Titan II and Titan IV launch vehicles procured under previous contracts. A \$1.8B launch operations contract supports both Titan IIs & Titan IVs through 2003.

UNITED NATIONS

- **Liberia:** On April 9, the Security Council adopted a U.S.-proposed presidential statement on Liberia expressing grave concern at the outbreak of fighting in Monrovia and the rapidly deteriorating situation throughout the country.
- **Closure of Territories:** PLO's Mission to the UN has circulated a draft Presidential Statement calling for an immediate end to Israeli closure of the territories. The Arab

group has endorsed a Palestinian request for a formal Security Council meeting. Such a meeting is likely next week, but any formal statement is unlikely. UN officials will oppose the adoption of such a statement.

UNITED STATES INFORMATION AGENCY

- **Elections Programming:** Former Vice President Dan Quayle will be the guest April 16 on the Voice of America's Current Affairs program "Press Conference, USA." The program will focus on this fall's Presidential election.
- **Women of the 90's Exhibit:** Expected on display in Tokyo when you and First Lady arrive will be the new USIA "paper show" *Room at the Top: Women of the Nineties*. USIS Tokyo has had the text for the show translated into Japanese and overprinted in anticipation of displaying it during the state visit. The show tells the stories of 25 women who have reached the highest ranks of influence and power in the United States.
- **Italians Misinterpret Remarks:** Italian President Scalfaro's state visit received major media attention. Unfortunately, your answer to an Italian journalist's question, in which you stated that the US had no problem with the election of a government which included the PDS and that it is up to Italians to choose who will govern them, was widely and erroneously reported to be American support for the PDS and the center-left coalition. USIS Italy gave wide distribution to a transcript of the President's remarks and used other means in an attempt to dispel this notion.
- **Okinawa Opinion Poll:** A mid-March poll in Okinawa to gauge Okinawan sentiments towards the bases and US security ties reflects that although Okinawan antipathy toward the bases is not new, the rape incident involving three US servicemen last fall has pushed base issues even more to the forefront. Okinawans see little progress thus far by Tokyo and Washington in resolving issues related to the American bases.
- **Palestinians Back Peace Process:** Despite a crackdown on Islamists and hardships imposed by the closure of the West Bank and Gaza Strip, a recent poll shows wide majorities of Palestinians back the peace process and oppose armed attacks against Israelis. A 59% majority favor the Palestinian Authority's measures to prevent armed attacks against Israelis. But resentment against Israel is high, with half the Palestinians holding Tel Aviv responsible for their current difficulties, which include an unemployment rate of 50% in the West Bank and Gaza.

cc:The Vice President
Leon Panetta
Evelyn Lieberman
Harold Ickes

George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Donald Baer
Ron Klain
Rahm Emanuel
John Hilley

THE WHITE HOUSE
WASHINGTON

April 19, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: Summary of Cabinet Weekly Reports
April 12 - April 19

APR 22 1996

DEPARTMENT OF TREASURY

- **Project Gateway:** On April 16, Customs Commissioner Weise and Governor Rossello of Puerto Rico announced Operation Gateway at a press conference in New York City. Operation Gateway is a long-term initiative aimed at combatting money laundering and narcotics smuggling in Puerto Rico.
- **Church Fires:** On April 13, three churches in Barnwell County, SC, were discovered to have been burned. The Rosemary Baptist Church, a predominantly black church, was completely destroyed on the inside by fire. The two other churches which have white congregations, sustained minimal fire damage. ATF, FBI and State police are investigating.
- **Hearing on Trade and International Narcotics Trafficking:** Secretary Rubin has been invited to testify at a Senate hearing, on April 30 which will focus on mechanisms that will compel all of our trading partners to join in the fight against international trafficking.
- **60 Minutes:** *60 Minutes* informed Customs that they plan to go ahead with a story that reportedly focuses on Customs handling of personnel suspected of wrongdoing. They have asked to interview the Commissioner next week.
- **Olympics News Stories:** *CBS* and *CNN* are reviewing the Federal Law Enforcement Training Center's program for stories focusing on security-related issues at the Olympics.

- **Yugoslavia:** On March 27, a blocked Yugoslavian ship which has been anchored off New Orleans for more than three and a half years was struck by another ship. Lifting the block on assets has been delayed so that the various ex-Yugoslav states may make claims against the property. However, the vessel continues to pose major navigational, safety, and environmental hazards. OFAC asserts that these assets should be released, that successor-state claims to the vessels may be separately addressed from the unblocking, and that a Federal Register notice that the vessels will be unblocked on a specific future date will cause any such claims to quickly surface.

DEPARTMENT OF COMMERCE

- **Economic Indicators:**

Housing Vacancies	April 22
U.S. International Trade in Goods and Services	April 23
Report on Durable Goods, Manufacturers' Shipments and Orders	April 24
State Personal Income and Per Capita Personal Income	April 25
- **NIST and Manufacturing Extension Partnership:** On April 22, NIST will announce a new toll-free phone number that will provide small manufacturers easy access to the nearest Manufacturing Extension Partnership Center. This toll-free service will be promoted heavily to national, regional, and trade media.
- **FY '97 Budget:** Commerce has been working with Senate and House Budget Committees' staff to prevent the inclusion of Commerce dismantling provisions in the FY '97 Budget Resolution. The House will likely include dismantlement in its Budget Resolution, as this year's Resolution is expected to be almost identical to last year's version. House leadership has not decided how to approach dismantling Commerce in light of the recent tragedy.
- **Appropriations Hearings:** Over the next two weeks, the House Appropriations Commerce, Justice and State Subcommittee, will begin a series of hearings with the Department's bureaus and the Inspector General.
- **NOAA/NIST Authorization:** The House Science Committee is likely to mark-up within the next few weeks an omnibus authorization for all government science and technology programs-- including NIST and parts of NOAA, such as the Weather Service, satellites and oceanic and atmospheric research.
- **Secretary's Schedule:** The Secretary will lead the U.S. delegation to the G-7 Conference on the Information Society and Developing Countries in Johannesburg, South Africa on May 13-15.

DEPARTMENT OF LABOR

- **Mine Inspector Bombing:** A Mine Safety and Health Administration (MSHA) inspector and his wife were injured on April 12 in an apparent truck bomb incident in Vacaville, CA. A telephone death threat had been received a few hours before at MSHA's Vacaville office. In response to the threat area MSHA offices closed early. Gene Ainslie and his wife, Rita Ainslie, were driving on the interstate in their privately owned pickup at about 4:15 p.m. when the bomb detonated. Both were hospitalized with serious injuries. With the Federal Protective Service and other law enforcement agencies, MSHA is taking steps to tighten workplace security.
- **Croatian Plane Crash:** The Division of Federal Employees Compensation (DFEC) has been working with the agencies of the Federal employees who were killed in the Croatian plane crash. DFEC personnel are also contacting the families of the deceased to discuss benefits available under the Federal Employees' Compensation Act.
- **Summer Youth Employment Program:** The ETA is in the process of allocating \$625 million for the Summer Youth Jobs Program. The money has been in jeopardy because of the ongoing budget negotiations. About 540,000 kids will receive summer employment through this program.
- **America's Job Bank in the Internet:** While in Atlanta, Secretary Reich introduced a new partnership between the public employment service and community colleges during his speech to the American Association of Community Colleges on April 15. Under the agreement, all community colleges will become America's Job Bank Access Zones. The connections -- 1,100 in all -- will be completed by Labor Day, 1997.
- **Employee Retirement Income Security Act (ERISA):** The Supreme Court will hear arguments in an ERISA case, Lockheed Corp. v. Spink, on April 22. The Government will argue that although a pension plan sponsor does not commit an ERISA prohibited transaction when it amends the terms of its pension plan to offer an incentive retirement program conditioned on the release of employment-related claims against the sponsor, the implementation of the program may violate ERISA. The Government also will argue that 1986 amendments to ERISA and the Age Discrimination in Employment Act do not apply retroactively to require pension benefit accruals for years an employee was lawfully excluded from plan participation.
- **Olympics Guestworkers:** The ETA's National and Atlanta Regional Offices, offered assistance to the Atlanta Committee for the Olympic Games (ACOG) in processing approximately 300 foreign guestworkers under the H-2B (temporary labor certification) program to work in largely broadcasting-related positions during the Olympic Games. ACOG has not submitted any H-2B applications to ETA and instead has turned to the State Department to classify these workers under a non-guestworker visa classification. Unions representing broadcasting workers strongly oppose any such action.

- **Collective Bargaining Update:** On April 15, the National Mediation Board (NMB) proffered arbitration as a means of settling the labor disputes between five rail unions and the Nation's railroads. The railroads and one of the five unions, the United Transportation Union, accepted the proffer. The International Association of Machinists, the International Brotherhood of Electrical Workers, and the Sheet Metal Workers International Association rejected the Board's proffer, and will be free to strike at 12:01 a.m. May 18, unless a Presidential Emergency Board is created. The Brotherhood of Railroad Signalmen also rejected arbitration; however, the NMB has not yet formally released that dispute.
- **Beverly Enterprises:** On April 17, a number of Democratic lawmakers and representatives of the Service Employees International Union held a press conference to urge Beverly Enterprises-Pennsylvania to reinstate some 400 workers permanently replaced during a three-day stoppage that began on April 1. Earlier in the day, AFL-CIO Executive Vice-President Linda Chavez-Thompson and some of the replaced workers rallied near the Department of Veteran's Affairs to protest government contracts with Beverly.
- **Service Employees:** The convention of the 1.1 million member Service Employees International Union will take place April 22-25 in Chicago, IL. Delegates are expected to elect Andy Stern as president, and Betty Bednarczyk as secretary-treasurer. Richard Cordtz, elected by the SEIU executive board in December to serve out the term of John Sweeney, withdrew his candidacy on March 11. Secretary Reich will address the convention on April 24.
- **Secretary's Schedule:** On April 22, the Secretary will speak to the Building and Construction Trades Department of the AFL-CIO. On April 26, the Secretary will join the Vice President in an event commemorating the 25th anniversary of the Occupational Safety and Health Administration.

DEPARTMENT OF TRANSPORTATION

- **Montana Rail Link (MRL) Freight Train Derailment:** On April 12, Federal Railroad Administrator Molitoris traveled to Albion, MT, following the derailment of an MRL freight train. A freight train consisting of 3 locomotives and 71 cars, and operating at an unknown speed, derailed 18 cars. As a result of the accident, four tank cars and one covered hopper car containing hazardous material derailed. A total of 123 people were reported injured as a result of the accident and chlorine release. Interstate 90, which is immediately adjacent and parallel to the MRL track at an estimated distance of 100-150 yards, was closed and will remain closed until the hazard has been eliminated. As a result, on April 16, the emergency response commander announced that about 150 people would be permitted to return to their homes. As of April 17, no probable cause has been determined due to lack of access to the site.

- **Evacuation on Providence and Worcester Railroad (PW):** On April 16, a PW train crew servicing Tilcon Industries in Danbury, CT, discovered a tank car leaking carbon disulfide, which is a flammable liquid. The crew was exposed to the product and transported to a local hospital for examination and released. Commercial businesses in the immediate area were closed and will remain closed until transloading is completed. This is not a residential section of Danbury, thus local citizens are not directly affected.
- **Unfulfilled Emergency Relief (ER) Requests:** Over \$100 million in ER requests is pending because supplemental funding has not yet been passed by Congress, including \$70 million to Oregon, \$15 million to Pennsylvania and \$4.6 million to Idaho.
- **Study Recommends No Change in Gambling Laws:** A study by the Department, released April 12, says that DOT at this time is not recommending any changes in current law, which prohibits gambling aboard flights into and out of the United States by both U.S. and foreign carriers.
- **Youngstown, OH:** On April 12, Chief of Staff Panetta, along with FAA Administrator Hinson, awarded a \$324,000 airport improvement program grant for the proposed cargo port at the Youngstown-Warren Regional Airport in northern Ohio. The announcement received extensive local press coverage.
- **Athens Airport:** FAA security consultant to the Greek aviation authority reports satisfactory progress in correcting the security deficiencies at Athens Airport. FAA teams are providing training for screeners and are supervisors, and assisting in establishment of an aviation security training academy.
- **Uninterruptible Power System at Pittsburgh Tower:** The Uninterruptible Power System (UPS) at Pittsburgh Tower was successfully cut over on April 12 and 13. UPS will serve as a back-up system in the event of a commercial service interruption at the Pittsburgh Tower which should help eliminate service interruptions that have been occurring there.
- **FAA Inspection of Navigational Beacon at Dubrovnik, Bosnia:** FAA Aviation System Standards conducted a flight inspection of the Non-Directional Beacons at Dubrovnik, Bosnia, following the accident that killed Commerce Secretary Brown. This inspection, done at the request of the U.S. Air Force and the National Transportation Safety Board, found the beacons to be satisfactory.
- **Los Angeles Resumes Subway Tunneling:** On April 15, the California Department of Transportation issued approval to the LA County Metropolitan Transportation Authority (MTA) to resume tunneling under the Hollywood Freeway. Tunneling had been stopped since April 9, when surveyors found that the freeway had sunk a few tenths of an inch beyond the 3.5 inch limit. The State and MTA plan to execute a

memorandum of understanding that outlines a mitigation and remediation agreement, which commits the MTA to install an array of steel struts and concrete slabs in tunnels and access shafts to prevent future settlement.

- **U.S. - Japan:** Delegations met in Washington, D.C., April 10-12, to negotiate the final text of the cargo agreement, the elements of which were agreed to in Tokyo on March 28. On April 13, Secretary Peña signed the final agreement, and on April 16 Minister Kamei signed the document in Tokyo. The agreement provides for expanded opportunities for cargo services by the carriers of both countries, including the opportunity for the United States to name a new entrant.
- **U.S. - France:** Secretary Peña announced April 12 that American Airlines had been granted immediate new authority to fly between Boston and Paris. American will serve Orly Airport in Paris. Since TWA already serves Charles de Gaulle Airport, American's service will provide Boston-Paris travelers with a choice of Paris airports.
- **Low Cost Carrier Study:** On April 23, Secretary Peña will release the Department's study of service in domestic markets by airlines with low cost operating strategies. The study details the rapid growth and competitive success of low cost carriers and concludes that these carriers can compete with large established "network" airlines.
- **"Intermodal Surface Transportation Efficiency Act of 1991":** On May 2, Secretary Peña and senior DOT officials will testify before the House Transportation and Infrastructure Committee on next year's reauthorization of the Department's highway, highway safety and transit programs.
- **Secretary's Travel:** On April 30-May 1, Secretary Peña will travel to St. Louis and Detroit to attend ceremonies inaugurating TWA service from St. Louis to Toronto and Northwest Airlines service from Detroit to Beijing. On May 5-6, Secretary Peña will attend the U.S./Mexico Binational Commission Meeting in Mexico City. On May 9-10, Secretary Peña will travel to Denver for a light-rail grant announcement and a possible Rocky Mountain National Park overflight announcement.
- **Article on Rail Safety:** *U.S. News & World Report* is preparing a comprehensive article on the status of rail safety in America. *U.S. News* has been attending congressional hearings, talking to all segments of the rail industry, NTSB and labor. They interviewed FRA Administrator Molitoris April 18 to ask questions on the regulatory process, passenger car standards, positive train control. They also have reporters in Wisconsin. Article should appear about a week after the Molitoris interview.

UNITED STATES TRADE REPRESENTATIVE

- **Quadrilateral Trade Ministerial:** Ambassador Barshefsky traveled to Kobe to represent the U.S. in the semi-annual Quad Ministerial which includes senior trade officials from the U.S., Canada, Japan and the European Union.
- **China/Intellectual Property Rights:** Ambassador Barshefsky held senior-level consultations last week with Chinese officials in Beijing, including the Minister of Foreign Trade and Economic Cooperation, to underscore the need for adequate implementation of the 1995 IPR Enforcement Agreement. Barshefsky presented the Chinese with an Emergency Action Plan outlining the key enforcement elements that must be undertaken. She also met with her counterparts in Hong Kong to discuss IPR and investment issues.
- **WTO Complaint On EU Banana Imports:** On April 24, the WTO Dispute Settlement Body will consider a request filed by the United States, Ecuador, Guatemala, Honduras, and Mexico to establish a panel to review the EU import regime for bananas, which discriminates against bananas that were not produced in the EU or its former colonies. The Administration position is that the EU regime violates obligations under the WTO agreements.
- **Special 301 And Title VII Determinations:** USTR will be finalizing annual determinations of priority unfair practices in the areas of IPR and government procurement under so-called "Special 301" and "Title VII" of U.S. trade law. On April 30, USTR will formally issue a report identifying those countries that deny adequate and effective intellectual property protection and fair and competitive government procurement procedures.

DEPARTMENT OF JUSTICE

- **United States Files Mandamus Petition In A-12 Litigation:** In what DOJ believes to be the largest government contracts dispute in history, plaintiffs challenge the government's termination for default of their fixed-price, multi-billion dollar agreement to build the A-12 aircraft. After five years of litigation, the trial court has converted the government's default termination to a termination for convenience without addressing the question of whether the contractors were, in fact, in default. The court effectively concluded that actions of the Secretary and Under Secretary of Defense impermissibly usurped the discretion of the contracting officer, thereby depriving the government of its right to terminate for default. On April 8, the government filed a mandamus petition asking the court of appeals to correct the trial court's fundamental error. Later that day, the trial court issued an opinion explaining its decision to convert the termination of default to a termination for convenience. The court of appeals has now directed the government to file a supplemental petition by April 22, and has ordered the plaintiffs to file a response within ten days thereafter.

- **INS to Unveil New "Paperless VISA":** On April 25, the Department of State and INS will hold a joint press conference at the Paso del Norte bridge in El Paso, TX, to demonstrate how the Data Share "paperless visa" works. DataShare will enhance enforcement because it will give INS and DOS immediate on-line access to all visa application and denial information. Ultimately, once the pilot expands to other posts, DataShare will eliminate the need for paper documents and will improve efficiency, reduce duplicative data entry, and improve customer service. DOS and INS plan to begin another DataShare pilot program for non-immigrant visas in December.
- **Long-Awaited Decision On Constitutionality Of "Megan's Law:"** The Third Circuit issued its decision in this case in which a convicted sex offender challenged the constitutionality of New Jersey's "Megan's Law" which provides for registration of and community notification concerning released sex offenders. The United States appeared as amicus curiae in support of the constitutionality of the New Jersey statute. For the most part, the court did not decide the merits of Artway's claims, which it held to be unripe. With respect to those claims which the court did resolve, the decision rejects Artway's constitutional challenges to the registration and Tier 1 community notification requirements (low risk offender; notification of local enforcement authorities only). Because the court held the bulk of the issues unripe, it vacated the district court's ruling which held unconstitutional and enjoined enforcement of Tier 2 and Tier 3 notification (for moderate and high risk offenders) to community groups and the public.
- **The National Treasury Employees Union (NTEU) Challenges Line-Item Veto:** The NTEU filed suit on April 9, challenging the constitutionality of the line-item veto law, which you signed earlier on April 9. Plaintiffs seek declaratory and injunctive relief. The case has been assigned to District Judge Charles Richey.
- **Georgia Enjoined from Implementing Electoral Plans:** On April 9, in United States v. State of Georgia, (N.D. Ga.), an action filed by the Department under Section 5 of the Voting Rights to prevent Georgia from implementing state House and Senate redistricting plans to which the Department has objected, the three-judge district court enjoined the state from implementing the plans, unless and until they are either (i) precleared pursuant to Section 5 or (ii) are ordered into effect as an interim remedy in a related case, Johnson v. Miller, (S.D. Ga.) -- a constitutional challenge to more than 30 existing "majority-minority" state House districts. The Department had argued that the plans could only be implemented pursuant to Section 5, and could not be ordered into effect in the related case.
- **Post-Adarand Procurement Suit Filed:** On April 9, a complaint was filed in Hatco Corp. v. US Defense Logistics Agency, (D.N.J.). This is a post-Adarand constitutional challenge to the DOD's 10% price preference in procurement for small business owned by socially and economically disadvantaged businesses (SDB's). The relevant statute permits DOD to accept a bid from a certified SDB Disadvantaged Business if it is up to 10% higher than a bid by a non-SDBs. DLA used the price preference to award a

contract for lubricating oil to a business owned by a Filipino, who self-certified as an SDB. Hatco applied for a temporary restraining order and preliminary injunction to prevent DLA from using any of the lubricating oil that will be provided by the SDB. The Court denied Hatco's TKO and PI, but DLA agreed to not use the contract pending the outcome of the case. Briefs addressing the constitutional issues are due April 26.

- **Marbled Murrelet Habitat Designation Case:** Marbled Murrelet v. Babbitt, (9th Cir.). In March, the district court Washington ordered the Fish and Wildlife Service to issue by May 15, a final critical habitat designation for the marbled murrelet under the Endangered Species Act. The court ignored the Department's arguments that Congress imposed a moratorium on such final habitat designation decisions. In addition, Congress did not appropriate any funds for Interior to make such decisions, thereby rendering the court's order impracticable. The Government filed its emergency motion for a stay with the Ninth Circuit on April 15.
- **Challenge To EPA's Regulation Of The Disposal Of Radioactive Wastes In Connection With DOE Radioactive Waste Disposal Project:** New Mexico v. EPA, (D.C. Cir.). Last week New Mexico, Texas, and several local environmental groups filed petitions for review of EPA's compliance criteria for DOE's Waste Isolation Pilot Plant ("WIPP") under the Waste Isolation Pilot Plant Land Withdrawal Act of 1992. The criteria will be used to determine the WIPP's compliance with environmental radiation protection standards for the disposal of radioactive wastes. Because of obligations to remove radioactive wastes from other sites by set deadlines, DOE has a strong interest in ensuring that the litigation does not delay the opening of the WIPP facility.
- **Government Lodges Groundbreaking Consent Decree In Connection With The Keystone Sanitation Superfund Site In Pennsylvania:** United States v. Keystone Sanitation Co., (M.D. Pa.). On April 5, the United States lodged a consent decree with approximately 90 small business owners and individuals ("demicromis" parties) who certified that they sent municipal solid waste to the Keystone Sanitation Superfund Site, including materials with hazardous substances from industrial, institutional, or commercial processes. This is the first consent decree of its kind, and attempts to overcome the problem of large parties using the Superfund law to ensnare small parties into Superfund litigation in order to complicate and slow down the process of resolving liability issues.
- **Asian Organized Crime Group Members Indicted in San Francisco:** On April 9, the Organized Crime Strike Force Unit of the U.S. Attorney's Office obtained an indictment charging 24 defendants with RICO-racketeering, Hobbs Act robbery, and various drug trafficking offenses. The defendants were members of an Asian organized crime group which allegedly committed numerous robberies of computer chip companies throughout CA, MN, and WA.

- **Motorcycle Gang Members Arrested:** On April 11, DEA Springfield, MA, together with FBI and local police, arrested 15 members of the "Diablos" motor cycle gang for drug trafficking, weapons possession, and trafficking in stolen vehicles.
- **Chemical Bank's Chief Trader in Mexican Pesos Indicted for Bank Fraud:** The former chief trader in Mexican pesos for Chemical Bank in New York, has been indicted for bank fraud and falsifying bank records. The indictment alleges that the trader, without authorization, traded Mexican pesos, which led to losses of \$70 million for Chemical Bank when the peso was devalued in December 1994. The trader was supposed to match his trades with offsetting trades. He acquired an unauthorized position of \$200 million by failing to cover his positions. He also entered fictitious trades into Chemical's computer systems to hide his positions from Chemical management. The trader was arrested by Scotland Yard in England, and is being held in police custody pending extradition proceedings.
- **Attorney General Travels to Budapest:** The Attorney General will attend the Ministers Crime Summit in Budapest from April 20 to April 23 where, among other things, there will be a dedication ceremony for the International Law Enforcement Academy (ILEA).
- **Western District of Arkansas Develops Unique Program to Protect Children:** The Western District of Arkansas has developed a Child Identification Program which records fingerprints and dental imprints for children. This information is kept by parents, in the event the child becomes missing. Information cards containing the child's name, date of imprints, birth date, height, and weight are included in the packets with the fingerprint card and dental imprint. School photos of the child are also included. Parents are reminded to place the packet in a safe place and to repeat the dental imprint every two years until the child reaches age 18. To date, 360 children have been recorded.
- **Senate Judiciary Committee to Consider Crime Victims Bill of Rights:** The Senate Judiciary Committee has scheduled a hearing on a proposed constitutional amendment to establish a bill of rights for crime victims on April 23.
- **Hearing on Superfund Reform:** On April 23, Assistant Attorney General Lois Schiffer, Environment and Natural Resources Division, will testify before the Senate Environment and Public Works Committee on Superfund Reform.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

LA County Update: On April 15th, the Department announced the approval of California's Medicaid demonstration project for LA County. Reaction to the announcement has been very positive, and LA County Supervisor Yvonne Brathwaite Burke praised you for delivering on your commitment to Los Angeles County.

- **Closure in Youth Gang Drug Prevention Program:** The Family and Youth Services Bureau soon will be notifying a third grantee, the Mayor's Youth Gang Drug Prevention Program in San Francisco, that due to Congressional budget cuts there are no resources to provide continuation funding for the program. This program, a recipient of a five-year grant for \$750,000 per year, is run by a consortium of seven community-based organizations and eight city departments who share in the decision-making. The consortium coordinates local street work, outreach and case management services to prevent and divert young people from gang and drug involvement.
- **Liberian Repatriation Assistance:** This week, HHS Office of Refugee Resettlement staff assisted the State of New York and the Red Cross with repatriation processing for about 175 people who were evacuated from Liberia on Tuesday, April 16. About half of these are American citizens, the rest are Liberian citizens related to American citizens and non Americans acting as escorts.
- **Approval of Breast Lump Diagnostic:** On April 11, FDA approved a new use for the Ultramark 9 High Definition Imaging (HDI) Ultrasound System Level 3, made by Advanced Technology Laboratories of Bothell, Washington. Available since 1991 for general ultrasound use, the device now enables doctors to look at solid breast lumps and judge whether they are likely to be benign. It has the potential of reducing the estimated 700,000 biopsies performed in the United States by up to 40 percent.
- **Empowerment Zones/Child Care:** The HHS Administration for Children and Families' Child Care Bureau will be hosting a national meeting on child care needs in Empowerment Zones on April 24 in Washington, DC. This first time ever event will provide opportunities for Empowerment Zone Representatives to share ideas on how child care fits in a plan for economic development, how to measure child care needs in a community and how to ensure health and safety in child care.
- **Tobacco:** On April 23, the AMA, the *Journal of the American Medical Association (JAMA)*, and the Robert Wood Johnson Foundation are sponsoring a one-day press briefing announcing the release of a *JAMA* special issue dedicated entirely to tobacco.
- **Final Report on Mental Health Services in Nursing Facilities Issued:** This week, OIG issued an inspection report finding that Medicare paid \$17 million for medically unnecessary services and \$10 million for highly questionable mental health services for nursing home residents in 1993.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Memorial Service:** On April 22, Secretary Cisneros will host a memorial service at the Department for Don Turner, President and CEO of BRIDGE Housing Corporation. Turner was one of the victims of the plane crash that carried Secretary Ron Brown and 32 others. The Turner family, members of Congress, and others will participate in the service.

- **Secretary's Schedule:** On April 25, Secretary Cisneros will deliver the "State of America's Communities" Address at the National Press Club. On April 26, Secretary Cisneros will host a press briefing to announce that the Federal Housing Administration (FHA) to launch their new, proactive efforts to help millions more Americans become homeowners.
- **Press Interviews:** Secretary Cisneros is participating in a range of editorial board interviews in the next two weeks to discuss the Administration's public housing accomplishments and the state of America's communities. The Secretary has interviews scheduled with *USA Today*, *Wall Street Journal*, *New York Times* and the *Dallas Morning News*
- **Summer Jobs for D.C. Youth:** On April 22, Mayor Barry will announce a Summer Youth Jobs Initiative to provide paid employment for 1,000 District high school students. HUD will hire 50 of those students for six weeks during the summer.
- **FY '97 Budget:** On May 1, Secretary Cisneros will testify before the House Appropriations Subcommittee on the Department's FY '97 budget request. On May 8, he will testify before the Senate Appropriations Subcommittee.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Visit to Miami:** On April 25-26, Director McCaffrey will travel to Miami to visit a Drug Court, a women's treatment facility, and its accompanying day care center. In addition, the Director will participate in a town meeting, a drug policy presentation, and several press opportunities.
- **Methamphetamine Strategy:** The Methamphetamine Strategy is in final interagency clearance with coordination being managed by DOJ and OMB. The coordination process should be completed by April 24 and ready for release.
- **\$250 Million DOD Supplemental/Resission:** This package has been forwarded to Congress as part of the omnibus FY '96 continuing resolution on April 12. DoD Legislative Affairs and the House Defense Appropriations Subcommittee staff report that the package is in trouble due to lateness of submission in the CR negotiating process, difficulties with offsets, and requests in an \$835 million cap Republicans have placed on the CR. Director McCaffrey has sent letters to key House and Senate appropriators and authorizers and is seeking meetings with House and Senate Defense appropriations chairmen. Director McCaffrey is scheduled to appear before the Senate Appropriations Subcommittee on April 24.

SMALL BUSINESS ADMINISTRATION

- **Disaster Assistance:** SBA disaster teams joined FEMA teams in Connecticut on April 18 as a result of flooding earlier in the week. Surveys began on April 17 in NC in

response to Governor Hunt's request for an SBA declaration for three counties as a result of severe storms and tornadoes on April 15. A survey began on April 17 in AR in response to Governor Tucker's request for an SBA declaration for two counties as a result of severe storms and tornadoes on April 14.

- **FY '97 Budget:** On April 23, Administrator Lader will testify before the House Appropriations Subcommittee on SBA's FY '97 budget proposal.

VETERANS AFFAIRS

- **VA Provides Insurance Benefits to Air Disaster Victims' Survivors:** Six Air Force service members were among the victims of the April 3 plane crash in Dubrovnik. Using a network of contacts developed during previous incidents, the Veterans Benefits Administration's (VBA) Insurance Service in Philadelphia coordinated the payment of insurance benefits to seven of the eight named beneficiaries. All claims were paid by the end of the week following the disaster, except for one service member's spouse who has not yet filed a claim.
- **National Volunteer Week:** National Volunteer Week will be observed April 21-27. During the week, VA will honor volunteers who contributed nearly 14 million hours of service to the nation's veterans in FY '95. VA also is observing the 50th anniversary of VA's Voluntary Service, the largest volunteer program in the Federal government. Since the program began, volunteers have donated more than 440 million hours of service to VA patients.
- **Secretary's Travel:** On April 22, Secretary Brown will travel to Newark to meet with Senator Lautenberg and a NJ Veterans Task Force. On April 27, Secretary Brown will be the keynote speaker at the American Ex-POW's Convention in Colorado Springs.
- **FOIA Requests:** *NBC News* has requested copies of all VA correspondence to or from Senator Robert Dole and Speaker Newt Gingrich for the past five years, and copies of any other FOIA requests received on these two Congressional members.

DEPARTMENT OF INTERIOR

- **National Park Week:** The week of April 22-28 marks the third annual National Park Week. On April 20, Secretary Babbitt will kick off the week by leading thousands of participants into Georgetown at the end of his C&O Canal hike. Similar *March for Parks* events are being held in more than 1,000 communities across the nation.
- **Central Gulf of Mexico Outer Continental Shelf (OCS):** The Central Gulf of Mexico Sale (Sale 157) is scheduled for April 24 in New Orleans. The sale covers about 30 million federal acres offshore LA, MS, AL. The Department's Minerals Management Service (MMS) expects this sale to bring in to the Treasury as much as \$300 million initially and more as annual rental payments are made. This is the first

sale in which more than 4,000 tracts in deep water areas will be available for lease under the recently passed Deepwater Royalty Relief Act.

- **Alaska Lease Sale:** In June the MMS has scheduled Oil and Gas Lease Sale 149 in the Cook Inlet of Alaska, an area which has been producing oil and gas offshore in state waters for 30 years. Governor Knowles sent the Secretary a letter opposing the sale as "not right for this area." The Governor also stated that he felt the Department was "contradictory" to support this offshore sale while opposing development in the Arctic National Wildlife Refuge. However, the State has not made an explicit inconsistency finding under the Coastal Zone Management Act. Since he also questioned the amount of industry interest in the sale, the Department has requested industry to define their interest in all three scheduled Alaska offshore sales by April 25. The Department will decide how to proceed based in part on the interest expressed in the proposed sale area.
- **Grazing Update:** The House Resources Committee is expected to mark-up the "Public Rangelands Management Act" on April 25. The bill is expected to be reported from Committee, although Democratic members will offer amendments in order to begin framing the debate for future House floor action. Some western Democrats may offer a substitute similar to the "Bingaman substitute" in the Senate, but there is no chance for passage of these amendments by the Committee. Floor action may not occur until June.
- **60 Minutes:** Ed Bradley of *60 Minutes* is doing a story in the Northwest about the Administration's Forest Plan. Tom Tuchman of the Bureau of Land Management, who worked to draft the Forest Plan, is expected to interview with Bradley. No information yet on what the show's pitch will be.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Food Rescue Program:** On April 19, Secretary Glickman was in Minneapolis-St. Paul to address the Foodchain annual conference, a network of 131 perishable and prepared food rescue programs in 35 states. At the conference, the Secretary announced a USDA initiative to promote gleaning and food rescue. Under this effort, USDA rural development projects in 10 states have been selected for AmeriCorps gleaning efforts this summer.
- **Wheat Disease Issue:** On April 18, Secretary Glickman met with state agriculture commissioners/secretaries in Minnesota regarding USDA work to combat the Karnal bunt virus in wheat. Representatives from 14 states attended the meeting. On April 15, USDA negotiators reached an agreement with Algeria and South Africa indicating that the countries agree to accept shipments of U.S. wheat.
- **Farm Bill Update:** The passage of the Farm Bill changes the way USDA conducts business with its customers. The one-time signup period for producers wishing to

enroll their farms in a Production Flexibility Contract will occur in Farm Service Agency local offices, May 20-July 12.

- **Tongass Land Management Plan Released:** On April 18, the draft environmental impact statement for the revision of the Tongass Land Management Plan (TLMP) and recommended preferred alternative was released, following the Senate Energy and Natural Resource Committee oversight hearing on the plan. Public meetings in 32 communities in southeast Alaska will begin in mid-May and there will be a 90-day public comment period. The final decision on TLMP is expected to be released in mid-August.

DEPARTMENT OF ENERGY

- **Value of Trade Missions:** Assistant Secretary Forrister will testify before the House Commerce Committee on April 24 on the value of the Department's trade missions. Republicans are expected to argue that the Administration's trade missions have little or no value. The GAO is expected to testify that while the economic value of trade missions is hard to quantify, they serve clear American interests.
- **Alaska North Slope (ANS) Crude Oil:** On March 28, the Administration completed a review of the environmental impact of exporting ANS crude oil, as required under the Murkowski-Johnston Bill on the export of ANS crude oil, in addition to other issues. The results of the review, now being considered by NEC and the CEA includes four recommendations on export license restrictions. If accepted, the review will form the basis of the President's determination that would permit exporting ANS oil. This determination is required by April 28.
- **Possible Railroad Strike:** The threat of a May 9 nationwide railroad strike has increased as talks between the union and the major rail carriers have not made progress. Almost 60 % of U.S. coal shipments are moved by rail. A prolonged rail strike could have an impact on electricity generation, as over 43 % of the nation's electricity is generated from coal.
- **U.S. Partnership with Ukraine:** DOE staff, in coordination with the Vice President's Office and the State Department, are preparing to visit the Ukraine with a team of industry and national laboratory personnel to make final arrangements and sign agreements to commence the removal of Chernobyl-related radioactive cesium from contaminated milk and other food products.
- **Los Alamos National Laboratory (LANL):** DOE has recently approved the University of California proposal to extend the Johnson Controls World Services Inc. subcontract--worth \$100 million--for an additional 18 months. This coincides with the term of the current contract with the University of California for operating LANL.

- **Violation Under Price-Anderson:** The Department has issued a Notice of Violation against the Pacific Northwest National Laboratory for violations of DOE nuclear safety requirements. This action was taken in accordance with the enforcement authority provided to the Department by Congress in the Price-Anderson Amendments Act. There has been a good deal of positive feedback from the Department's line managers as a result of this action as a means of encouraging improvement in the safety performance of our contractors.
- **Partnership for Next Generation Vehicles:** During the last week in April, DOE's Oak Ridge National Laboratory will have a press briefing to showcase several technologies being researched and developed at the lab. These technologies involve materials science and manufacturing processes related to the construction of a safer, more fuel efficient car of the future.
- **North Korea Safeguards:** On May 13, DOE is scheduled to deliver the first 20 of 100 unattended monitoring sensors to the International Atomic Energy Agency (IAEA). These sensors are urgently needed by the IAEA and will be the sole IAEA verification method of monitoring spent nuclear fuel reprocessing in North Korea.
- **Earth Day:** On April 22, the Secretary will participate in a DOE-funded ultra-safe, ultra-low emission natural gas school bus demonstration, an energy information kiosk display of renewable energy and energy efficient opportunities, and a dedication of the new "Earth Day Park" next to DOE. All three events will showcase commercially available renewable energy and energy efficient technologies which will save the public money and help protect our environment.
- **Secretary's Travel:** On April 30, Secretary O'Leary will keynote the National Association of Regulatory Utility Commissioner's Natural Gas Conference in St. Louis, MO. On May 1, Secretary O'Leary and Congressman Yates will participate in the dedication of the Advanced Photo Source at Argonne National Laboratory.
- **Clinton Transition Team Papers:** Jay Gourley, a freelance journalist, has submitted a FOIA request for Clinton Transition Team papers. Transition Teams are not Federal agencies subject to the Freedom of Information Act. When a transition team member brings copies of transition team documents to a Federal agency when he is appointed as an agency official these records are considered "personal" records of the former transition team employee and still not subject to the FOIA. However, if these documents are integrated into the agency's files and formally used to conduct official agency business they become agency records subject to the FOIA.

ENVIRONMENTAL PROTECTION AGENCY

- **Earth Week:** On April 21, Administrator Browner will deliver an Earth Day address at Cleveland's EarthFest '96. She will assist in giving awards to the winners of a children's Earth Day poster contest, and participate in water quality testing with

children attending the festival. On April 23, the Administrator will participate with Secretary Babbitt in a clean up event on the Anacostia River. All week, senior EPA officials will be travelling throughout the country to amplify the Administration's Earth Day message.

- **Speaker Gingrich:** Earlier this week, Speaker Gingrich made remarks criticizing the Administration for its record on toxic waste site clean-ups. He suggested that the Administration was not seeking to reform the program because reform would not be pleasing to the trial lawyers. Administrator Browner responded in a letter to the Speaker which was also released to the press. The letter pointed out to the Speaker the remarkable progress the Administration has made in reforming the Superfund program over the past three years.
- **Congressional Activity:** On April 23, the Administrator will testify before the Senate Environment and Public Works Committee on Superfund reauthorization. The Republican leadership plans to move several pieces of environmental legislation during Earth Week. In the House, they intend to bring up battery recycling and reauthorization of the Safe Drinking Water Act. In the Senate, legislation dealing with Yucca Mountain may be brought to the floor on April 25.
- **Congressional Oversight Requests:** EPA is currently responding to approximately 17 Congressional oversight requests. EPA responded to Commerce Oversight Subcommittee Chairman Barton's request for information on site selection for EPA Earth Day events.
- **Superfund:** Last week, House Democrats offered alternative liability language developed by EPA and other federal agencies. Daily negotiations in the Senate are expected to focus on the Administration's liability language as well as the new draft of Senators Smith and Chafee's Superfund Reauthorization bill that was released last month. Last week Administrator Browner met with Senators Chafee and Smith to discuss the status of Superfund negotiations and the Administration's alternative liability language. A similar meeting with Senators Baucus and Lautenberg took place on April 18.

DEPARTMENT OF EDUCATION

- **FAFSA Backlog:** By April 22, the Department expects to have processed all applications for all federal student aid received by March 31.

GENERAL SERVICES ADMINISTRATION

- **Oklahoma City:** GSA has received over 450 inquiries from national and international radio, television, and print organizations regarding security upgrades in federal buildings and preparation for the anniversary of the bombing of the Alfred P. Murrah federal building on April 19.

OFFICE OF PERSONNEL AND MANAGEMENT

- **Buyout Proposal Drafted:** As requested by OMB, OPM staff drafted a governmentwide buyout bill that would provide incentives to those who voluntarily leave government service as a result of specific agency downsizing plans. The proposal would begin in fiscal year 1997 with incentive amounts up to \$25,000. The maximum incentive would decrease by \$5,000 per year, ending in fiscal year 2000 with a \$10,000 maximum.

DEPARTMENT OF STATE

- **Lebanon/Israel:** As you announced on April 18, following his discussions with the Chinese foreign minister, Secretary Christopher will proceed directly to the Middle East for meetings in Israel and Syria to try and broker an agreement to end the fighting in southern Lebanon and along Israel's northern border. The Secretary has been in frequent telephone contact with the parties and key outside players, seeking to develop a set of understandings that will include both ending the current fighting and ending future attacks on civilians in Lebanon.
- **Liberia:** More than 1,800 people have been airlifted from Monrovia, including 328 American citizens, and the evacuation effort is winding down. Tensions are still high in the capitol as the standoff continues at the Barclay Training Center where 7,000 Krahns are encircled by the NPFL and ULIMO-Mandingo troops.
- **Iran/Bosnia:** On April 9, the Department received a request for documents from Senate Intelligence Committee Chairman Specter and Vice Chairman Kerrey on the flow of Iranian arms to Bosnia. Similar letters were sent to the CIA, DoD, Justice, and the NSC. The Department is coordinating their response to the SSCI with NSC staff.

DEPARTMENT OF DEFENSE

- **Second Bosnia Reprogramming:** The reprogramming of \$659.6 million to cover the balance of FY 1996 Bosnia costs as well as the costs of other contingencies was approved by OMB this week. The source of funds was largely inflation savings, but the Navy included \$193 million of program resources.

UNITED STATES INFORMATION AGENCY

- **Operational Cutbacks:** *The Washington Post* is taking a detailed look at where USIA, USAID and the State Department have curtailed operations in the world (post closings, library shutdowns, etc.) because of budget cuts. USIA has provided *The Post* with information about Agency cutbacks and also has suggested where *The Post* might send correspondents overseas to explore local reaction to the cutbacks and closings.

cc: The Vice President
Leon Panetta
Evelyn Lieberman
Harold Ickes
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Donald Baer
Ron Klain
Rahm Emanuel
John Hilley

cc Lee

THE WHITE HOUSE
WASHINGTON

April 26, 1996

455 28 107-

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: Summary of Cabinet Weekly Reports
April 19 - April 26

DEPARTMENT OF TREASURY

- **Customs Seizure:** On April 25, Customs Commissioner Weise held a press conference to announce the seizure of 3,000 pounds of cocaine in Laredo, TX. The seizure is the result of Operation Hardline, an enforcement program set up along the Southwest Border last year.
- **Anti-terrorism Training:** From April 15 through May 3, eighteen Egyptian military personnel will attend an anti-terrorism class where they will receive training on methods of defending against assassination attacks, bomb searches, motorcade operations and defense, and firearms training.
- **IRS on the Internet:** During filing season, the IRS Internet site received more than 25 industry awards from sources such as *Netscape*, *USA Today*, *Tax World*, *Money*, *PBS*, and *PC Computing Magazine*. On April 15, visitors contacted the IRS site 1.87 million times and downloaded more than 104,000 files. Since January 8, the IRS has received more than 53.8 million accesses to its site.
- **Presidential Awards for Excellence in Microenterprise Development:** In preparation for the May 2 launching of the Presidential Awards for Excellence in Microenterprise Development, Treasury staff met with White House staff to review the outline and time frame of the program. The First Lady and Secretary Rubin videotaped the formal announcement of the Awards Program which will be shown at the annual conference of the Association for Enterprise Opportunity (AEO) on May 2.

DEPARTMENT OF COMMERCE

- **Kantor Begins:** On April 24, graciously introduced by Alma Brown, Secretary Kantor spoke to Commerce Department employees and reiterated his commitment to build on the legacy of the late Secretary. Secretary Kantor is preparing for a confirmation hearing scheduled for April 30 before the Senate Commerce Committee.
- **The following economic indicators are due for release in the next two weeks:**

New One-Family Houses Sold and For Sale	April 29
Value of New Construction Put in Place	May 1
Gross Domestic Product and Manufacturers' Shipments, Inventories, and Orders	May 2
Personal Income and Outlays and Housing Completions	May 3
Wholesale Trade	May 8
- **NIST and Manufacturing Extension Partnership:** On May 3, NIST plans to announce competition for new Manufacturing Extension Partnership centers to assist smaller manufacturers to modernize and better compete. Secretary Kantor is expected to forward NIST's ATP Report to Congress this week, the same report that had been scheduled for delivery on April 2.
- **SEMATCH Computer Consortium:** On April 29, NIST will announce that five companies and the computer consortium SEMATCH have joined forces with the Institute in a new consortium to develop instrumentation that will support manufacturers' efforts to pack more features into semiconductor chips.
- **Trade with Russia:** On April 29, NIST will also announce that to harmonize standards and enhance trade with Russia and the Ukraine, NIST, and other federal agencies and U.S. industry will meet next month with their counterparts from the two former Soviet states. These meetings are especially timely since both Russia and Ukraine are in the process of entering the World Trade Organization (WTO) and agreeing to the standards-related principles contained in the Agreement on Technical Barriers to Trade of the WTO.

DEPARTMENT OF LABOR

- **School to Work/Miss America:** The Miss America organization has a Women's Achievement award that their titleholder can award to a person of her choice. Mrs. Clinton was last year's award recipient. This year, Miss America Shawntell Smith has selected J.D. Hoyer, an Administration appointee from Oregon who serves as the National Director for School-To-Work. The awards ceremony will take place in D.C. on May 6, in conjunction with the Miss America Community Service Day, when every state's Miss America titleholder will do a School-to-Work event in a local community. On May 6, the Secretary will appear with Miss Smith on *Good Morning America*.

- **Olympic Guestworkers:** On April 23, The ETA hosted an interagency meeting with the State Department and the INS to discuss foreign guestworker issues with the AFL-CIO, IBEW, CWA, which represent U.S. broadcast workers. ETA offered assistance to the Atlanta Committee for the Olympic Games (ACOG) in processing approximately 300 foreign guestworkers under the H-2B (temporary labor certification) program to work in largely broadcasting-related positions during the Olympic Games. ACOG has not submitted any H-2B applications to ETA and instead has turned to the State Department to classify these workers under a non-guestworker visa classification. Unions representing broadcasting workers strongly oppose any such action.
- **Corporate Leaders:** On May 1, the Secretary will meet with CEO's from Xerox, ALCOA, and Tenaco to discuss corporate responses to changes in the economy.
- **European Union:** On May 2, Secretary Reich will sign a Memorandum of Understanding (MOU) with EU Commissioner Pdraig Flynn to establish a working group on employment and labor-related matters.
- **Service Contract Act:** The Department is in the process of distributing about \$4.7 million in back wages to approximately 100 employees of B.J. Titan who worked on an Energy Department project at a Nevada test site.
- **Yale:** On April 24, some 1,100 service and maintenance workers suspended their four-week strike against Yale University. The employees are represented by Local 35 of the Federation of University Employees, an affiliate of the Hotel Employees and Restaurant Employees International Union. Earlier a separate unit of the same union representing clerical and technical employees, suspended a month long strike against the university and returned to work on March 7. Direct negotiations between Yale and the two local unions are scheduled to resume April 30. If further negotiations are unsuccessful, it is uncertain at this time when the strike is likely to resume. However, because of the considerable local and regional interest in this dispute, demonstrations and informational picketing can be expected to continue.
- **Service Employees:** On April 23, delegates to the convention of the 1.1 million member Service Employees International Union elected Andy Stern president, and Betty Bednarczyk secretary-treasurer. On April 24, the union announced a nationwide campaign directed at Kaiser Permanente, Beverly Enterprises, and Vencor-Hillhaven.
- **Mitsubishi Motors:** UAW president Stephen Yokich, AFL-CIO president John Sweeney, and a number of congresswomen have criticized Mitsubishi Motors for organizing public protests and a media campaign against the EEOC. On April 9, the EEOC filed suit alleging sexual harassment of female employees at Mitsubishi's auto assembly plant in Normal, IL. The UAW represents production workers at the facility.

- **Caterpillar:** On April 16, Caterpillar Inc. refused to allow the National Institute for Occupational Safety and Health (NIOSH) access to its parts plant in York, PA. The York facility was one of several Caterpillar plants involved in unfair labor practices strikes by the UAW in 1994-95. NIOSH is seeking to determine if chemical substances at the York plant are the cause of health problems affecting a group of workers represented by the UAW. Although a U.S. court upheld the NIOSH warrant, Caterpillar on April 19 again refused to allow the inspection. The U.S. Attorney's office in Harrisburg, PA is now asking the court to find Caterpillar in civil and criminal contempt. Caterpillar has until April 26 to demonstrate why it should not be held in contempt.
- **Boeing:** On April 23, Boeing announced that it expects to hire an additional 6,400 employees to increase commercial aircraft production. Most of the new hires will be production workers, and will be represented by the International Association of Machinists.
- **OSHA Event:** On April 26, the Vice President and the Secretary did an event with the AFL-CIO to celebrate the 25th Anniversary of OSHA. On April 29, the Secretary will deliver video taped remarks at the Smithsonian Institutions event commemorating the anniversary.
- **Family and Medical Leave:** On May 1, the Secretary will hold a press conference with the Chairs of the Commission on Family and Medical Leave, Senators Dodd and Craig to release the commission's final report. The Labor Department has been asked to coordinate the release with the White House.
- **Senate Democratic Policy Committee Luncheon:** On May 2, the Secretary will attend the Senate Democratic Policy Committee's luncheon to discuss the state of the economy, the minimum wage and the pension initiative.

Employment Situation: On May 3, the Department will release the employment and unemployment report for April.

DEPARTMENT OF TRANSPORTATION

- **St. Louis - Detroit Travel:** On April 29-30, Secretary Peña will travel to St. Louis to attend, along with Rep. Gephardt, ceremonies inaugurating TWA service from St. Louis to Toronto. While in St. Louis, he will also present a \$10 million light-rail grant, meet with state and local leaders, participate in an Editorial Board with the *St. Louis Post-Dispatch* and attend the Regional Commerce and Growth Association Roundtable. Secretary Peña will be in Detroit, April 30 - May 1 to attend ceremonies inaugurating Northwest Airlines' service from Detroit to Beijing. He will also meet with leaders of Detroit's Wayne County Airport, visit with auto executives and the UAW President, and attend a State Party Dinner.

- **Child Pilots:** On May 1, the House Subcommittee on Aviation has scheduled a hearing regarding the piloting of aircraft by children. The Secretary has expressed an interest in restricting children under 15 from operating an aircraft during takeoff and landing.
- **Montana Rail Link (MRL) Freight Train Derailment Update:** As of April 24, about 350 people are still unable to go back into their homes, and the MRL is continuing to provide assistance. I-90 is still closed due to soil contamination from chlorine in the area of the derailment. Disturbance of the soil has resulted in air samples, which, taken at the Interstate, indicate 15 parts chlorine per million parts air. The EPA states that 10 parts per million could cause injury if exposed for more than 10 to 15 minutes. The projected re-entry date for the evacuees and the opening of Interstate 90 is now April 27.
- **U.S. - Brazil:** Civil aviation talks with Brazil will begin April 29 in Washington. The objective of the talks is to further expand air services to Brazil, with special emphasis on achieving two U.S. objectives that remained unfulfilled after 1995 talks: obtaining the right to designate at least one additional U.S. airline to operate combination service and adding provisions to the agreement relating to cooperative marketing arrangements.
- **Smoking on Airlines:** As a result of prodding by DOT, U.S. air carriers have increased the number of no-smoking flights. Next week, DOT will issue a press release highlighting this development and praising the carriers. As of June 1, 80% of all international non-stop flights by U.S. carriers will be smoke free. All domestic flights are now smoke free.
- **New Vessel Traffic System:** On April 24, the Coast Guard awarded three separate contracts to Raytheon Co., Hughes Aircraft Co. and Lockheed Martin Corp. to compete in the first phase of a project to design a vessel traffic system (VTS) for the port of New Orleans. The three contracts total \$4.2 million and are phase one of their VTS 2000 program, designed to improve vessel transit safety in up to 17 major ports in the United States.
- **Chicago Cancels Buses to Olympics:** On April 18, the Chicago Transit Authority (CTA) canceled an agreement with the Federal Transit Administration (FTA) to provide 75 transit buses to be used in Atlanta during the Summer Olympics. The CTA feared that the loss of these buses would create a hardship on its passengers during the warm summer months. FTA has secured pledges from approximately 50 transit agencies throughout the Nation for more than 1,500 transit buses.
- **Electronic Filing of Airline Rules for International Passenger Service:** In an effort to reduce the airline industry's costs for complying with federal rules, a new rule was prepared that will permit U.S. and foreign airlines to file their rules on international

passenger fares and service electronically. The changes are expected to save the airline industry an estimated \$1.6 million annually in tariff submission, printing and distribution costs, and substantially reduce DOT's expenses.

- **FAA Appropriations:** On May 2, the Senate Appropriations Subcommittee on Transportation will hold a hearing on FY97 appropriations for FAA. Administrator Hinson will testify.
- **Olympics Story:** On April 23, the *New York Daily News* called about federal contributions to the Olympics, with particular interest in the \$28 million for buses.
- **Passenger Side Air Bags:** On April 23, the *New York Times* was provided additional information on deaths of children related to the deployment of passenger side air bags. The story is scheduled for the Sunday *Business* section and will discuss the devices being developed by various companies to be placed in seats to control air bag deployment.
- **ASR-9:** On April 20, the Air Route Traffic Control Center in Boston experienced a brief power outage resulting in minimal delays. The ASR-9 at Boston Logan experienced equipment problems the following day, which caused minimal delays. An air traffic controllers union press release spurred interest in the events resulting in coverage by most of the local media.

UNITED STATES TRADE REPRESENTATIVE

- **WTO Basic Telecommunications Negotiations:** Ambassador Barshefsky consulted with Congressional Members and senior USTR negotiators on the status of telecom negotiations, which are scheduled to conclude April 30. Currently, the quality and quantity of foreign offers are an issue of concern for the U.S. Barshefsky will continue to monitor developments and encourage negotiating partners to improve offers in the final days of negotiations.
- **WTO Appeal for Gasoline Regulations:** On April 29, the WTO Appellate Body will release a finding concerning the consistency of EPA regulations on reformulated gasoline. In December, a WTO dispute settlement panel ruled that the regulations were not consistent with U.S. obligations under the WTO agreements. The Administration subsequently appealed this finding, however USTR is not hopeful U.S. arguments will prevail.

- **Shrimp Imports:** On May 1, the U.S. will begin to embargo shrimp from countries that do not require the use of turtle extruder devices (TEDs) in order to protect endangered species. The embargo will affect at least 30 countries and approximately \$500 million worth of annual imports. Several countries have indicated to USTR their intentions to challenge the embargo at the WTO. This is pursuant to a court order from the International Court of Trade.
- **Special 301 and Title VII Determinations:** USTR will be finalizing annual determinations of priority unfair practices in the areas of IPR and government procurement under so-called "Special 301" and Title VII of U.S. trade law. On April 30, USTR will formally issue a report identifying those countries that deny adequate and effective intellectual property protection and fair and competitive government procurement procedures. China is expected to be identified as a "Priority Foreign Country" for inadequate IPR practices

DEPARTMENT OF JUSTICE

- **President's Deposition:** On April 24, the district court issued an order directing the parties in United States v. McDougal, et al. to submit memoranda in 30 days concerning whether copies of the videotape of your upcoming April 28 deposition should be publicly available after it is presented at trial. Pending a ruling on this issue, the Court also ordered all parties to return all copies of the tape to the Clerk after it is played, to be placed under seal.
- **Ninth Circuit To Hear Argument In Important Timber Case:** Northwest Forest Resource Council v. Glickman & Babbitt consolidated with Pilchuck Audubon Society v. Glickman, (D. Or.). In this case, the district court issued three separate orders, all on appeal, regarding the geographic scope, temporal scope and marbled murrelet nesting exception of the Emergency Timber Salvage Rider. On April 24, the Ninth Circuit issued its decision affirming the district court's broad reading of the geographic scope of the Rider. The district court had earlier refused to stay those sales impacted by the geographical scope case, thus, after yesterday's decision those sales will continue. A hearing is scheduled for May 7, on the appeal of the district court's orders on temporal scope and the marbled murrelet "known to be nesting" exception.
- **Disability Rights Settlement Reached with Theater Chain:** On April 16, DOJ announced a disability rights settlement agreement with United Artists Theater Circuit, Inc. (UTA). The settlement will provide for compliance by UTA with the Americans with Disabilities Act at more than 400 theater locations with approximately 2,300 screens throughout the United States.
- **First Mexican National Extradited From Mexico to United States:** On April 17, U.S. authorities took custody of Francisco Gamez Garcia in Mexico City and transported him to Phoenix. Gamez Garcia is wanted by the State of Arizona to be

sentenced for child molestation. Gamez Garcia is the first Mexican national ever extradited from Mexico to the United States.

- **Major Marijuana Fugitive Arrested in France:** On April 17, French police and DEA agents in Paris provisionally arrested a major marijuana trafficker, a U.S. citizen who avoided capture for more than two years. Authorities in the Northern District of Florida are seeking his extradition for conspiracy to possess marijuana with intent to distribute, conspiracy to import marijuana, and conspiracy to launder money.
- **Former Auschwitz Death Camp Guard Blocked from Entering United States:** On April 14, Office of Special Investigation and the U.S. Immigration and Naturalization Service (INS) jointly enforced the exclusion of Eugen Gratzner, a German tourist who was attempting to enter the United States at Kennedy Airport. At the request of OSI, Gratzner's name had been placed in the INS-State Department-Customs Service visa denial/border control "watchlist" system on the basis of his service as an SS sergeant at the Auschwitz-Birkenau death camp complex in Nazi-occupied Poland from 1941 to 1945. Gratzner was attempting to enter the United States under the Visa Waiver Pilot Program. He was refused entry and was placed aboard the next flight to Germany.
- **NY Man Charged Under Domestic Violence Statute:** A defendant was charged under a federal domestic violence statute for traveling across state lines with the intent to engage in conduct in violation of a state order of protection. A woman had obtained the order against the defendant, because he began stalking her after the break-up of their two-week relationship. The defendant faces a penalty of five years in prison and a \$250,000 fine.
- **Seizure in San Diego:** On April 17, DEA San Diego raided a methamphetamine laboratory at a horse ranch in Bonsall. Agents seized 52 pounds of methamphetamine crystal and 20 pounds of methamphetamine in solution. Four suspects were arrested.
- **Violent Drug Trafficking Gang Arrested in San Diego:** On April 16, 27 members of the "Ysidro" drug trafficking gang were arrested. A total of 38 gang members have been indicted in this investigation, which documented the gang's distribution of heroin, methamphetamine, cocaine and crack, and identified their suppliers.
- **Supreme Court Upholds NLRB's Categorization of Certain Poultry Workers:** On April 23, the Supreme Court decided Holly Farms v. National Labor Relations Board, upholding the Board's determination that employees of a vertically integrated poultry producer working in "live-haul" crews--who collect for slaughter chickens raised by independent contract growers and transport them to the processing plant--are not "agricultural laborers" excluded from the protections of the National Labor Relations Act.

- **INS Responds to Unfounded Charges of Misleading Congress.** Senator Simpson this week charged that INS misled Congress about whether legal immigration numbers should be cut. INS publicly responded, saying that it had in no way misled Congress. The confusion was borne out of the release of two separate sets of numbers. In late March, INS issued its annual retrospective report on legal immigration statistics, which showed that a 10% decrease in legal immigration had occurred in FY 95 compared to FY 94. Earlier this month, INS responded to specific requests from Members of Congress from both parties who were working on immigration reform. These Members asked INS for a range of projections on legal immigration through 2003 based on a number of assumptions. These latest projections showed increased in legal immigration in the coming years, and were consistent with testimony INS had given before the Senate last September.
- **Constitution Subcommittee Holds Hearing on Roe v. Wade:** On April 22, the Constitution Subcommittee held a hearing on "the origins and scope of Roe v. Wade. In the wake of the debate over the Partial Birth Abortion Ban Act, the Subcommittee wanted to explore the limits of Roe. The Democrats did not participate, but will instead hold a separate, minority day of hearings. The veto override vote on Partial-Birth Abortion could come up this week as well.
- **Senate Judiciary Committee to Hold Hearing on Affirmative Action in California:** The Senate Judiciary Committee has scheduled a hearing on California and affirmative action for April 30.
- **Attorney General's Schedule:** On April 30, Attorney General Reno will participate in the Sperling Breakfast. On May 3, the Attorney General will deliver the commencement address to the University of South Carolina.
- **Press Inquiries:** *CBS* asked about the cost incurred by the stand-off in Montana, and *ABC* asked about the third party negotiator offer from Bo Gritz and Randy Weaver to negotiate with them. *US News* may run a piece on the outcome of the budget deal for law enforcement issues.
- **FOIA:** Jim McGee of the *Washington Post* has requested records regarding a DEA and FBI merger, which was proposed and rejected in 1993. David Halperin has requested records regarding both the issue of whether Kenneth Starr's representation of Bell Atlantic Corp. or any other client is a violation of statutes governing private activities by former government officials; and information on a meeting between Starr and Solicitor General Days on August 1, 1994.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **HHS Approval of First Child Welfare Waiver:** HHS is finishing work on the child welfare waiver for Delaware, and it should be ready for approval early next month, making Delaware the first State to receive such a waiver based on legislative authority that HHS received late in 1994. The State has proposed a waiver of child welfare laws that would permit: 1) a substance abuse treatment project for parents, to reduce the need for foster care or the length of time children must spend in care; and 2) a new subsidized guardianship arrangement to provide permanent homes for children who cannot be adopted or reunited with their parents.
- **FDA Action Against Major Blood Facility:** On April 22, FDA, through the Department of Justice, filed a consent decree for permanent injunction against Blood Systems, Inc. d.b.a. United Blood Services (UBS). UBS is responsible for processing 6-10 percent of the nation's blood supply and has 17 facilities in 13 states. The action comes as a result of numerous inspections at the UBS facilities over the past 5 years. Despite multiple warnings, UBS failed to achieve compliance.
- **Clinical Study of Lung Reduction:** On April 24, NIH and HCFA announced their intention to collaborate on a multi-center, randomized clinical study of the effectiveness of lung reduction surgery. Medicare will cover the patient care costs for beneficiaries who participate in the study. This represents the first time that Medicare will pay for a surgical procedure provided as part of a clinical trial. The announcement was made the same day that research published in the *New England Journal of Medicine* demonstrated that lung reduction surgery can help victims of severe emphysema breathe easier.
- **Stroke Prevention Research:** On April 30, the Agency for Health Care Policy and Research (AHCPR) will sign an agreement with Duke University and DuPont Merck Pharmaceutical Company to continue research analyzing stroke prevention. Under the agreement, Duke will conduct a three-year clinical intervention trial designed to uncover optimal strategies for the use of stroke-preventing warfarin therapy in primary care practices.
- **New Medicare Handbook to be Distributed:** On April 23, the Government Printing Office awarded contracts for the printing of the 1996 edition of *Your Medicare Handbook*, which will be mailed to the more than 38 million Medicare beneficiaries. Distribution is expected to begin by mid-May and be completed no later than June 10. Copies will be distributed at the AARP convention to be held in Denver beginning May 23. Bulk shipments of the booklet are to be sent to private sector organizations that serve Medicare beneficiaries. The handbook will also be issued in Spanish at a later date.

- **OTC Nicotine Patches:** On April 19, an FDA advisory panel unanimously recommended switching two nicotine transdermal patches from prescription to over-the-counter use. FDA is moving expeditiously to complete its review of these two smoking cessation products for the relief of nicotine withdrawal symptoms.
- **Teen Pregnancy Prevention:** On April 30, Dr. Henry Foster will testify before the House Government Reform and Oversight Subcommittee on Human Resources and Intergovernmental Relations hearing on developing local strategies to prevent teen pregnancy.
- **Secretary's Schedule:** At the request of the DNC, the Secretary will travel to San Juan, Puerto Rico on April 28. On May 3, she will deliver a speech at the Strengthening the Role of Fathers in Families Conference in Bethesda, MD.
- **New York Times:** The *New York Times* has requested correspondence between HHS and Senator Robert Dole, including material relating to the Senator's efforts on behalf of companies dealing with the Department. The newspaper has requested any and all correspondence between HHS and the American Red Cross between 1990 and the end of 1995, including any correspondence reflecting concerns by HHS over the safety of blood supplies.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **"State of America's Communities" Address:** On April 25, Secretary Cisneros delivered the first-ever "State of America's Communities" Address at the National Press Club. The speech showcased the Administration's success in supporting the growth of the nation's cities but issued a challenge to Congress, the business community, religious organizations, and local communities to help sustain the current momentum to bring our cities into full recovery. Four Republican members of Congress held a morning press conference to counter the Secretary's noon address, attacking HUD programs and the Administration's empowerment zone program. Secretary Cisneros appeared on several news show to discuss his speech, including: *The Today Show*, *Fox Morning News*, and *CNN's Crossfire*.
- **Federal Conference on Strengthening the Role of Fathers in Families:** On May 3, Secretary Cisneros will participate in the opening plenary session of the Federal Conference on Strengthening the Role of Fathers in Families. He will discuss the ways in which HUD has supported and facilitated fatherhood initiatives at the local level.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **National Drug Control Strategy:** On April 29, the Director will join you in Miami with Secretary Rubin and the Attorney General to announce the release of the National Drug Control Strategy.
- **Visit to New York City:** On May 2 and 3, Director McCaffrey will address the Partnership for a Drug-Free America Annual Meeting, attend an editorial board with *Newsweek Magazine*, receive briefings from the UN counterdrug staff, and attend a dinner hosted by UN Ambassador Albright. Director McCaffrey will be taped to appear as a guest on *The Montel Williams Show*, a nationally syndicated television program, and will release two anti-drug public service announcements taped with Montel Williams. He will also be a guest on *The Charlie Rose Show*.
- **Press Events:** On April 28, Director McCaffrey will appear as the featured guest on *Meet the Press*. On May 1, Director McCaffrey will be the guest speaker for the Morning Newsmaker Roundtable at the National Press Club.

SMALL BUSINESS ADMINISTRATION

- **Empowerment Zone Initiative:** On April 29, Administrator Lader will open the Kansas City One Stop Capital Shop with House Small Business Committee Chair Meyers and the Mayors of Kansas City, MO and Kansas City, KS.

VETERANS AFFAIRS

- **Tornado Damage Temporarily Closes National Cemetery:** The tornado that hit western AR on April 21 heavily damaged Fort Smith National Cemetery, temporarily closing the facility. About forty trees were downed or damaged, the committal shelter was also damaged, and a 12-inch water main was broken. No injuries were reported and the cemetery resumed its burial schedule on April 23.
- **Congressional Hearings on Ionizing Radiation and Persian Gulf Pre- and Post-deployment Exams:** On April 30, the House Veterans' Affairs Committee will hold hearings on veterans exposed to ionizing radiation. On May 14, the committee will hold hearings on pre- and post-deployment exams for Persian Gulf veterans which are expected to draw media interest.
- **Land Transfer Kick-Off Ceremony Planned:** National Cemetery System Director Jerry W. Bowen has been invited to a kick-off ceremony on May 24 that signifies the transfer of 982 acres of Joliet Army Ammunition Plant to the Department of Veterans Affairs. The property will be used to build a national cemetery to serve the nearly one million veterans in the Chicago area.

- **VA Pharmacy Improvements:** The Veterans Health Administration has embraced an aggressive program to increase the number of goods and services acquired through bulk purchasing agreements. Nearly complete is the implementation of a pharmaceutical prime vendor program that will produce an estimated \$20 million annual savings. VA has also implemented four consolidated mail-out pharmacies that will increase pharmacist productivity by more than 150% and potentially save \$14 million in personnel costs this year.
- **Congressional Activities:** On May 3, the Senate Appropriations Committee/Subcommittee on VA, HUD, and Independent Agencies will hold a hearing on VA's FY 97 budget. Secretary Brown will testify.
- **National Nurses Week:** The Department plans to issue a news release later this month in recognition of National Nurses Week. The American Nurses Association and the American Red Cross also will be observing National Nurses Week and will be announcing 10 nurse "heroes" on May 6 -- one of the nurses is a VA employee.
- **Reporter to Visit VA Medical Center:** *Washington Post* reporter Bill McAllister plans to visit the VA Medical Center in Walla Walla, WA, later this month. His interest is in the effect on this individual facility of the reorganization of VA's medical system and any other possible changes in mission.

SOCIAL SECURITY ADMINISTRATION

- **Effectiveness in Obtaining Records to Identify Prisoners:** During the week of May 5, it is expected that SSA's IG will release its report on the suspension of Social Security and Supplemental Security Income benefits to prisoners. The report indicates that SSA has achieved only limited success in obtaining prisoner information from correctional institutions and notes that SSA does not have enforcement or sanctioning authority to ensure compliance with agreements. SSA now has agreements with almost all 3,500 Federal, State and local correctional institutions. It has recently asked for complete tapes from all 50 States to doublecheck prison records against SSA's beneficiary file.
- **Appropriations:** On April 30, Commissioner Chater will testify before the House Appropriations Subcommittee on SSA's FY 97 appropriation.

DEPARTMENT OF INTERIOR

- **Seminole Decision:** On April 26, in response to the Supreme Court's recent Seminole decision, the Department will be submitting to the Federal Register an Advanced Notice of Public Rulemaking (ANPR). The ANPR propose procedures to govern gaming for tribes located in states which fail to enter into compacting negotiations in good faith. Additionally, the Department will be testifying at an

oversight hearing on May 9 before the Senate Committee on Indian Affairs the ramifications of the decision.

- **Animas-LaPlata Project:** Congress in the FY 96 Energy and Water Appropriations Act directed the Secretary to proceed without delay with construction of the facilities for the Animas-LaPlata Project. The project is currently required to satisfy the requirements of the Colorado Ute Indian Water Rights Settlement Act of 1988. The Bureau of Reclamation filed the Final Environmental Statement (FSFES) for the Animas-LaPlata Project with the EPA on April 26. It will be published in the *Federal Register* on May 3. Interior plans to continue discussions with EPA regarding outstanding environmental issues.
- **Outer Continental Shelf (OCS) Lease Sale:** On April 25, a federal offshore natural gas and oil lease sale in the Central Gulf of Mexico attracted high bids of \$520.9 million. The Minerals Management Service (MMS) received a record 1,381 bids on 924 tracts; 5,649 tracts comprising about 30,322,792 acres offshore AL, LA, and MS were offered. Seventy-eight companies submitted bids totalling \$716,059,864.
- **Dinkum Sands Case:** The Supreme Court's Special Master has filed a recommendation in what is known as the Dinkum Sands Case, a dispute involving the disposition of coastal lands areas between Alaska and the U.S. Although the recommendation decides many issues in favor of the U.S., the Special Master recommended for the State on a key issue regarding disputed coastal lands within the boundary of the Arctic National Wildlife Refuge (ANWR). If this recommendation is confirmed by the eventual Supreme Court decision in the case, the State would be recognized to own those parts of the ANWR that are tidally influenced. *The Anchorage News* believes that this reopens the entire issue of ANWR drilling. DOI has not yet had the opportunity to review the Master's report. If the case were ultimately decided as per the recommendation which is likely to take more than a year, the state would then have ownership of what amounts to a strip of small coastal inholdings within the boundary of the refuge.
- **Wildlife Refuge Bill:** On a day of major environmental victories in the long-fought budget battle, there was one sour note: a House floor vote in favor of shifting the mission of the nation's Wildlife Refuges. The measure would expand hunting on Wildlife Refuges, expand military use of the refuges, and make it easier to transfer refuge lands to the states. Secretary Babbitt strongly opposed the bill and promised to recommend a veto. The measure moves to the Senate, where its fate is unclear at present.
- **Secretary's Schedule:** On May 2, the Secretary will be in Austin, TX at an event to celebrate the completion of the Balcones Canyonlands Habitat Conservation Plan. On May 3, the Secretary will travel to La Grande, OR, to attend a Resource Advisory Committee (RAC) meeting.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Texas/Kansas Drought-Stricken Areas:** On April 26-27, Secretary Glickman will visit the TX panhandle area and KS to view drought-stricken areas. Wheat production in KS, TX, and has been devastated by drought, wide temperature swings, and high winds. In TX, the Secretary will announce that producers who qualify, due to drought conditions, to graze their acres enrolled under the Conservation Reserve Program (CRP), will only have to pay a 5 percent reduction in their CRP annual payment on a monthly basis, but no more than 25 percent over a five-month period. Under the former procedures, producers had to pay the 25 percent upfront, even if they only grazed their acres for one month.
- **Wheat Disease Issue:** On April 16, Secretary Glickman agreed that USDA would compensate, on a one-time basis, grain handlers whose facilities are found to be contaminated with the wheat virus, Karnal bunt. AZ and parts of CA, TX, and NM are under federal quarantine because of Karnal bunt.
- **Grazing Bill:** On April 25, the House Resources Committee marked up a grazing bill, which mirrors the recently passed Senate version of the bill. The Administration opposes the Senate bill and has indicated that the President will veto the measure unless it is significantly modified by the House or in conference.

DEPARTMENT OF ENERGY

- **Naval Petroleum Reserve:** DOE has initiated a study of the disposition options for the Naval Petroleum and Oil Shale Reserve (NOR) assets in CO, UT, WY, and CA. Options for the study include continued Government ownership or sale of assets. The study is expected to be completed by late summer and proposed legislation will be completed by early fall.
- **Ward Valley:** DOE is working with Interior on the terms of a "Work for Others" agreement to perform tests at the Ward Valley, low level radioactive waste site. Under the program, DOI will utilize Livermore National Laboratory expertise to conduct tests on low level radioactive waste storage.
- **SC Workforce Restructuring:** DOE decided to revise its work force restructuring strategy for the Savannah River Site (SRS). On April 19, DOE announced that it will place a moratorium until January 1 on involuntary separations of permanent employees at the SRS. This will provide the opportunity to conduct additional work force planning associated with FY 97 budget impacts.
- **Receiving Spent Nuclear Fuel from Abroad:** DOE received a letter from Senator Feinstein expressing concerns about proposed spent nuclear fuel shipments from foreign reactors to the U.S. through the Concord Naval Weapons Station in CA.

Concerns included the port selection process, health and safety, and the potential expenses to local governments associated with the transport of the fuel. The Department is currently negotiating an agreement with the State and appropriate local jurisdictions to provide the necessary resources to implement the proposed program.

- **Radioactive Waste:** DOE's Savannah River Site in SC mistakenly sent radioactive waste containing tritium in excess of permitted limits to a low-level waste compactor in TN. Compaction resulted in a release of tritium with a minimal exposure to workers and no radiation threat to the public. The State has temporarily banned further shipments of waste. DOE is investigating the matter and will report their findings in May.
- **Pacific Northwest National Laboratory (PNNL):** On April 18, Secretary O'Leary announced that DOE restructured and extended its contract with Battelle Memorial Institute to operate PNNL in WA. This contract is the first of its kind among all DOE national laboratories, and Battelle initiatives are expected to generate \$60 million in savings by FY 97. As a condition of its new contract extension, the Laboratory is also required to create new jobs under an economic development component. PNNL is the second largest employer in WA. The 5-year extension is worth approximately \$3 billion.
- **Renewing Schools for the Next Century:** DOE's Oak Ridge Operations Office is finalizing plans to donate more than \$6.4 million worth of computers and other math and science-related equipment to local schools. In addition, DOE's Brookhaven office provided ten computers to public schools in New York City.

ENVIRONMENTAL PROTECTION AGENCY

- **Project XL:** EPA received the first Project XL federal proposal from Vandenberg Air Force Base in CA. The proposal sets milestones to reduce air emissions and seeks to implement a water recycling process to reduce waste water discharges.

DEPARTMENT OF EDUCATION

- **FAFSA Backlog:** The Department has eliminated the backlog in FAFSAs that needed processing. As of April 22, all applications received prior to April 1 had been processed, as well as nearly two-thirds of later applications.

OFFICE OF PERSONNEL AND MANAGEMENT

- **Home Addresses for Unions:** On April 23, Representative Mica, chair of the House Civil Service Subcommittee, issued a press release objecting to OPM's decision to provide the home addresses of OPM bargaining unit employees to the labor organizations that represent those employees. After extensive coordination with OMB

and a discussion in the President's Management Council (PMC), OPM implemented a new routine use of payroll records on April 17 that permits release of home addresses. OPM's new usage proposal followed confusion resulting from the recent government-wide shutdowns when unions could not communicate their members at work. Rep. Mica charged that unions would use the home addresses to "inundate federal employees with piles of highly partisan propaganda." He indicated that he plans to hold hearings on the matter. Senator McCain has also expressed interest in this issue.

- **Career Transition for Federal Employees Facing Downsizing:** OPM has expanded its federal jobs database to include private-sector employers and state and local governments. Already, more than 250 non-federal jobs have been listed by such employers as American Express, Booz Allen & Hamilton, NationsBank, the State of Iowa, Arlington County, VA, and the City of Rockville, MD. The jobs database is updated daily, and on a typical day has some 3,000 job listings.

DEPARTMENT OF STATE

- **Iraq:** Ambassador Albright met with Secretary-General Boutros-Ghali on April 22 to provide specific changes to the draft UN-Iraq Memorandum of Understanding on Resolution 986. UN negotiators revised the MOU to reflect our suggestions, eliciting cries of "foul" from the lead Iraqi negotiator. The proposed changes would ensure that adequate financial controls and UN oversight would prevent Iraqi abuse. Nonetheless, the Iraqi side has not definitely rejected the redrafted MOU.
- **Meeting with FM Qian:** Secretary Christopher's meetings with Chinese Foreign Minister Qian were productive and positive. On Korea, Qian agreed our proposal for four-party peace talks was responsible, but he did not want to anticipate North Korea's reaction. On Taiwan, the Secretary urged restraint on both sides.
- **Paraguay:** Democracy in Paraguay was challenged April 22 when Army Chief General Oviedo rejected President Wasmosy's order to resign. The Department marshalled a strong OAS diplomatic effort in response. Ambassador Service and OAS Secretary General Gaviria steadied Wasmosy's nerves in the early hours of the crisis. Finally, international pressure--particularly suspension of U.S. military assistance and the presence of Gaviria and top diplomats from Argentina, Brazil, and Uruguay in Asuncion--helped defuse the stand-off. Oviedo resigned from the Army April 24 but senior civilian and military leaders objected to Wasmosy's deal to install Oviedo as defense minister. Negotiations to balance competing forces continue, and it appears that Oviedo has been convinced to decline the defense minister post.
- **Bosnia:** The April 18 target date in the implementation of the Dayton Accords saw all parties working to meet the deadline for returning soldiers and heavy weapons to barracks. Failure to meet the deadline was blamed on technical problems, not lack of will.

- **North Korea:** The initial DPRK response to the proposal for Four Party peace talks announced by you and President Kim has been cautious. The DPRK is considering the idea, but initial comments indicate it is still seeking to avoid dealing with the ROK. Japan expressed strong support, while Russia was critical of its exclusion from the proposal.

DEPARTMENT OF DEFENSE

- **Liberia:** The five ship *Guam* Amphibious Readiness Group with 1,800 Marines embarked is presently off the Liberia coast to support Operation Assured Response. The mission is to ensure the security of the American Embassy in Monrovia and evacuate any remaining Americans should it become necessary.
- **Satellite Contract Award:** Rockwell International Space Systems Division, Seal Beach, CA, was awarded the \$382 million Block IIF contract to build six next-generation GPS satellites. The contract contains options that would allow procurement of up to 33 satellites over the next nine years with a total value of \$1.3 billion. The Block IIF satellites will be delivered and launching starting as early as FY 01.

UNITED NATIONS

- **Travel:** Ambassador Albright left Washington on April 24, for Brussels where she will give the keynote address on UN/NATO cooperation in peacekeeping. Ambassador Albright will then visit Oslo and Stockholm to discuss UN reform. On April 28, she travels to Paris for discussions with senior French officials on peacekeeping and the former Yugoslavia as well as UN reform.
- **Sudan:** The Council is moving toward a vote on a resolution that would impose limited sanctions on Sudan for failing to extradite three men wanted in connection with the assassination attempt on President Mubarak.

CENTRAL INTELLIGENCE AGENCY

- **Trip to Africa:** This week Director Deutch returned from a two-week visit to Africa, the purpose of which was to learn about intelligence activities in Africa and to assess the direction they should take in the future. The Director found that the stations in Africa successfully address transnational issues and the recruitment of agents from hard target countries.
- **Congressional Testimony:** On April 30, the Director will testify before the House Committee on International Relations on organized crime, terrorism, and proliferation issues.

UNITED STATES INFORMATION AGENCY

- **Belfast Memorial Services for Brown/Meissner:** USIS Belfast assisted the Consul General and the Belfast City Council in arranging a memorial service on April 19 for Secretary Brown and Assistant Secretary Meissner. The service was attended by 150 political and economic notables, led by Minister of State Baroness Denton, the senior UK economic official in Northern Ireland. Media coverage was heavy. The Consul General's remarks underlined the continuing commitment of the US to support the goals for which the two men and their fellow passengers gave their lives.
- **Media Training for Bosnians:** Two media specialists, one from the *AP* and the other a free-lance producer from Boston, have arrived in Bosnia to conduct workshops and seminars for both government and independent media. The program is being coordinated with the OSCE Mission to Bosnia. The specialists will spend three weeks in Sarajevo, and then spend two months conducting similar workshops for media outlets in Tuzla, Zenica, Mostar, Banja Luka and other cities throughout the country.

cc: The Vice President
Leon Panetta
Evelyn Lieberman
Harold Ickes
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
Donald Baer
Ron Klain
Rahm Emanuel
John Hilley

66 sec

THE WHITE HOUSE
WASHINGTON

96 MAY 10 P 9:17

May 10, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: Summary of Cabinet Weekly Reports
May 3 - May 10

DEPARTMENT OF TREASURY

- **Secretary Rubin's Activities:** On May 13-14, Secretary Rubin will attend a fundraiser for Representative Jack Reed in New York and will address Class Day at Columbia University. On May 16, the Secretary will testify before the Senate Appropriations Foreign Operations Subcommittee on funding for international financial institutions. On May 17-18, Secretary Rubin will travel to New Orleans to chair a meeting of the Western Hemisphere Finance Ministers.
- **St. Louis Raid:** On April 30, local law enforcement officers raided the home of a Missouri man who was alleged to be holding and selling illegal firearms. A single ATF agent accompanied a contingent of local law enforcement officers who were at the site, but did not participate in the raid on the residence. Reports following the raid stated it was an ATF raid, and included other inaccurate statements regarding ATF's involvement. ATF Internal Affairs is conducting an investigation of their involvement in the raid.
- **Suspension of Sanctions Against the Bosnian Serbs:** The Office of Foreign Assets Control (OFAC) has published a final regulation which, pursuant to a UN Security Council Resolution, will suspend sanctions against the Bosnian Serb forces and political authorities. Treasury staff have also prepared for your signature a message to Congress notifying Congress that the Administration is extending its legal authority to reimpose sanctions on the Bosnian Serbs if they fail to comply with the terms of the Dayton Accords. The State Department has reviewed and approved this message.
- **Check the Box:** The IRS has published a proposed regulation that will allow many unincorporated businesses to simply check the box on their tax forms to choose

whether to be taxed as corporations or partnerships. The new regulation will relieve businesses of the considerable burden of using the current regulation's four-factor test, and would particularly assist the many small unincorporated business that cannot afford to commit the resources necessary to comply with current regulations.

- **Peace Officer Memorial:** On May 17, the FLETC Peace Officer Memorial which honors FLETC graduates who have died in the line of duty, will be formally dedicated in GA. The recently completed memorial will commemorate the 13 federal officers who died in the line of duty in 1995 (seven who perished in the Oklahoma City bombing). Governor Keating will deliver the keynote address.
- **Ninth Circuit Rules in Favor of OFAC:** On April 29, the US Court of Appeals for the Ninth Circuit ruled in favor of OFAC in Freedom to Travel Campaign v. Newcomb. The case is a constitutional challenge to the restrictions on travel contained in the Cuban Asset Control Regulations. The court ruled that regulations on travel to Cuba were not constitutionally void for vagueness, and that your authority to issue such regulations does not conflict with any treaty obligations.
- **National Bankruptcy Review Commission:** The National Bankruptcy Review Commission has a new Chairman, Brady Williamson, who has succeeded the late Mike Synar. The Commission is meeting and developing an agenda of the topics it wants to review.
- **Church Fires:** Church Fires hearings have been set for May 21, before the House Judiciary Committee. Assistant Secretary for Enforcement Johnson will testify. Other witnesses will include ATF Director Magaw, FBI Director Freeh and a DOJ expert as well as local police and fire officials and preachers whose churches have been burned down

DEPARTMENT OF COMMERCE

- **Economic Indicators Due for Release in The Next Two Weeks:**

The Advance Retail Trade (April 1996):	May 14
Manufacturing and Trade: Inventories and Sales (March 1996):	May 15
Housing Starts and Building Permits (April 1996):	May 16
U.S. International Trade in Goods and Services (March 1996):	May 17
Advance Report on Manufacturers' Shipments, Inventories and Orders (April 1996):	May 24
- **Travel:** On May 20, Secretary Kantor will deliver a speech to the Pacific Basin Economic Council in DC. On May 21, he will join Governor Caperton in an event in WV.

DEPARTMENT OF LABOR

- **El Monte Sweatshop Case:** On April 29, two of the six defendants in the El Monte sweatshop case were sentenced in U.S. District Court in Los Angeles to six years in prison and were ordered to pay \$4.5 million in back wages to workers.
- **Railroads:** On May 8, you appointed an emergency board to help resolve the dispute between the Transportation-Communications International Union and the nation's major freight railroads. The 3-member board has 30 days in which to present its recommendations to the parties. This action prevents a threatened work stoppage for 60 days. Meanwhile, an arbitration board has approved a five-year agreement between the freight carriers and the United Transportation Union.
- **Detroit Newspapers:** On May 8, talks resumed between the Detroit Newspaper Agency and Teamsters Local 372 in an effort to end the nearly 10-month long strike at the *Detroit News* and the *Detroit Free Press*. On April 9, the Teamsters withdrew all pre-strike demands for work rule changes in an effort to restart stalled negotiations, and urged the newspapers to do likewise.
- **Feurestein Dinner:** On May 13, the Secretary will speak at the American Jewish Historical Society Dinner honoring Aaron Feurestein. After his company, Malden Mill, experienced a factory fire, Feurestein continued to pay the salaries of workers dislocated by the fire. The Secretary will highlight Feurestein as a good corporate citizen.
- **Economic Press:** On May 14, the Secretary will hold a press roundtable with economic reporters to discuss changes in the economy. In addition, the Bureau of Labor Statistics will release the Consumer Price Index that morning.

DEPARTMENT OF TRANSPORTATION

- **Philadelphia:** On May 13, the Secretary will travel to Philadelphia to announce a \$5.5 million award for the construction of the Frankford Transportation Center. Secretary Peña will also dedicate the new air traffic control tower at Allentown Airport and speak to the Lehigh Valley Chamber of Commerce.
- **Red Line GAO Report:** The Los Angeles Red Line GAO report may be available by the end of next week. It will focus on cost overruns. The report is expected to be controversial.

- **Anti-Trust Immunity Issue:** On May 9, DOT tentatively decided to grant United Airlines and Lufthansa authority that would provide the two airlines immunity from U.S. anti-trust laws to the extent necessary that they can plan and coordinate services over their respective route system.
- **Jones Act Waiver:** Due to the run up in gasoline prices, The Maritime Administration has been alerted by industry that the chances of a Jones Act waiver request in the months of May and June will increase. A waiver request would seek the use of foreign-flagged vessels in coastal trade because of increasing vessel availability problems. This will be controversial with the maritime trade unions.
- **NJ/NY Dredging Issue:** Dredging in New York Harbor has come to a halt because of disputes over where to dump dredged material, a higher proportion of which has been classified as contaminated. As silt begins to choke the channels and berths, navigation of the Port is threatened. Many ships are lightening their loads offshore which imposes major additional costs and environmental risks, others are shifting cargo to other ports, particularly Halifax. On May 30, The International Longshoremen's Association (ILA) and other unions are planning a one-day shutdown of the Port of New York and New Jersey to protest Governor Whitman's lack of action. On May 5, Governors Pataki and Whitman announced an agreement to develop a comprehensive dredging and disposal plan for the Port by early August. The Port Authority commissioners met May 9 to ratify the agreement and to commit \$130 million for dredging projects and the plan during this fiscal year, twice as much as the agency has typically allocated in any year for all dredging and capital projects at its marine facilities. Administration officials are engaged in the situation.
- **Challenge 2000:** On May 16, FAA Administrator Hinson is planning a media briefing to announce findings of the Challenge 2000 task force. The report is the result of a six-month independent review and is not critical of the Administration. Its focus primarily is on FAA regulations and certification processes.
- **FAA Reauthorization:** The Senate Subcommittee will hold hearings May 14 on reauthorization of FAA programs, including modernization of air traffic technology. The Committee is also likely to focus on the innovative FAA procurement and personnel systems put in place April 1. Administrator Hinson will testify.
- **FOIA Request:** *NBC News* has requested an audio cassette copy and transcripts of the towertapes from a "near mid-air incident that occurred at Los Angeles International Airport on March 25.

UNITED STATES TRADE REPRESENTATIVE

- **China:** Ambassador Barshefsky continues to consult with Congressional and business leaders in advance of a May 15 release of a preliminary retaliation list in the event China does not address U.S. concerns on non-compliance of the bilateral IPR agreement.

DEPARTMENT OF JUSTICE

- **Supreme Court Orders Expedited Briefing in Case Challenging New Anti-Terrorism and Effective Death Penalty Act Provisions:** On May 3, the Supreme Court granted certiorari in Felker v. Turpin, and ordered expedited briefing, on a petition for certiorari filed by a Georgia death row inmate. The Court invited the Solicitor General to file a brief expressing the views of the United States. The Court limited the questions to be briefed to whether the Anti-Terrorism and Effective Death Penalty Act of 1996 (the Act), is an unconstitutional restriction of the Supreme Court's jurisdiction; the provisions of the Act apply to petitions for habeas corpus filed as original matters in the Supreme Court; and application of the Act in this case is a suspension of the writ of habeas corpus in violation of Art. I, § 9, clause 2 of the Constitution. The parties are to file simultaneous briefs by May. Reply briefs are on May 28. The Court will hear argument on June 3.
- **D.C. Circuit Vacates Ruling Striking Down Extradition Statute as Unconstitutional and Orders Dismissal of Case:** Lobue v. Christopher. The Secretary of State proposes to extradite two U.S. citizens to Canada to stand trial for kidnapping. The fugitives filed habeas corpus petitions in Chicago, but also filed a civil action in D.C., arguing that the statute under which extraditions are carried out is invalid because it violates separation of powers principles. The district court struck down the statutory scheme on that ground, and Justice appealed and obtained a stay pending appeal. The D.C. Circuit has now vacated the district court's ruling. The court of appeals found that the district court lacked jurisdiction because the fugitives had filed habeas petitions in district court in Chicago, and the matter should be decided in that context.
- **Settlement in Fleet Lending Discrimination Case:** On May 7, the Justice Department and the Fleet Financial Group (Fleet) announced that they had agreed to settle allegations of lending discrimination against Fleet. The Department had been investigating claims that Fleet had charged excessive fees and interest rates to black and Hispanic customers in 1993 and 1994 at two of its mortgage lending branches (one in NY and one in NJ). In settling the allegations, Fleet did not admit that it had violated the lending discrimination laws. However, Fleet agreed to pay a total of \$3.8 million to the approximately 600 affected customers.

- **Third Circuit to Hear Argument on Constitutionality of Deportation: Mario Ruiz Massieu v. Reno.** Mario Ruiz Massieu is a former Deputy Attorney General charged with serious crimes in Mexico. After efforts to extradite him to Mexico proved unsuccessful, INS commenced proceedings to deport him. A district court has enjoined Mr. Ruiz Massieu's deportation, declaring that its underlying statutory basis is impermissibly vague. The court of appeals has expedited DOJ's appeal of the district court's decision and scheduled the case for argument on May 10.
- **Seventh Circuit To Hear Argument on The Constitutionality of the Religious Freedom Restoration Act ("RFRA"): Sylvester Sasnett, et al. v. Sullivan, et al.** (7th Cir.; W.D. Wis.). This case is a class action brought by inmates in a Wisconsin state prison. They allege that the prison's regulations prohibiting inmates from wearing jewelry, including religious jewelry such as crucifixes, violate their rights under the First Amendment and the RFRA. WI moved the district court for partial dismissal of the complaint on the ground that RFRA is unconstitutional. DOJ intervened and the district court entered a lengthy opinion upholding the constitutionality of RFRA. The district court subsequently granted summary judgment in favor of the prisoners on their jewelry claim. WI appealed and, in its brief, argues again that RFRA is unconstitutional. The Solicitor General has authorized broadening the scope of our intervention to address a second issue presented in this appeal--whether RFRA protects conduct that is motivated, and not just mandated, by religious beliefs. DOJ's brief defending the constitutionality of RFRA and addressing the mandated/motivated issue was filed on March 22. Oral argument has been scheduled for May 14.
- **Ninth Circuit Issues Ruling in Challenge to Forest Service Salvage Timber Sales and Will Hear Oral Argument in Two More Salvage Cases:** On May 8, in Inland Empire Public Lands Council v. Glickman, the court held that the 1995 Emergency Supplemental Appropriations for Disaster Relief and Rescissions Act (the "Rescissions Act") exempts salvage timber sales from all federal environmental laws. In addition, it found that the Forest Service's decision to proceed with several salvage sales was not arbitrary and capricious, and need not be made personally by the Secretary of Agriculture. Similarly, in Idaho Conservation League v. Thomas, and Idaho Sporting Congress v. U.S. Forest Service, which will be argued this week, environmental groups challenged the Forest Service's action with respect to the Thunderbolt and Lower Elkhorn timber salvage sales, which were mandated by the Rescissions Act, as arbitrary and capricious. In both cases, the district court found that the Forest Service's decision was not arbitrary and capricious.
- **Popular Front For the Liberation of Palestine ("PFLP") Litigation:** District Court Enjoins Deportation Proceedings. American-Arab Anti-Discrimination Comm. v. Reno. On April 29, the district court granted the eight Palestinian aliens' motion for a preliminary injunction halting the deportation proceedings as to the two resident alien plaintiffs (the deportation proceedings of the other non-resident aliens already have

been enjoined). The order concludes that the aliens have made a prima facie showing of selective prosecution because the government's 10,000-page factual submission failed to convince the court that plaintiffs had a "knowing affiliation" with the PFLP and the "specific intent to further [its] illegal aims."

- **Court Schedules Jurisdictional Motions in Challenge to Line-Item Veto:** Judge Charles Richey has granted the government's motion (in which plaintiffs joined) to defer briefing and consideration of the merits in NTEU v. U.S. (DDC), the lawsuit challenging the constitutionality of the Line Item Veto Act, until he rules on the standing and jurisdictional issues we intend to raise in our forthcoming motion to dismiss. Under the Judge's revised scheduling order, our motion to dismiss for lack of subject matter jurisdiction must be filed by May 10.
- **Testing Program Results in Housing Discrimination Case:** On May 1, the Justice Department filed a complaint and consent order in United States v. Pierce Construction Company, Inc. The complaint, based on "testing" evidence, alleges a pattern or practice of steering based on race in connection with the defendants' management of rental properties in Petersburg, VA and surrounding areas. Under the consent order, the defendants agreed to pay a \$25,000 civil penalty; establish a \$50,000 compensation fund for aggrieved persons who may be identified; and donate \$25,000 to establish a Fair Housing Program designed to further fair housing in the Petersburg area. Any money remaining in the victim compensation fund will be donated to the Fair Housing Program.
- **Senate Judiciary Committee to Hold Hearing on Violence Against Women Act:** The Senate Judiciary Committee has scheduled a hearing on the Violence Against Women Act on May 15. The Attorney General will be testifying at this hearing.
- **Executive Branch Travel:** On May 16, the Subcommittee of the House Government Reform and Oversight Committee will hold a hearing on the compliance of executive branch officials with travel regulations.
- **Methamphetamine Abuse:** *Dateline NBC* is working on a piece on a boy who died of methamphetamine abuse in IA, and will likely use clips of the Attorney General speaking to a meth conference in February.
- **20/20:** On May 10, *20/20* is expected to air a story accusing U.S. Attorney Janet Napolitano, of being soft on child porn prosecutions (she referred a case to the state prosecutor instead of bringing federal charges).

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **Seven Cities to Receive First-Time Funding:** Next week, HHS will announce awards totaling more than \$5 million to seven cities newly eligible to receive support under the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act. These cities have qualified for federal aid by reporting a cumulative total of 2,000 AIDS cases to CDC as of March 31, 1995.
- **Executive Action on Teenage Pregnancy:** Earlier this week, Secretary Shalala sent letters to Governors detailing the Administration's strategy for focusing on teen parents. Next week, HHS will coordinate a meeting with all the leading intergovernmental groups including the NGA and the American Public Welfare Association on your Executive Action on Teenage Pregnancy.
- **Update on LA County:** On May 3, HCFA received a letter from Los Angeles County officials concerning their section 1115 waiver. The county informed HCFA that the Chief Administrative Officer had budgeted \$150 million in State Fiscal Year 95-96 on the assumption that HCFA would extend certain elements of the 1115 demonstration for another year. The county asked the Department for a commitment this week that these provisions would be extended. The Department has begun working with the county on this issue.
- **Mad Cow Prevention:** HHS is taking action to ensure the elimination of even a remote possibility for Mad Cow transmission in HHS-regulated products. It is expected that an advance notice of proposed rulemaking on the issue of banning the use of ruminant-derived proteins in the feed of ruminants (e.g. cattle, sheep, goats) will be put on display at the Federal Register on May 10 and published next week.
- **Florida Congressional Delegation Concerned with HMOs:** Florida Representatives and Senators have sent letters to Secretary Shalala and HCFA Administrator Bruce Vladeck seeking administrative assistance for two FL Medicaid managed care plans that will soon be out of compliance with the enrollment composition requirement. On May 8, in a conversation with Governor Chiles, Secretary Shalala committed HCFA staff to work with the state in designing a section 1115 Medicaid waiver modification.
- **Alabama Seeks Full Payment of Deferred DSH Related Payments:** HCFA staff continues to work with AL State Medicaid officials to reach consensus in resolving the funding problems created by inappropriate DSH payments, which may involve illegal provider donations. HCFA withheld \$18 million in Medicaid funds in December 1995 and \$23 million in March 1996 because of the inappropriate DSH payments. Alabama's counsel is developing a discussion paper on the issue that HCFA expects to receive soon.

- **Operation Desert Storm Drugs:** On May 7, Public Citizen announced submission of a petition to FDA to repeal interim regulations allowing waiver of informed consent for experimental drugs used in military actions. They charge that many of the military's representations concerning the use of experimental drugs were inaccurate. The Presidential Committee on Gulf War Veterans' Illnesses has recommended that, if FDA decides to reissue the rule, it should re-propose it for comment and revisit a number of areas, such as adequacy of disclosure to service personnel and of record keeping and long-term follow up of individuals receiving the drugs. FDA has been reevaluating the regulation and is considering next steps.
- **Anniversary:** On May 16, FDA's research arm, the National Center for Toxicological Research in Jefferson, AR, celebrates 25 years of contributions to public health. Originated to address the need for increased research to develop better ways of assessing the inherent risks in toxic chemicals and to help reduce these risks, NCTR was established in 1971 at the site of the U.S. Army's Pine Bluff Arsenal. Today, NCTR continues to provide FDA and other regulatory agencies with the research necessary for them to confidently make regulatory decisions concerning the effects of toxic substances.
- **Biotechnology:** Next week, the *Federal Register* will publish a rule eliminating the requirement for an establishment license application for certain well-characterized biotechnology drugs, and harmonizing application requirements for biotechnology products with those for drug products. As called for in the November 1995 report on reinventing the regulation of biotech drug products, and it is intended to reduce unnecessary burdens for industry without diminishing public health protections.
- **Travel:** Secretary Shalala travels to MI to participate in events with Debbie Stabenow, Democratic candidate for Rep. Chrysler's 8th district seat in the U.S. House of Representatives. On May 11, Secretary Shalala travels to WI for a children's issues town hall with Rep. Obey. On May 12, Secretary Shalala delivers the commencement address at the University of Wisconsin--Parkside. On May 13, Secretary Shalala travels to Parma, OH for a senior town hall with State Senator Dennis Kusinich, Democratic candidate for the 10th district seat in the U.S. House of Representatives. On May 16, Secretary Shalala travels to Sioux Falls, SD for a town hall forum with business leaders that will be broadcast on radio stations across the state.
- **Report to Congress About Violence Against Women:** Secretary Shalala and Attorney General Reno will transmit a report to Congress within the next two weeks entitled "The Validity and Use of Evidence Concerning Battering and Its Effects in Criminal Trials." The report concludes that, as a construct, "battered women's syndrome" does not adequately reflect the breadth of empirical knowledge now available concerning battering and its effects. However, the report indicates that evidence on battering and its effects is supported by an extensive body of scientific

and clinical knowledge. The introduction of such evidence in criminal trials provides important information to assist courts in their deliberations, dispels common myths that might interfere with a fair consideration of the issues, and increases recognition in the courtroom of the problem of domestic violence.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Press Interviews:** Secretary Cisneros continues to do major media interviews, discussing the Administrations' housing record and the state of America's communities, in response to Sen. Dole's recent remarks on public housing.
- **Secretary's Travel:** On May 10, the Secretary travelled to Seattle to participate in a press event at Holly Park Public Housing Development. On May 11, the Secretary travels to New Haven, CT to do public housing events with Mayor DeStefano.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **Linear Annual Linear Conference:** On May 16, Director McCaffrey will make the closing presentation to the DEA/CIA Co-Sponsored Annual Linear Conference. The Conference will be attended by approximately 250 representatives from US Government agencies involved in Western Hemisphere drug supply programs.
- **Hearing:** On May 16, Director McCaffrey will appear before the Foreign Operations Sub-Committee to testify about the international component of the National Drug Control Strategy.

DEPARTMENT OF INTERIOR

- **Endangered Species Act (ESA):** Efforts to restart the listing program following your waiver of the ESA listing moratorium continue. The Fish and Wildlife Service (FWS) was ordered to make a final decision regarding listing the red-legged frog as an endangered or threatened species by May 20. The frog's range includes much of coastal California. Interior is working on a communications strategy to carefully explain what the listing will and will not do. There is also the possibility of a court order to list the Barton Springs salamander, found only in Barton Springs in Austin, TX; listing the salamander could affect development over the 180 square mile area surrounding the springs. Interior is working with the state of Texas on ways to protect the salamander short of listing.
- **Political Travel:** In response to a congressional inquiry regarding the Secretary's travel DOI discovered there were a number of political campaigns that had not been billed for their portion of the Secretary's mixed trips. When this problem was discovered, the Department notified OMB and the Committees of the error, indicated

that the problem had been rectified and informed them that bills were sent out in March to almost all parties who owed the Department reimbursement money. However, on May 7, despite the Committees' knowledge of the problem, the amounts involved and our corrective action, Congressmen Young, Horn and Livingston held a news conference to announce that they were asking the GAO to investigate travel reimbursement practices by the Department. In addition, on May 16, Congressman Horn's Subcommittee on Government Management is holding a hearing on the Secretary's travel.

- **Senate Negotiations on Endangered Species Act (ESA):** Senators Chafee, Kempthorne, Baucus and Reid and their staff have been engaged over the past two months in an effort to reach consensus on an ESA reauthorization bill. At their request, staff from Interior, CEQ, Justice and NOAA are participating in this effort to provide information, identify issues where the Administration has already taken a firm position, and suggest approaches that would be compatible with our overall approach towards ESA. To date agreement among the four Senators has been reached on only a few aspects of private lands and Habitat Conservation Plan reform. The provisions they have drafted on these matters accurately and reasonably codify the Administration's administrative reforms and innovations. The staff currently are negotiating on recovery planning. Consideration of public/private costs and the role of states are issues of continuing disagreement.
- **Self Determination Education and Assistance Act:** In April 1995, the Secretaries of Interior and HHS approved a charter authorizing a negotiated rulemaking committee to implement the 1994 amendments to the Self Determination Education and Assistance Act. This Act governs the contracting by American Indian tribes and tribal organizations of federal programs for their benefit. The committee recently reached consensus on self determination rulemaking that will ensure broad support in the American Indian community and puts into practice the principles enunciated by you that federal officials should get out of Washington, D.C. and form grassroots support for regulations and, in addition, the government should "negotiate --not dictate."
- **Secretary's Schedule:** On May 15, Secretary Babbitt will testify before Senate Appropriations subcommittee on Interior on the FY 97 Interior Budget. On May 13, the Secretary will be in Tampa for a press conference on the endangered Florida manatees and in Miami to release 200 endangered Schaus swallowtail butterflies into their historical habitat.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **USDA Continues with Assistance to Cattle Producers:** On May 6, USDA announced details, following the White House announcement of measures to assist cattle producers. Secretary Glickman also announced provisions to maintain

environmental protection on Conservation Reserve Program (CRP) acres released for the emergency haying or grazing. These steps are designed to provide relief to the cattle industry, which is suffering from low cattle prices, record high feed costs, and scarcity of available hay and forage. On May 13, a new USDA report will indicate that the beef sector is being pressured in several ways. Unfortunately, beef prices have not risen seasonally as is usually the case. Fed cattle prices dropped from \$62-\$63 in March to the mid-\$50's in late April. Fed cattle supplies are likely to decline as feedlot placements, although large, continue well below a year ago.

- **USDA Responds to Wildfires:** The Forest Service continues its response to wildfires on National Forests in NM and AZ. About 2,000 people that had been evacuated from the Carson National Forest in NM have returned to their homes. This fire was caused by negligence and has destroyed 23 structures and scorched 3,500 acres.
- **USDA to Hold Civil Rights Forum:** On May 14, Secretary Glickman will participate in a forum on civil rights in Washington, D.C. The theme for the event is "Building Bridges for a Better USDA: A Departmental Forum on Civil Rights." The Department's primary objective at the forum is to listen to managers and employees and to learn from them about the problems they are facing, as well as the possible solutions.
- **Travel:** On May 18, Secretary Glickman will give the commencement address for the Santa Clara University Law School in California and possibly visit Portland, OR.

DEPARTMENT OF ENERGY

- **Gasoline Prices:** DOE is overseeing the sale of oil from the Strategic Petroleum Reserve and conducting a 45-day review of the run-up in prices. In addition, DOE is expanding its retail gasoline price survey to collect daily prices due to strong public concern over steadily rising gasoline prices.
- **Federal Agency Anti-Lobbying Act Hearing:** On May 15, a number of Federal agencies will testify before the House Committee on Government Reform and Oversight. The White House and DOJ are working with the agencies in advance of the testimony. In particular testimony will focus on the constitutionality of the proposed provision, standards that are already in place, and factual assessments of the Committee's allegations regarding alleged misconduct. VA, Labor, and EPA, have been invited to testify.
- **Clean Cities Designation:** On May 22, Rocky Mountain National Park, along with neighboring Weld and Larimer Counties, is joining DOE's Clean Cities Program to protect the air quality in and around this national treasure. The program works with local governments to expand the use of alternative fuel vehicles.

- **Advanced Energy Efficient Lighting:** On May 14, in San Francisco, executives of the major lighting manufacturing companies will attend a demonstration to show how DOE-funded advanced lighting technologies can cut costs, save energy, and improve productivity.
- **DOE-General Motors Fuel Cell System:** On May 14, in Bonn, Germany, Daimler-Benz will unveil a fuel cell powered car, the first of its kind built by a major automaker. Daimler, together with Ballard Power Systems of Vancouver, Canada, has packaged a hydrogen-fueled fuel cell system into a passenger vehicle. Ballard is a supplier under the Department of Energy-General Motors fuel cell system development contract. This is a milestone in the worldwide race to bring fuel cell-powered vehicles to market.
- **Renewable Energy Road Rally:** On May 16, Deputy Secretary of Energy Curtis will participate in DC, in the finish-line ceremony of the Tour de Sol. This seven-day road rally of electric and hybrid-fuel vehicles developed by major automakers and college students is a popular event that is covered by media around the country.
- **Secretary's Schedule:** On May 16, Secretary O'Leary will keynote the Fusion Forum Luncheon on Capitol Hill. On May 19, Secretary O'Leary will give the commencement address at Bennett College in Greensboro, NC. On May 29, Secretary O'Leary will dedicate the photovoltaic energy system in the Olympic Natatorium in Atlanta.

DEPARTMENT OF EDUCATION

- **Goals 2000:** On May 2, the Secretary sent a mailing to each Governor and Chief State School Officer, explaining the effects of recently-passed legislation affecting Goals 2000. This legislation, which the Department supported, addresses objections that have been raised to Goals 2000 by eliminating several provisions that have been characterized as overly intrusive.

ENVIRONMENTAL PROTECTION AGENCY

- **Travel:** On May 15, Administrator Browner will travel to Albuquerque, NM to address the National Association of Attorney Generals' Environmental Summit. She will then travel to Denver, CO to address the ceremony to establish a "Tim Wirth Chair" at the University of Colorado. She will also meet with local environmentalists and officials.
- **Brownfields Redevelopment:** On May 10, the Administrator will join Philadelphia Mayor Rendell and Rep. Foglietta on a tour of the Brownfields Redevelopment Project. Using a \$200,000 EPA grant, Philadelphia community leaders are working

with the Agency to find ways to clean-up and redevelop this, contaminated site and return it to productive community use.

- **Utility Deregulation Rule:** Last month, the Federal Energy Regulatory Commission adopted a final rule to deregulate electricity transmission. While EPA supports utility deregulation and believes it will result in greater efficiencies and savings to consumers, EPA is concerned it may result in adverse environmental impacts. The northeast governors and congressional delegations believe that the rule could cause significant increases in air pollution in the northeast. EPA has until May 13, to determine whether unacceptable environmental impacts could result from the rule. If such a determination is made, EPA would refer the rule to the CEQ for resolution. The Administration is currently exploring options for allowing utility deregulation to proceed while also that the environment and public health are protected.
- **Takings:** The week of May 13, Majority Leader Dole may bring the Omnibus Private Property Rights Bill, to the Floor. Senator Biden has promised to filibuster the overly-broad, compensation-based bill. EPA joined other Agencies in providing a letter citing our opposition and recommending a veto and has been providing requested information to congressional staff.
- **Report Released on Air Pollution:** On May 8, the Natural Resources Defense Council, released a report on the health effects of fine particles of air pollution (particulate matter). A growing body of evidence now suggests that particulate matter poses a serious threat to public health in many American cities and may contribute to premature deaths from lung and heart disease. It may also worsen cases of childhood asthma, which are on the rise in the U.S., and it may put the elderly at higher risk. The Administration is currently reviewing for potential change the health standard for particulate matter, which has not been revised since 1987. In addition, we have already taken several steps to further protect public health from the major sources of fine particle air pollution, including tough standards for cleaner-burning bus engines and stringent new controls on incinerators and power plants.

GENERAL SERVICES ADMINISTRATION

- **Real Estate Services:** As of May 1, GSA Public Building Service has received over 500 responses from real estate firms interested in a possible public/private partnership for managing the governments real estate services.
- **Federal Travel Reform Legislation:** GSA travel reform legislation is ready to go to the hill after receiving its final review from OMB. This legislation will streamline travel and relocation in the federal government and has the potential to save \$820 million annually.

- **California Desert Protection Act:** On May 2, in conjunction with the Bureau of Land Management (BLM), GSA assisted with the first transfer of land authorized under the California Desert Protection Act. GSA expects to have approximately 13 million in surplus federal properties ready for BLM to exchange with targeted state governments by the end of this year.
- **EZ/EC:** On May 16, GSA and the National Trust for Historic Preservation will celebrate Preservation Week with a joint presentation and dedication ceremony here in Washington D.C. GSA's Public Building Service Commissioner Bob Peck will emphasize the important role GSA and the government play in rebuilding communities.

OFFICE OF PERSONNEL AND MANAGEMENT

- **Career Transition:** On May 14, Director King will be joined by Mayor Barry and other local and federal officials to open the new DC Career Transition Center. The center will help thousands of federal employees who face downsizing find new jobs.

FEDERAL EMERGENCY MANAGEMENT AGENCY

- **Disaster Activities:** There was one disaster declaration this week in IL where 2 counties were designated to receive Federal assistance as a result of flooding. FEMA also is monitoring flooding which occurred in MI and OH. Preliminary Damage Assessments (PDAs) are currently underway in the following states as a result of flooding: CT, IN, KY, MN, and WI.

DEPARTMENT OF STATE

- **Mexico:** On May 6-7, nine cabinet members accompanied Secretary Christopher to Mexico for a very successful meeting of the Bi-National Commission. Eleven agreements were reached on environment, health, consular, agriculture, border cooperation, education, and energy issues.
- **Liberia:** On May 3, the State Department reimposed visa restrictions barring entry into the U.S. of senior Liberian faction leaders, their families, and close associates who are obstructing the peace process. This action is in response to the renewed fighting in Monrovia amidst reports of summary executions and atrocities against civilians.

DEPARTMENT OF DEFENSE

- **Haiti:** The Department of Defense is growing increasingly concerned about Haiti's police force, having witnessed a gradual deterioration of the force's capability and its

increasing rivalry with other Haitian security elements. Despite the selection of capable top management, the structure is weak at the mid- and lower-levels. Recent assassinations (perhaps political) of Haitian National Police (HNP) officers (up to five with the May 4 killing) is of concern, as is the potential for HNP retaliatory violence.

- **Pakistan:** The Department of Defense is working on legal issues related to the resumption of military-to-military contacts with Pakistan which, until the recent passage and implementation of the Brown Amendment, were greatly restricted and in many cases prohibited by the "Pressler Amendment." The U.S. Central Command is now authorized to resume these activities, restricted since 1991, with funds authorized for this purpose.

UNITED NATIONS

- **Ambassador's Schedule:** On May 11, Ambassador Albright will be honored and keynote a dinner in Miami. The dinner will establish a scholarship fund in the name of the four Cuban-American fliers shot down by the Cuban military on February 24. On May 19, The Ambassador will give commencement addresses at Brandeis University and the School of the Advanced International Studies.
- **Iraq:** On May 7, the fourth round of UNSC 986 (oil for food) negotiations resumed in New York. The last round broke down after the UN gave the Iraqi team a new draft of the Memorandum of Understanding containing revisions made by the U.S. and U.K. Our concerns focused on banking and financial issues, maintaining UN control of the humanitarian programs in the north as well as Iraqi war reparations. Regarding the latter, Baghdad would like to reestablish political control over the region through delivery of assistance. The resolution calls for continued UN oversight of distribution. The May 6, Security Council review of Iraq sanctions was routine and no delegation suggested modifications.
- **Angola:** On May 8, the Council extended the UN peacekeeping mission in Angola for two months but expressed regret at the pace of implementation of the peace agreement. The Council may send a delegation to Angola to encourage speedier progress.

CENTRAL INTELLIGENCE AGENCY

- **Intelligence Budget:** The Senate and House Intelligence Committees have completed individual committee markups of the FY 97 Intelligence budget. The Senate Intelligence Committee added a net \$258 million to the NFIP, while cutting the National Reconnaissance Office--for forward funding and inflation. Similarly, the House Intelligence Committee added a net \$157 million to the NFIP and significantly cut the NRO. While neither Committee acted decisively on the Administration's

recommendation to establish the National Imagery and Mapping Agency, they did not preclude near-term negotiation of the proposal.

- **Middle East:** Deputy Director Tenet will be travelling next week to the Middle East to meet with government leaders and discuss topics of mutual interest and concern.

UNITED STATES INFORMATION AGENCY

- **Refuting French Spy Charges:** Responding to an article in the May 3 edition of *Liberation* which accused the U.S. of using U-2 flights destined for Bosnia to spy on sensitive French nuclear facilities, USIS Paris worked closely with the US European Command to issue a strong press statement which categorically refuted the charges. Wire services immediately picked up the statement, which totally killed the story. The original charges may have emanated from members of the French military unhappy about France's resuming full cooperation with NATO.

cc: The Vice President
Leon Panetta
Harold Ickes
Evelyn Lieberman
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams
Michael McCurry
Doug Sosnik
Marcia Hale
John Hilley
Donald Baer
Ron Klain
Rahm Emanuel

THE WHITE HOUSE
WASHINGTON

May 3, 1996

MEMORANDUM FOR DISTRIBUTION

FROM: KITTY HIGGINS

**SUBJECT: SUMMARY OF CABINET DAILY ACTIVITIES
MAY 4 - MAY 17, 1996**

WEEKS OF MAY 4 - MAY 17, 1996

CABINET--Travel to Mexico: Secretary Christopher, Attorney General Reno, Secretaries Glickman, Shalala, Cisneros, Peña, Riley, Babbitt, Administrator Browner, Director McCaffrey, Director Duffey and other sub-cabinet officials will be in Mexico from May 6-7 for the 13th Meeting of the U.S.-Mexico Bi-National Commission, headed by Secretary Christopher. This is the annual meeting among Cabinet officials of the U.S. and Mexico to discuss cooperative activities and other matters of mutual interest.

USDA--Meeting with European Union Agriculture Commissioner in Vienna, Austria: From May 8-10, Secretary Glickman will be in Vienna, Austria for a meeting with EU Commissioner of Agriculture Franz Fischler to discuss U.S.-EU bilateral trade issues, including the EU's ban on U.S. beef, meat inspection issues, Bovine Spongiform Encephalopathy (BSE), the world grain supply situation, and long-term agriculture policy initiatives.

DOC--G-7 Conference on the Information Society and Developing Countries: The G-7 Conference on the Information Society and Developing Countries, is scheduled for May 13-15 in Midrand, South Africa, and will include over 40 developed and developing countries. NTIA Assistant Secretary Larry Irving, the Delegation's official "sherpa," is coordinating U.S. preparations for the Conference and will lead the delegation. NTIA, in conjunction with other agencies, continues to work closely with the South African government and our G-7 partners in order to promote U.S. interests for the Conference.

DOT--Light-Rail Grant Announcement: From May 9-10, Secretary Peña will travel to Denver, CO, for a light-rail grant announcement and a possible Rocky Mountain National Park overflight announcement, to Los Angeles for a grant announcement, and then to San Francisco for the Pacific Area Coast Guard Foundation Awards Dinner.

EDUCATION--Los Angeles Trip: On May 4 and 5, Secretary Riley will be in Los Angeles for the Educator Awards Luncheon and to address the gathering "Youth at the Crossroads."

USTR--Meeting with Mexican and Canadian Counterparts: Ambassador Barshefsky will meet separately with her Mexican and Canadian counterparts, Herminio Blanco and Arthur Eggleton.

USIA--US-UK Talks: From May 13-15, Director Duffey is hosting the US-UK Public Diplomacy Talks.

SSA--University of Indiana: On May 11 and 12, Commissioner Chater will be at the University of Indiana in Indianapolis. The Commissioner will be the commencement speaker and receive an honorary Doctor of Science degree.

MONDAY, MAY 6, 1996

TREASURY--Excellence in Government Award: Secretary Rubin will travel to New York City to receive the Excellence in Government Award from Columbia University.

INTERIOR--Guatemalan Peace Accord: Secretary Babbitt will participate in the signing of the Guatemalan Peace Accord in Mexico City.

LABOR--School-to-Work: In conjunction with the second anniversary of the President's signing of the School-to-Work Opportunities Act, Secretary Reich will be interviewed by *WBZ*-Boston for a documentary on School-to-Work.

HUD--Administration's Campus of Learners: HUD will join the Show Coalition, a leading group in Hollywood for involving the entertainment industry in political and social change, Channel One, and the U.S. Conference of Mayors in hosting the "Youth at the Crossroads: The Info-Highway Summit." The summit will launch a major public-private sector initiative to establish media literacy centers in distressed communities across the country. These centers will help undeserved children get the training and access they need to learn in the new media and technology age of the 21st century. As a co-sponsor and partner in that effort, Secretary Cisneros will highlight the Administration's initiative to convert public housing communities into Campuses of Learners, where residents will be linked to computer-based education, job training and supportive services so they can become self-sufficient and successful in today's schools and workforce. Corporate sponsors of the summit include Microsoft, Revlon, Viacom, and Simon & Schuster. At the conclusion of the event, an accord will be signed by the summit co-sponsors, pledging to build computer access to low-income children nationwide.

ENERGY--National Science Bowl Awards Luncheon: At the Washington Convention Center, Secretary O'Leary will keynote and present National Science Bowl Awards. Representative Frederick Heineman has accepted the invitation to attend. Eight thousand high school students representing 43 States will compete for top honors during the sixth annual National Science Bowl. The competition will be held from May 3-6. The top four winning teams will each receive a one-week, hands-on science experience at a National Laboratory.

VA--Keynote Address: Secretary Brown will deliver the keynote address at the Plenary Session of the VFW's Semi-Annual Proficiency Training Conference in San Antonio, TX.

VA--Veterans Town Forum: The Secretary will visit the temporary VAOPC and go to the Veterans Town Forum with Congressman Frank Tejeda.

SSA--LaFollette Institute of Public Affairs: Commissioner Chater will be in Madison, Wisconsin at the University of Wisconsin. The Commissioner will address the LaFollette Institute of Public Affairs on the Future of Social Security. She will also meet with the Editorial Board of the *Wisconsin State Journal*.

TUESDAY, MAY 7, 1996

TREASURY--Meeting: Secretary Rubin will meet with members of the Japanese Business Council.

LABOR--Commencement Message: Secretary Reich will tape a radio actuality of a graduation message to American students. He will focus his remarks on how students can succeed in the new economy.

LABOR--Video Taped Remarks: Secretary Reich will tape a series of remarks to be shown at future dates. Remarks to the California Community Colleges Executive Summit will be shown May 14. An address to the Flint Glass Workers Union 10th National Convention will be played on June 10.

LABOR--Appropriations Hearings: Secretary Reich will testify before the House Appropriations hearing about the Department's fiscal year 1997 budget.

GSA--Testimony: Administrator Barram will testify before Senator Warner's Subcommittee on Transportation and Infrastructure of the Environment and Public Works Committee on GSA's 1997 capital improvement and lending program.

WEDNESDAY, MAY 8, 1996

TREASURY--Fundraiser: Secretary Rubin will attend a fundraiser for Senator Boxer.

INTERIOR--Celebration of Completion of Riverside County Habitat Conservation Plan: Secretary Babbitt will travel to Riverside, California to participate in the formal event commemorating the completion of the Riverside County Habitat Conservation Plan. This milestone event celebrates the first local habitat conservation plan to be completed as part of the state/federal partnership in California's Natural Communities Conservation Planning process.

INTERIOR--Completion of the "Backbone Trail" in Santa Monica: Secretary Babbitt will go hiking in Santa Monica Mountains National Recreation Area to celebrate the completion of the "Backbone Trail" through the area which was made possible through the Interior Department's Land and Water Conservation Fund.

LABOR--Democratic National Committee: Secretary Reich will attend the DNC's Leadership Conference meeting and the DNC's National Presidential Gala.

HUD--FY 1997: Secretary Cisneros will testify before Chairman Bond's Senate Appropriations Subcommittee on VA-HUD regarding FY 1997 Budget.

HUD--PBS' NewsHour: Secretary Cisneros will be interviewed live on *PBS' NewsHour with Jim Lehrer*.

ENERGY--Awards Ceremony for Historically Black Colleges and Universities (HBCU): Secretary O'Leary will host an awards ceremony. The Office of Nuclear Energy will award two grants. The first will go to Howard University to establish a cooperative internship program under which six Howard students will work in DOE's nuclear energy program offices. The second will go to Morgan State University, to establish the Dr. J. Ernest Wilkins, Jr., Chair of Excellence in Nuclear Physics and Engineering at the university. This is an example of how DOE provides support for advancement of minority education in mathematics, science, and engineering.

GSA--Meeting with CEO of the Sprint Corporation: Administrator Barram will meet with the CEO of Sprint Corporation.

THURSDAY, MAY 9, 1996

TREASURY--Meeting with Chairman Greenspan: Secretary Rubin will meet with Chairman Greenspan.

TREASURY--Meeting With Postmaster General: Secretary Rubin will meet with Postmaster General Runyon, and address Florida's Council of 100.

JUSTICE--Address Drug Court Professionals Conference: The Attorney General will address the Drug Court Professionals Conference.

INTERIOR-- Tall Timbers Fire Ecology: Secretary Babbitt will address the Tall Timbers Fire Ecology Conference in Boise, Idaho. This conference has been called to discuss the use of prescribed fire in ecosystem management, an issue in which the Secretary has a special interest.

LABOR--FY 1997: Secretary Reich will appear before the Senate Labor, Health and Human Services and Education Subcommittee of the Senate Appropriations Committee about the fiscal year 1997 budget.

LABOR--Women's Research and Education Institute: Secretary Reich will deliver remarks to the Women's Research and Education Institute. The Institute is releasing its annual report "The American Women." The Secretary will discuss pension security for women and the President's proposed pension legislation.

LABOR--Radio Program with AARP: Secretary Reich will appear on a radio program produced by the American Association of Retired Persons to discuss pensions and the President's proposed pension legislation.

HUD--FY 1997: Secretary Cisneros will testify before Chairman Lazio's House Appropriations Subcommittee on VA-HUD regarding FY 1997.

DOT--Signing of Grant to Los Angeles Regional Transportation District: In a ceremony to be held in Denver, Secretary Peña will announce the signing of a full funding grant agreement for \$178 million to the Regional Transportation District for an 8.7 mile extension of the Southwest Corridor Light Rail line to Littleton. The light rail line is projected to carry over 8,400 passengers daily and is scheduled to be completed by the year 2000.

ENERGY--Testimony: Secretary O'Leary will testify before the Senate Committee, held by Chairman Murkowski, on Energy and Natural Resources on the recent rise in gasoline prices.

EDUCATION--FY 1997: Secretary Riley is scheduled to testify before the House Appropriations Subcommittee on Labor, HHS, Education and related agencies.

EPA--Address to Women's Council on Energy and Environment Luncheon: Administrator Browner will address the Women's Council on Energy and Environment at their luncheon.

USTR--Automobile Original Equipment Manufacturers: Ambassador Barshefsky will speak to Automobile Original Equipment Manufacturers Association luncheon.

USTR--FY 1997: Ambassador Barshefsky will testify before the house Committee on Appropriations, Subcommittee on Commerce on USTR's FY 1997 budget request.

SBA--FY 1997: Administrator Phil Lader will testify before the Subcommittee on Commerce, Justice, State (Chairman Gregg, NH) of the Senate Appropriations Committee, who will hold a hearing on SBA's proposed FY 97 budget.

SSA--Executive Women of Dallas Luncheon: Commissioner Chater will be in Dallas, Texas to deliver the keynote speech at the Executive Women of Dallas luncheon.

FRIDAY, MAY 10, 1996

TREASURY--Address to Business Council: Secretary Rubin will address the Business Council's Annual Spring meeting in Williamsburg, VA.

JUSTICE--Address: The Attorney General will travel to Missouri to address the University of Missouri, Kansas City Law School.

LABOR--Lowell Lecture Series: Secretary Reich will deliver remarks at the Lowell Lecture Series regarding the state of the economy.

HHS--Events with Debbie Stabenow: Secretary Shalala travel to Michigan to participate in events with Debbie Stabenow, Democratic candidate for Rep. Dick Chrysler's 8th district seat in the U.S. House of Representatives.

HUD--Travel to Seattle, Washington: Secretary Cisneros will travel to Seattle and address Downtown Seattle Associations Annual Luncheon, participate in a public housing accomplishments press event and meet with Urban Native Americans.

DOT--Community Safety Grant: Secretary Peña will award a Livable Communities grant announcement and then travel to San Francisco and, along with Mayor Brown, award a \$250,000 community safety grant to the Mission District, a largely Hispanic community. He will then attend the Coast Guard's Pacific Area Foundation Awards Dinner.

EDUCATION--Commencement Speeches: Secretary Riley will deliver commencement speeches at Midlands Technical College (SC) and Southeast Missouri State University.

VA--Marine Corps' Evening Parade: Secretary Brown will be the Guest of Honor and Reviewing Official at the Marine Corps' Evening Parade.

SBA--Arthur Anderson Banking and Finance Expo: Administrator Lader will address the Arthur Anderson Banking and Finance Expo 96 in New York City. He will highlight the Clinton economic strategy, international trade priorities, and implications for small business. Mayor Giuliani will also attend.

SBA--National Conference on Exporting: Administrator Lader will speak at the District Export Council's Annual Conference on Exporting in Cleveland, Ohio. He will highlight the Administration's international trade agenda and the SBA's role in assisting small businesses in their trade financing and our role in the U.S. Export Assistance Centers. Approximately 1200 business owners are expected to attend, and the event will be covered by national and local media.

SATURDAY, MAY 11, 1996

LABOR--Vermont Democratic State Convention: Secretary Reich will attend the Vermont Democratic State Convention. He will deliver remarks about national economic issues.

HHS--Travel to Wisconsin: Secretary Shalala will travel to Wisconsin for a children's issues town hall with Representative David Obey.

HUD--Transformation of Public Housing in New Haven, Connecticut: Secretary Cisneros will join New Haven Mayor John DeStefano in several events that demonstrate the Administration's visible achievements, in partnership with cities, to transform public housing into attractive communities of opportunity.

DOT--Overflight of National Parks: Secretary Peña is planning to announce a Notice of Proposed Rulemaking proposing overflight restrictions on tour operators of Rocky Mountain National Park, Colorado. This follows through on President Clinton's Earth Day directive.

SUNDAY, MAY 12, 1996

JUSTICE--Commencement Address: Attorney General Reno will deliver the commencement address for Ohio State College of Law in Columbus.

HHS--Commencement Address: Secretary Shalala will deliver the commencement address for the University of Wisconsin--Parkside.

VA--Commencement Address: Secretary Brown will deliver the commencement address at Johnson C. Smith University in Charlotte, North Carolina.

MONDAY, MAY 13, 1996

HUD--One Strike: Secretary Cisneros will travel to Wilmington, Delaware to participate in a One Strike and public housing accomplishments events with Senator Biden.

DOT--ISTEA Field Hearing: Secretary Peña will travel to Lehigh, PA. He will participate in an ISTEA field hearing, dedicate a tower at the Lehigh Valley Airport, award an FTA grant and speak at a Chamber of Commerce event.

TUESDAY, MAY 14, 1996

VA--Veterans Service Organizations' Luncheon: Secretary Brown will attend a luncheon meeting with veterans service organizations representatives at the VFW Headquarters in Washington, DC.

VA--Hubert Humphrey Civil Rights Award Ceremony: Secretary Brown will attend the annual Hubert H. Humphrey Civil Rights Award Ceremony at the Hyatt Regency Hotel in Washington, DC.

EPA--Alliance to Save Energy Dinner: Administrator Browner will give an address at the Alliance to Save Energy Dinner.

WEDNESDAY, MAY 15, 1996

JUSTICE--Testimony: Attorney General Reno will testify before the Senate Judiciary Committee on the Violence Against Women Act.

JUSTICE--Memorial: The Attorney General will attend the National Peace Officers' memorial service.

HHS--FY 1997: Secretary Shalala will testify on the FY 1997 budget before the Senate Appropriations Committee.

HUD--Meeting with *L.A. Times*: Secretary Cisneros will meet with the *L.A. Times* Washington, DC Bureau, regarding public housing record and urban policy.

EDUCATION--AmeriCorps: Secretary Riley will deliver remarks at a press conference on AmeriCorps.

VA--50th Anniversary of Veterans Affairs Voluntary Service: Secretary Brown will attend a Disabled American Veterans' reception in honor of the 50th Anniversary of Veterans Affairs Voluntary Service.

OPM--FY 1997: Director King has been invited to testify at the Senate Treasury, Postal Service and General Government Appropriations Subcommittee's hearing on OPM's FY 1997 budget request.

THURSDAY, MAY 16, 1996

HHS--Town Hall Forum with Business Leaders: Secretary Shalala will travel to Sioux Falls, South Dakota for a town hall forum with business leaders that will be broadcast on radio stations across the state.

HUD--Address: Secretary Cisneros will address the Council for Excellence in Government's "Leaders Speak Out" session.

ENERGY--Fusion Forum: Secretary O'Leary will keynote the Fusion Forum Luncheon at the Rayburn House Office Building. The luncheon is for students, teachers and congressional staff. Attendance at the luncheon will also include representatives from the Office of Management and Budget and the Office of Science and Technology Policy. The desired outcome of the Forum is a better informed Congress regarding the fusion energy sciences program and the role that it can play in reaching the Nation's science and technology goals for future energy needs. The Secretary will address the recent budget cuts for fusion research.

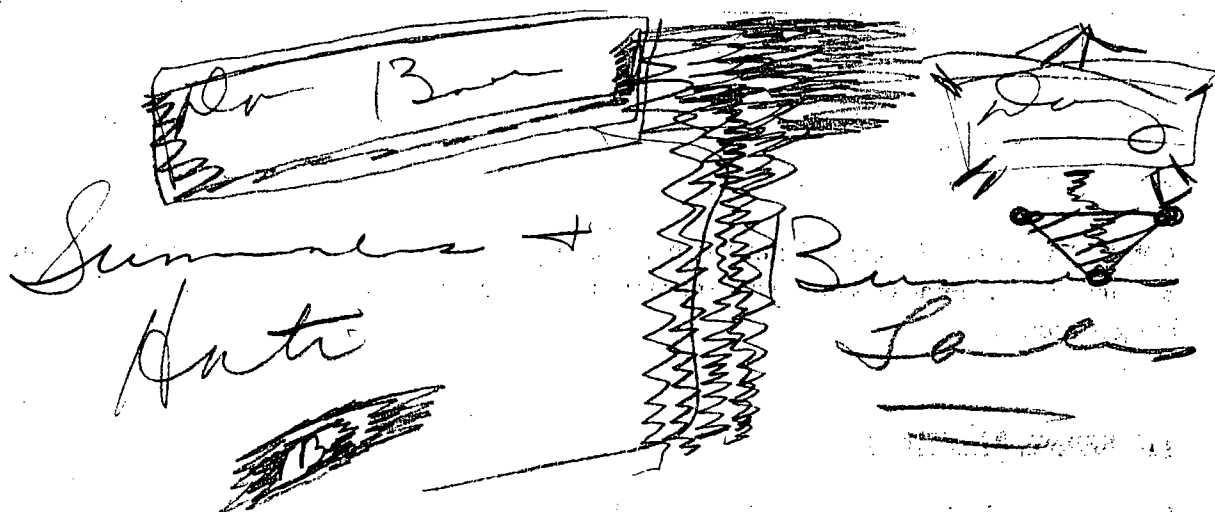
VA--Meetings with Veterans Service Organizations: The Italian-American War Veterans will pay a courtesy visit to Secretary Brown.

USIA--American Council on Education: Director Duffey will give remarks at a dinner meeting of the Commission on International Education of the American Council on Education. (Washington)

SSA--National Academy of Social Insurance Meeting: Commissioner Chater will attend, as a special guest, a National Academy of Social Insurance meeting co-chaired by Senator Moynihan, Lane Kirkland, Alexander Copeland, and Teresa Heinz. Later, she will attend the Senior Executive Service Rank Awards Dinner at the State Department.

FRIDAY, MAY 17, 1996

VA--Commencement Address: Secretary Brown will deliver the commencement address at Kennedy-King College's Dawson Technical Institute in Chicago.



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cc Lee

THE WHITE HOUSE
WASHINGTON

May 17, 1996

MAY 19 1996

MEMORANDUM FOR THE PRESIDENT

FROM: KITTY HIGGINS *Kitty*
SUBJECT: Summary of Cabinet Weekly Reports
May 10 - 17, 1996

DEPARTMENT OF TREASURY

- **Secretary's Activities:** On May 21, Secretary Rubin will testify before the Senate Foreign Operations Subcommittee on funding for international financial institutions. On May 22, he will give the commencement address at Yeshiva University.
- **Summit of the Americas Ministerial Meeting:** On May 17-18, in New Orleans, Secretary Rubin will host a meeting of finance ministers from the 34 democracies in the Western Hemisphere. The agenda will include: combating money laundering, capital market developments, and infrastructure financing.
- **Savings Bonds:** Treasury staff are exploring ways to modify the Savings Bond program to make the securities more attractive to investors. This effort will focus on the tax benefits of using Savings Bonds to pay for college expenses.
- **Southern Church Fires:** On May 14, Assistant Secretary Jim Johnson met with Assistant Attorney General Deval Patrick, and several US Attorneys from states where church fires have occurred, to discuss coordination of the church fires investigations and possible prosecutions. A permanent Task Force including Johnson, Patrick and representatives of ATF and FBI will be formed.
- **Copcats Indicted:** On May 7, two men were arrested in San Francisco for operating a "comptroller warrant" scam patterned after the "certified bankers checks" used by a large number of the "Freeman" organization members currently in a stand-off with FBI officials in Montana. The men had prepared millions of dollars in false warrants which were used to trick individuals and financial institutions into honoring the documents and providing them with cash or other financial benefits. One of the defendants tried to use one of the comptroller warrants to pay the IRS an outstanding tax bill and claim a refund of over \$200,000.

- **Multi-Employer Pension Plans:** The Pension Benefit Guaranty Corporation (PBGC), which is overseen by the Secretaries of Treasury, Labor and Commerce, is about to send to Congress its report on the financial condition multi-employer insurance program. The program is financially sound, and projections show it should remain strong into the future. At the end of fiscal year 1995 it had a surplus of \$192 million, with assets of \$477 million and liabilities of \$285 million. However the PBGC recommends increasing the level of program guarantees to multi-employer pension plans to account for inflation, by a formula that would double the maximum annual guarantee. This recommendation was announced last month as part of the Administration's pension incentive.

DEPARTMENT OF COMMERCE

- **Economic Indicators:**

U.S. International Trade in Goods and Services	May 17
Advance Report on Manufacturers' Shipments, Inventories and Orders	May 24
Gross Domestic Product and Corporate Profits	May 30
New One-Family Houses Sold and For Sale	May 30
Personal Income and Outlays	May 31
- **Secretary's Schedule:** On May 20, The Secretary will deliver a speech to the Pacific Basin Economic Council. On May 23, he is planning a trip to NC where he is expected to announce a foreign trade zone and an EDA grant.
- **Ireland:** From May 19-25, Under Secretary Eizenstat will visit Belfast and Dublin to discuss the Administration's support for the peace process in Northern Ireland.
- **Minority Ownership Report:** NTIA's Minority Telecommunications Development Program is preparing to release a report that lists minority owners of radio and television stations within the U.S. The report also studies a sample minority and non-minority owned broadcasting properties for the purpose of comparing different economic development approaches that are designed to increase minority participation in the broadcast industry.
- **Cuba:** Commerce is working with the Departments of State and Treasury to decide if the United States will allow certain flights providing humanitarian aid to approved projects for the Cuban people. Currently, the Department is prohibiting regular charter flights following the downing of two U.S. civilian aircraft in February.

DEPARTMENT OF LABOR

- **Garment Industry:** On May 20, the Secretary will announce that some of the nation's largest and most prominent retailing stores are selling goods that have been produced at three garment factories where investigations revealed significant violations of the nation's minimum wage and overtime laws. Extensive press interest is expected.
- **Pension Announcement:** On May 23, Senator Daschle and Representative Gephardt are tentatively scheduled to hold a press conference to announce their introduction of your Retirement Savings and Security Act. The act is designed to expand pension opportunities for the 51 million working Americans who do not now have a pension. Secretaries Reich and Rubin will join in this announcement.
- **Olympics Guestworkers:** On May 15, the Employment and Training Administration (ETA) received the first H-2B foreign guestworker applications from the Atlanta Committee on the Olympics (ACOG). As of today, seven of the one hundred expected applications have been received for 38 jobs. The H-2B process is critical to protecting the interests of US workers. ETA is committed to processing the applications as efficiently as possible.
- **Employee Retirement Income Security Act (ERISA):** On May 7, the Department lawyers filed suit against the trustee of the Chapter One, Inc. Retirement Savings Plan. The complaint in this case alleged that the plan sponsor violated the ERISA by failing to make \$68,000 in employee contributions to the plan, failing to remit participant loan repayments to the plan, and failing to collect employer contributions that were also owed the plan.
- **GAO Report:** On May 8, GAO provided the Department a draft report entitled "Davis-Bacon Act: Process Weakness Contribute to Lack of Confidence in Labor's Prevailing Wage Rates." Although the report is somewhat critical of the wage survey process, it is not an indictment of Davis-Bacon. In fact, GAO acknowledged the many improvements in the process that DOL has implemented, including the recent additional verification requirements for third party data.
- **Hammer Award:** On May 9, the Wage and Hour Division was presented a Hammer Award in recognition of its garment initiative and success in working toward the eradication of garment sweatshops.
- **Railroads:** On May 13, The Emergency Board appointed in the dispute with the Transportation-Communications International Union opened its hearings in Washington, receiving testimony from, among others, AFL-CIO President Sweeney. On May 15, you signed an executive order creating an emergency board to help resolve the dispute involving the Brotherhood of Maintenance of Way Employees

(BMW). This presidential action prevents a work stoppage for 60 days. On May 18, cooling-off periods in the disputes with the International Association of Machinists, the International Brotherhood of Electrical Workers, and the Sheet Metal Workers International Association will all expire at 12:01 a.m. at which time the unions will be free to strike in the absence of settlements or the appointment of emergency boards.

- **Yale University:** Talks are continuing on a regular basis between Yale University and Locals 34 and 35 of the Hotel Employees and Restaurant Employees International Union. The locals, along with other unions, are threatening a protest during commencement activities in the absence of a settlement. Cabinet officials are not speaking at Yale commencements.
- **Detroit Newspapers:** Another meeting between Teamsters Local 372 and the Detroit Newspaper Agency (DNA) is scheduled for May 20. The parties met last on May 8 after which the union requested additional time to review the proposal to settle the ongoing strike at the *Detroit News* and the *Detroit Free Press*.

DEPARTMENT OF TRANSPORTATION

- **Wayne County Airport:** On May 20, you and Secretary Peña will participate in the announcement of an agreement to expand Detroit Wayne County Airport. After DOT agreed to provide an additional \$150 million for improvements and expansion at the airport, Northwest agreed to an overall financing package with Wayne County. The project will create more than 30,000 jobs and generate economic benefits for the region. There is significant press interest in this event.
- **Denver International Airport (DIA):** The district attorneys special investigations unit on DIA has been disbanded after it failed to find any criminal wrongdoing during its 14-month probe.
- **Joint Air Bag Coalition:** On May 21, Secretary Peña will hold a news conference to announce a new coalition comprised of representatives from the automobile and insurance industries to stress the importance of using seatbelts with air bags.
- **Athens Airport:** On May 15, the Secretary made his determination that the Athens airport's security now meets the necessary security standards, and that the public notification of security shortcomings is to be rescinded.
- **City of Los Angeles Dept. of Airports v. DOT:** After conducting a proceeding to determine whether the landing fees charged by Los Angeles International Airport for its 1993-1994 and 1994-1995 fiscal years were reasonable, the Department determined that the airport's failure to use historic costs for the valuation of the airfield land in calculating landing fees was unreasonable, as Los Angeles was the only airport in the

country to have done so. The Department otherwise found the fees to be reasonable. The airport and a group of airline complaints are seeking review of the Department's decision in the D.C. Circuit. The Department filed its brief in support of the decision on May 9, and the Court has scheduled argument for September 6.

- **Alameda Corridor:** On May 29, John Emerson is scheduled to convene an interagency meeting to coordinate Federal efforts to assist the Los Angeles region to leverage economic development opportunities provided by the construction of the Alameda Corridor. The meeting will include officials from DOT, Commerce, Energy, EPA and possibly DoD.
- **Emergency Order Petitions:** The United Transportation Union petition filed on April 25 for an emergency order to prohibit the Wisconsin Central (WC) from operating trains with one-person crews is still pending. The Federal Railroad Administration (FRA) has received scores of letters, many of which are simply form letters, supporting the petition. FRA met with WC President Ed Burkhardt to discuss all of the concerns raised by the Administrator in her letter to Burkhardt last week. As a result of the meeting, Burkhardt agreed to postpone implementation of one-man operations for approximately 6-8 weeks. In the interim FRA is developing a response to the emergency order request.
- **Florida Passes Zero Tolerance and Graduated Licensing Laws:** On May 5, the Florida State Legislature passed two important impaired driving laws. The first, Zero Tolerance, sets the illegal BAC level at .02 for drivers under the age of 21 and imposes a 6-month license suspension (30-day hard suspension) for violators of this law. The second law, Graduated Licensing, requires a learners permit for a period of 6 months, nighttime driving restrictions, and lower point levels for suspension. Florida, and recently Kentucky, joined a handful of states that have significant components of a graduated licensing system recommended by NHTSA. Governor Chiles is expected to sign both laws.
- **Women's Transportation Seminar (WTS):** WTS has named Federal Highway Administration the 1996 National Employer of the Year and Federal Railroad Administrator Jolene Molitoris 1996 Member of the Year. On May 22, Administrator Molitoris will appear on *Prime Time Live* to discuss rail safety.
- **House Subcommittee Markup:** On May 22, House Subcommittee on Aviation has tentatively scheduled a mark up of legislation to reauthorize the Airport Improvement Program. Items that may be in the House AIP reauthorization bill include: airport noise discretionary funding, a dollar increase in the Passenger Facility Charge, a one year vice two year extension of the AIP, reduction of military airport program from 15 to 8, and continued funding of Letters of Intent for large airports.

- **FOIA Requests:** *Wall Street Journal* has requested records of inspections on ValuJet Airlines that began February 22. 20/20 has requested the audiotape and transcripts of cockpit to tower conversations for United Airlines Flight 976 from Buenos Aires to John F. Kennedy International Airport on October 20, 1995. WMBD-TV and WBBM-TV requested a copy of the tape and transcript of the communications between the aircraft carrying Illinois Governor Jim Edgar and the tower at the Greater Peoria Regional Airport on May 8.

UNITED STATES TRADE REPRESENTATIVE

- **NAFTA Trucking:** On May 17, Ambassador Barshefsky and Secretary Peña met to discuss final negotiations between DOT and Mexican government to reach acceptable safety standards pertaining to Mexican trucks enter the U.S. under NAFTA border trucking provisions. Further consultations will occur to build an interagency consensus before a final agreement is reached.

SMALL BUSINESS ADMINISTRATION

- **"Patient Capital" Project:** SBA has developed an Internet system for "angel investors" that is likely to be a major breakthrough in providing patient capital to emerging businesses and could be ready to be announced within the next 60-90 days.
- **Budget Hearing:** On May 23, the Administrator will testify before the Senate Appropriations subcommittee on SBA's FY '97 budget.
- **Administrator's Travel:** On May 18, Administrator Lader will address the annual CA Bankers Association annual convention in San Diego and keynote the meeting of the CA Pac-Port Conference. On May 19, Administrator Lader will deliver the commencement address at St. John's College in Santa Fe and join Representative Richardson in a disaster relief event.
- **Small Business Week Celebration:** On May 22, the Administrator will join Governor Dean to keynote the VT Small Business Week celebration. Similar events are happening across the country in preparation for the National Small Business Week celebration June 2-6.

DEPARTMENT OF JUSTICE

- **Department Files Brief On Your Behalf In Appeal By News Organizations Seeking To Obtain Immediate Access To Videotape Of Your Deposition Testimony:** The appellant organizations claim a right under the First Amendment and the common law to copy the videotape for immediate public broadcast while the trial is still under way. The district court has not yet resolved those claims, but has called

for the submission of briefs regarding access to the videotape from all interested parties by May 24. The orders under appeal reaffirm that schedule and thereby defer resolution of the First Amendment and common law issues for a short period. DOJ's brief on your behalf was filed on May 15.

- **Government Files Brief On May 15, In Expedited Ninth Circuit Appeal Involving Challenge To Provisions Of Department Of Defense's Policy Governing Military Service By Homosexuals:** Holmes v. California Army National Guard. An officer in the United States Army National Guard and the California Army National Guard was discharged pursuant to the statements provision of the military's policy governing service by homosexuals after he stated that he was gay and failed to rebut the presumption that he engages in, and likely would engage in, homosexual acts. He sued the U.S. and CA, and the district court held that his discharge violated equal protection and the First Amendment. DOJ appealed, and the Ninth Circuit ordered that the appeal be expedited and consolidated for purposes of oral argument with Watson v. Perry. DOJ's brief in Holmes was filed on May 15, and oral argument will be scheduled for the week of July 8.
- **Judge Faults FAA In Air Crash Case:** Last week, Judge Tauro informed counsel at a hearing in Boston on Even, et al. v. United States that he had decided that the FAA controllers should bear 100% of the responsibility for the crash of a light aircraft on an apparent missed-approach attempt at the Lawrence, MA, airport. He will issue findings and conclusions shortly and then determine whether to proceed with damages issues or certify the liability question for interlocutory appeal.
- **Piscataway Affirmative Action Case:** On May 14, the U.S. Court of Appeals for the Third Circuit heard oral argument en banc in Board of Education v. Township of Piscataway, New Jersey v. Taxman, a suit under Title VII of the 1964 Civil Rights Act challenging the School Board's decision to lay off a white teacher and retain an equally qualified black teacher. The board claims that this was done to promote the racial diversity of the Piscataway high school business department. The lower court had ruled in favor of the plaintiff, holding that the Board's decision violated Title VII. At that time, the United States, acting through Justice, was a party in the case, having brought the case on the plaintiff's behalf. When the case reached the court of appeals, a panel of the Third Circuit allowed the US to withdraw as party-plaintiff, but denied the DOJ's motion to file an amicus brief in support of the Board. After the case was argued before the panel, but before the panel reached a decision, the Court of Appeals, on its own initiative, ordered rehearing of the case en banc. Because the panel had denied the Justice Department's motion to file an amicus brief, the United States did not participate at the oral argument before the panel, and did not participate in the oral argument before the en banc Court.

- **Hamas Official Certified Extraditable:** On May 7, a district judge in the Southern District of New York certified the extraditability of Mousa Abu Marzook, admitted leader of the political wing of the Islamic Resistance Movement ("Hamas"). Israel had requested Marzook's extradition for numerous charges relating to multiple shooting and bombing incidents.
- **Vallejo, CA:** In March, DEA San Francisco deployed its Mobile Enforcement Team to Vallejo, California at the request of the town's police chief. Crime and violence in Vallejo has risen sharply in recent years, due in large part to the expanding drug trade. Since the MET deployment in March, DEA Agents and local counterparts have arrested 31 defendants and have seized weapons, cash, as well as methamphetamine, cocaine, heroine, and marijuana.
- **Juvenile Indicted as Adult For Operating Drug Business in Illinois:** The defendant, age 17, was charged with four counts of distributing cocaine and crack, while age 16. The indictment is the first in which a juvenile has been prosecuted as an adult under federal law in the Central District of Illinois.
- **Attorney General's Schedule:** On May 17, the Attorney General will travel to CA to meet with the Anti-Violent Crime Initiative Task Force and to deliver the Commencement Address for UC Davis School of Law. On May 19, the Attorney General will travel to NY to deliver the Commencement Address for Hilbert College. On May 22, Attorney General Reno will travel to Chicago to address the Chicagoland Chamber and Women's Bar Association.
- **Press Inquiries:** *US News and World Report* has inquired about the actual number of COPs on the beat vs. the number that has been funded. *NBC* asked about the study the Justice Department will be conducting on bomb making information on the internet and the protection of the first amendment. *LA Times* asked about their recent story claiming the US Attorney's office was not prosecuting drug cases because of a lack of jail space and prosecutorial discretion. *CBS* asked about your Thursday COPS grant announcements for a program that was supposed to be non-partisan.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

- **Seven Cities to Receive First-Time Funding under Ryan White:** On Monday, you will sign into law the reauthorization of the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act. You will also announce Title I awards, including funding to seven new metropolitan areas, and Title II awards to states for the rest of FY 1996, as well as the availability of \$52 million in additional funds to states for drug reimbursement.

- **First HIV Home Test Kit Approved:** On May 14, FDA approved the first HIV test kit that can be purchased over-the-counter (OTC) and used at home.
- **Demonstration Grant Reductions:** Due to Congressional budget cuts the Substance Abuse and Mental Health Services Administration (SAMHSA) must cut grants to demonstration programs by approximately 36 percent. You requested \$506 million for these programs but Congress appropriated only \$218 million. This amount is significantly below the \$346 million that would be required to meet all commitments to ongoing projects. As early as next week, SAMHSA will begin notifying grant recipients that their grants may be reduced or eliminated after September 30.
- **Welfare Waiver for Minnesota:** On May 16, HHS approved an expansion to the Minnesota Family Investment Program (MFIP) to include Ramsey County. MFIP consolidates AFDC, Food Stamps, and the State's Family General Assistance program into one cash grant with a single set of rules and procedures. Minnesota now becomes the 38th state to receive one of the 61 welfare waiver approvals granted during this Administration.
- **New York City Head Start Competition:** Based on an RFP issued in September 1995, eleven applicants have now been selected for funding to provide Head Start services to currently unserved children in New York City.
- **Community Food and Nutrition Program:** A *Federal Register* notice will announce the availability of \$1,600,000 in FY 1996 funds to support program activities which will result in direct benefits targeted to meeting the nutritional needs of low-income people. The notice is scheduled for publication on May 20.
- **Welfare Reform:** On May 22, the House Ways and Means Committee will hold a hearing on welfare reform. Assistant Secretary Mary Jo Bane will testify.
- **Tobacco Use Among High School Students:** On May 23, *Mortality and Morbidity Weekly Report* will carry an article about teenage smoking. Based on data from the 1995 Youth Risk Behavior Survey, the article concludes that the prevalence of smoking among high school students was higher in 1995 than in 1993 or 1991 and most students who buy cigarettes are not asked to show proof of age.
- **Secretary's Schedule:** From May 19-22, Secretary Shalala will head the U.S. delegation to the 49th World Health Assembly in Geneva, Switzerland. On May 25, the Secretary will deliver commencement addresses at Skidmore College in NY and at Mount Holyoke College in MA on May 26. On May 29, Secretary Shalala is delivering remarks at the National Tobacco Control Conference in Chicago.

- **Final 1992 Abortion Data:** This week, CDC is releasing final abortion surveillance data from 1992. There was a 2.1 percent decrease in reported abortions from 1991 to 1992. While this summary provides final statistics and in-depth analysis of the 1992 data, preliminary 1993 data on abortion were already released in March and show a continued decline in both the number and ratio of abortions.
- **Arkansas Family Planning Demonstration Project:** HHS continues to work with Arkansas on its section 1115 family planning demonstration. The state is submitting a revised budget neutrality formula that will compare fertility rates under the demonstration to a baseline fertility rate. The state has promised to submit the additional information by May 20. The new budget neutrality approach is acceptable to the Department. Under the demonstration, the state will extend Medicaid coverage for family planning services to low-income women not otherwise eligible for Medicaid.
- **Taxotere Approved for Breast Cancer:** On May 15, FDA approved Taxotere (docetaxel) for advanced breast cancer. Made by Rhone-Poulenc Rorer, taxotere is indicated for patients whose cancer has progressed despite treatment with standard regimens.
- **Suspension of Head Start Grantee:** On May 17, HHS will announce the immediate suspension of the Child Opportunity Program, Inc. (COP) Head Start grantee serving Denver and several surrounding communities. The suspension is based on severe and widely publicized problems of fiscal mismanagement, turmoil in governance, and lack of coherent leadership documented by a recent on-site review team.
- **Withdrawal of Diabetes Treatment Product from German Market:** German health authorities are withdrawing an Eli Lilly product, Glucagon, from the German market because it may contain the infectious agent for bovine spongiform encephalitis. Last week, FDA staff reviewed the safety of Glucagon and unanimously agreed on its safety.
- **Florida Medicaid Exemption to Expire:** Several Florida HMOs providing services to Medicaid beneficiaries are nearing the end of their 3-year waiver period to meet the terms of the 75/25 rule which requires that at least 25 percent of the enrollees in a Medicaid managed care plan be commercially insured. The State initially intended to ask HCFA for a modification of the rule. HHS has been working with the State so that these plans will not have to disenroll Medicaid beneficiaries. Under the modifications there would be a requirement to submit to increased quality assurance monitoring and begin offering services through the states' recently developed rural health network. On May 15, the State asked for an exemption for 8 additional plans. HCFA is reviewing the demonstration merits of this request.

- **FOIA Request:** *ABC News* has requested a copy of all requests asking for information related to Senator Robert Dole, his congressional staff or his presidential campaign, from July 1, 1994, to present; and all letters responding to such requests.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Press Inquiries:** On May 26, CNN's *Late Edition* will do a story on the Administration's achievements in transforming America's public housing. Secretary Cisneros was interviewed for this piece. The *Lehrer NewsHour* is expected to air a story in the next two weeks on a recent Dallas Public Housing Desegregation case ruling. This ruling has drawn heightened attention because it goes beyond the scope of any ruling in past housing discrimination cases, the remedy would be costly, and some provisions are barred by Federal Law. The ruling mandated that HUD provide housing opportunities for more than 5,000 residents and fund existing public housing developments. While HUD is supportive of the ruling's general goal to provide fair and equal housing opportunities for minorities, the Department is preparing to appeal certain provisions of the ruling.
- **HUD Hosts Public Housing Summit:** On May 29-30, HUD will host a national conference on the new challenges facing the public housing industry and its local partners. The Vice President has been invited to give the opening keynote address.

OFFICE OF NATIONAL DRUG CONTROL POLICY

- **California:** On May 21-23, Director McCaffrey will visit San Diego and Los Angeles to visit the southwest border and attend a DARE graduation.
- **FOIA Requests:** The public interest group, the National Security Archive, has submitted a request for all documents relating to your certification of Mexico as fully cooperating with the U.S. on drug control programs and policies.

SOCIAL SECURITY ADMINISTRATION

- **Office of the Inspector General's (OIG) Accomplishments:** SSA's OIG's semi-annual report, which is scheduled to be released at the end of May, will indicate that its efforts resulted in 326 criminal convictions and recovery of more than \$9.6 million in fines, judgments, and restitutions. This is the second IG report since SSA became an independent agency one year ago.
- **GAO Final Report, "SSA Disability: Program Redesign Necessary to Encourage Return to Work":** Conducted at the request of the Senate Special Committee on Aging, this review's objective was to determine why very few beneficiaries who receive Social Security Disability Insurance and/or Supplemental Security Income

benefits have left the rolls by returning to work. GAO believes that advances in technology and a trend toward including the disabled into the mainstream have created return-to-work potential. GAO recommends that SSA place greater priority on return-to-work, and that SSA develop a set of related legislative proposals. GAO expects to be asked to testify before the Senate Special Committee on Aging in about two weeks and will release the report shortly thereafter.

- **Personal Savings Accounts:** On May 20, the Senate Finance Committee's Subcommittee on Social Security and Family Policy will hold a hearing on proposals for personal savings accounts under Social Security.
- **Travel:** On May 18, Commissioner Chater will attend the Binghamton University commencement ceremony in NY. On May 22, Commissioner Chater will be in Denver to speak at the AARP biennial convention.

DEPARTMENT OF INTERIOR

- **CA Endangered Species Listing:** On May 20 the Department will comply with a federal court order by listing the Red-Legged Frog as threatened. Interior is working on a communications strategy which will focus on clear, plain-language information about the impacts the listing will have on development in CA.
- **CA Crude Oil Report:** The Department convened an inter-agency task force to address an issue of potential evaluation of California crude oil for federal royalty purposes dating back to the 1970's. The task force will outline recommendations for the Department to consider the and develop a strategy to pursue collection of any unpaid federal royalty.
- **National Assessment of Undiscovered Natural Gas for the OCS:** Interior has completed its second assessment of undiscovered natural gas and oil resources for the OCS. This assessment is based on new scientific methodology which shows higher estimates for both undiscovered economically recoverable oil and natural gas in offshore northern Alaska; in Monterey and southern California; and slight increases in the Atlantic. Undiscovered resources are slightly down in the Gulf of Mexico.
- **Seminole Decision:** On May 9, the Senate Indian Affairs Committee held a hearing on the consequences of the Supreme Court decision in the Seminole decision. The key issue facing the Department is whether the Secretary has the authority to set procedures authorizing Indian gaming when a state refuses to negotiate in good faith and enter into a compact. The Department issued an advance notice of proposed rule-making calling for comments from all interested parties on the appropriate response to the ruling.

- **Grand Canyon:** On May 20, the *Today Show* which is filming live from the Grand Canyon, will run an interview with Secretary Babbitt.

UNITED STATES DEPARTMENT OF AGRICULTURE

- **Travel:** On May 18, Secretary Glickman will give the commencement address for Santa Clara University School of Law. On May 19, the Secretary will address the National Restaurant Association in Chicago about the department's efforts to build its gleaning and food rescue program. On May 20, the Secretary will join Representative Durbin in IL for several activities.
- **Wheat Production Down:** Winterkill in the winter wheat production areas, coupled with dry conditions in the hard red winter areas, are expected to cripple this year's winter wheat harvest. Winter wheat acres to be harvested for grain are at the lowest level since 1972.
- **Vermont Forest Program:** An agreement was reached with Governor Dean to implement the Forest Legacy Program in VT under the newly enacted state grants provision of the Cooperative Forestry Assistance Act. The agreement will enable the state to pursue negotiations for the purchase of a conservation easement on 31,493 acres of timberland owned by John Hancock Mutual Life Insurance Company in northeast Vermont.
- **USDA To Release Trade Report:** On May 24, the Economic Research Service will release the *Former USSR International Agriculture and Trade Report*, which will reveal that FY96 U.S. agricultural exports to the countries of the former Soviet Union are projected to increase for the first time in four years to \$1.5 billion, up 30 percent from FY95.
- **Tongass:** Starting May 20, public meetings will run for three weeks on the Tongass National Forest Land Management Plan in 32 southeast Alaska communities. The revised supplement to the draft environmental impact statement and proposed Forest Plan has been mailed to more than 1,400 people in southeast Alaska and across the country, and reflects the preferred alternative recommended by the three Tongass forest supervisors and announced at an April 18 Senate hearing. The preferred alternative balances Forest commodity production with natural resource protection. Meetings will also be held in Anchorage, AK and Washington, D.C. in mid-June.
- **Civil Rights Forum:** On May 14, Secretary Glickman held a Civil Rights Forum: "Building Bridges for a Better USDA" to address employee concerns and state his commitment to diversity at USDA.

- **Timber Theft:** On May 17, Secretary Glickman requested that the Forest Service reconsider creating a national timber theft detection and prevention team to provide training, oversight, and guidance of regional timber theft prevention and investigation efforts. Recent news articles on the Forest Service's timber theft prevention and investigation efforts have created the perception that the Forest Service may be turning a blind eye on timber theft. USDA wants to ensure that the timber theft prevention and investigation program is strong and vigorous. The Secretary requested a report back from the Forest Service on this request to strengthen the program.
- **Food Stamp Contracting:** On May 8, the House Agriculture Committee held one of several hearings on the use of federal funds authorized in the Food Stamp Program to obtain services from private contractors, specifically the food stamp focus groups conducted under a sub-contract with Lake Research Inc. in 1995. Committee staff has indicated that a second hearing focusing on Team Nutrition will likely be held in June. The GAO has stated that it will expedite a review of USDA-wide procurement procedures.

DEPARTMENT OF ENERGY

- **Gas Prices:** DOE conducted the first sale of oil from the Strategic Petroleum Reserve but accepted no offer because the bids were predictably too low. DOE emphasized that market gas prices have fallen since your announcement of the sale.
- **Radar for Land Mines:** On May 7, DoD announced a \$300,000 grant to Lawrence Livermore National Laboratory to design a detection system for land mines. The proposed land mine radar will be based on technology developed by DOE for radar sensors for nuclear warheads. Plans include versions of the radar to be mounted on robots and vehicles. The story received positive coverage in CA.
- **State Energy Conservation Funding:** DOE will distribute among all States \$44.1 million of oil overcharge funds. These funds were obtained from U.S. oil companies that violated Federal price controls in the 1970's. Fund allocations are based on State oil consumption during this decade. These funds can be used in State energy programs. CA will receive approximately \$4 million and NY will receive approximately \$3.4 million.
- **\$13.8 Million for Rural Power Development:** Secretary O'Leary is preparing to announce in Syracuse, NY the first award of a cooperative agreement to commercialize biomass energy systems. This will positively impact global climate change while providing a vital economic stimulus to rural America. Biomass energy is based on the conversion of agricultural crops called feed stocks into usable commercial energy.

- **GAO audit started on Human Radiation Experiments:** The Senate Governmental Affairs Committee has requested GAO to determine the status of the Administration's efforts to implement 18 recommendations contained in the Advisory Committee on Human Radiation Experiments' October 1995 report. The recommendations are, in part, remedies to subjects of the government-sponsored radiation releases and experiments. In addition, GAO will collect specific information on current and planned efforts to notify and compensate victims of Cold War radiation experiments and efforts to protect subjects in future government-sponsored research.
- **Commencement Address:** On May 19, Secretary O'Leary will give the commencement address at Bennett College in Greensboro, NC.

DEPARTMENT OF EDUCATION

- **CBS News:** *CBS News* has requested from the Department information about any contracts for public opinion polls, focus groups, or discussion groups to address agency activities or programs; any contracts or agreements with public opinion or polling firms; any reports from such firms; and any memoranda or directives on hiring polling firms. The information is requested for 1994-96.

ENVIRONMENTAL PROTECTION AGENCY

- **New EPA Report on Clean Water:** On May 22, Administrator Browner will hold a press event in D.C. to release a new report, "Liquid Assets: A Summertime Perspective on the Importance of Clean Water to the Nation's Economy." The report shows that clean water is a vital commodity for major sectors of the U.S. economy, and it means jobs and profits. Next week the Administrator will travel to WI and MI to highlight the findings of this report.
- **Project XL:** EPA expects *The New York Times* to run a story in the next few days in about the Project XL initiative.
- **FOIA Request:** *ABC News* requested from EPA all documents relating to Senator Dole, his congressional staff or presidential campaign after July 1, 1994.

GENERAL SERVICES ADMINISTRATION

- **Federal Building Freeze:** The 1997 House Budget resolution places a moratorium on all new federal construction projects for the next 6 years. GSA is working with the appropriate congressional offices to provide specific information as to how each district/state would be affected by such a freeze.

OFFICE OF PERSONNEL AND MANAGEMENT

- **Career Transition Center:** On May 14, Director King and local officials opened the Metro Area Reemployment Center. The event was a success and was well covered by the media.

FEDERAL EMERGENCY MANAGEMENT AGENCY

- **Disaster Activities:** There were no new Presidential declarations this week. FEMA is monitoring flooding which occurred in the Midwest in MI and OH. A Preliminary Damage Assessment (PDA) is currently underway in North Dakota as a result of flooding. PDA's have been completed in CT, IN, KY, MN, MT, NJ, and WI due to flooding, and in ME due to a severe storm.
- **Wellton Mohawk Irrigation District:** FEMA exercised its discretion under the Stafford Act to fund the repair of the Wellton Mohawk Irrigation District's levee project in AZ, at a cost not to exceed \$44.2 million. This funding is subject to successful completion of all necessary environmental reviews. This levee project was damaged in the January 1993 flood.
- **Drought:** Inquiries have been received from southwestern States (notably NM) requesting FEMA to chair a task force to plan for and respond to the drought, which for some areas has been reported "worst in the century." On May 22, Director Witt and other Administration officials will meet with members of the NM delegation.
- **North Dakota:** On May 13, a meeting was held regarding the chronic flooding in the Devil's Lake Basin. The Army Corps of Engineers committed to develop an emergency outlet for Devil's Lake within the next 90 days.
- **Director's Schedule:** On May 20, the Director will give a speech to the 1996 National Flood Conference in Nashville, TN. On May 21, he will give a speech to NJ Office of Emergency Services Annual Emergency Management Conference. On May 23, he will give a speech to Neighborhoods USA national conference in Little Rock, AR.

DEPARTMENT OF STATE

- **China:** The ring magnet issue was concluded after the State Department successfully negotiated public statements from both the U.S. and China, which, along with private diplomatic assurances by the Chinese made to the Secretary directly through our embassy in Beijing, represent a significant new commitment to nuclear cooperation by the Chinese. The arrangement provides for continued consultations on export controls, a major boost for our efforts to influence China's behavior. On IPR, USTR announced May 15, its preliminary sanctions list, which will go into effect in 30 days unless we

reach agreement with the PRC. The Chinese reacted with a sanctions threat of their own, but the State Department believes they can use the next 30 days to come to some understanding.

- **Iran/Bosnia:** Five separate Congressional investigations are underway into Iranian arms for Bosnia. The Senate Select Committee on Intelligence (SSCI) plans to hold open hearings next week with Strobe Talbott, James Woolsey, and Dick Holbrooke. The Committee provided the State Department and CIA a copy of its draft preliminary staff assessment for declassification. The report, which Committee Members had hoped to release May 15, is currently under interagency review. The Select Subcommittee of the HIRC, which the House established last week, is hiring staff, and the State Department expects to receive document requests in several weeks.

UNITED NATIONS

- **Vice President Gore in New York:** On May 21, the Vice President and Ambassador Albright will participate in a conference on U.S. relations with the UN. The purpose of this event, which will be attended by corporate CEOs, heads of foundations and NGOs, is to generate discussion about the important role of the UN and ideas about how to address the problem of U.S. arrears.
- **Liberia:** Following a visit to Monrovia, Special Envoy James Jonah told the Security Council on May 14, that he sees no immediate prospects of re-establishing peace in Liberia. Jonah doubted the faction leaders have the will for peace. The mandate for the current UN peacekeeping force expires at the end of the month. The Council will likely agree to a 2-3 month renewal, with a reduced deployment, in order to provide possible linkage and be ready for developments.
- **Iraq/986:** The "Oil for Food" talks will resume after the Secretary-General returns to New York on May 25. Depending on the reaction from Baghdad, a positive announcement could be made next week.
- **Commencement Exercises:** On May 19, Ambassador Albright will deliver the commencement address at Brandeis University and at Johns Hopkins SAIS University on May 22.

cc: The Vice President
Leon Panetta
Harold Ickes
Evelyn Lieberman
George Stephanopoulos
Alexis Herman
Carol Rasco
Maggie Williams

Michael McCurry
Doug Sosnik
Marcia Hale
Donald Baer
Ron Klain
Rahm Emanuel
John Hilley

cc Lee

THE WHITE HOUSE
WASHINGTON

May 17, 1996

MEMORANDUM FOR DISTRIBUTION

FROM: KITTY HIGGINS

SUBJECT: SUMMARY OF CABINET DAILY ACTIVITIES
MAY 20 - JUNE 2, 1996

Weeks of May 20 - June 2, 1996

HHS--49th World Health Assembly: From May 19-22, Secretary Shalala heads the U.S. delegation to the 49th World Health Assembly which will be meeting in Geneva, Switzerland.

ONDCP--Trip to California: From May 21-23 Director McCaffrey will visit San Diego and Los Angeles. In San Diego, scheduled activities include meetings with U.S. Attorney Berstin, briefings by local DEA, FBI and Customs supervisors, and visits to the Southwest Border HIDTA organization and principal ports of entry. In Los Angeles, his activities include attending a DARE graduation ceremony, visit to the HIDTA task force, and a ride-a-long with LAPD narcotics officers.

Monday, May 20, 1996

COMMERCE--Speech: Secretary Kantor will deliver a speech to the Pacific Basin Economic Council.

SBA--Damage Review in NM: Administrator Lader will review damage in New Mexico with Congressman Bill Richardson.

SBA--Pacific Basin Economic Conference: The Administrator will attend the Pacific Basin Economic Conference dinner.

INTERIOR--Spacial Data Conference: Secretary Babbitt will give remarks at a spacial data conference in Palm Springs.

INTERIOR--NPR Hammer Award to Desert Managers: The Secretary, along with Defense Undersecretary Sherri Goodman, will give a NPR Hammer Award to the Desert Managers group in honor of their efforts in managing the desert ecosystem.

TREASURY--China Issues with Motorola: Secretary Rubin will meet with Gary Tooker, Vice Chairman of Motorola, to discuss China issues.

TREASURY--Congressman Richard Neal: The Secretary will meet with a group of Congressman Richard Neal's business constituents.

JUSTICE--American Bankers Association: Attorney General Reno will address the American Bankers Association, National Consumer Credit Conference in Boston, MA.

JUSTICE--New England Law School: The Attorney General will address the New England Law School Program.

USDA--Alpha Gamma Rho: Secretary Glickman will give an address to the agriculture fraternity, Alpha Gamma Rho, in Washington, DC.

DOT--Detroit Wayne County Airport: Secretary Peña will announce an agreement on Wayne County Airport via hook-up to a press conference in Michigan fulfilling a promise President Clinton made in early March.

DOT--No Zone News Conference: The Secretary will hold a news conference to kick off the "Know the No-Zone" campaign to educate automobile drivers to stay out of the blind spots of truck drivers.

Tuesday, May 21, 1996

SBA--Hong Kong Trade Development Council: Administrator Lader plans to attend the Hong Kong Trade Council reception.

EPA--Cellular Telephone Industry Association: Administrator Browner will meet with the Cellular Telephone Industry Association.

TREASURY--Senate Foreign Operations Subcommittee: Secretary Rubin will testify before the Senate Foreign Operations Subcommittee regarding international financial institution funding.

TREASURY--Interview: The Secretary will attend a luncheon/interview at *The Los Angeles Times* Washington Bureau.

TREASURY--Reception: The Secretary will attend a fundraising reception for Congresswoman Jane Harman.

USTR--Pacific Basin Economic Council (PBEC): Ambassador Barshefsky will deliver the luncheon keynote address to the PBEC to amplify the President's remarks the previous night.

DOT--Joint Air Bag Coalition: Secretary Peña will hold a news conference to announce a new coalition stressing the importance of using seatbelts and airbags.

Wednesday, May 22, 1996

SBA--Small Business Week Celebration: Administrator Lader will join Governor Dean to keynote the Vermont Small Business Week celebration.

EPA--Release of EPA Report on Clean Water: The Administrator will hold a press event on the Washington waterfront to release a new EPA report -- Liquid Assets: A Summertime Perspective on the Importance of Clean Water to the Nation's Economy.

TREASURY--Commencement Address: Secretary Rubin will give the commencement address at Yeshiva University in NYC.

JUSTICE--Chicagoland Chamber: Attorney General Reno will be addressing the Chicagoland Chamber at the Hyatt Regency in Chicago.

JUSTICE--Women's Bar Association: The Attorney General will address the Women's Bar Association at the National Building Museum.

SSA--Convention: Commissioner Chater will speak at the American Association of Retired Persons Convention in Denver, Colorado.

EDUCATION--International Teleconferencing Association: Secretary Riley will address the International Teleconferencing Association.

Thursday, May 23, 1996

COMMERCE--Foreign Trade Zone Announcement: The Secretary will travel to Raleigh, NC to join Governor Hunt and Congresswoman Eva Clayton for a free-trade zone or EDA grant event.

COMMERCE--Possible Opening of a U.S. Export Assistance Center: The Secretary will drive to Charlotte, NC for a possible opening of a U.S. Export Assistance Center.

SBA--Hotel Industry Reception: Administrator Lader plans to attend a hotel industry reception.

EPA--EPA Asian Pacific Month Celebration: Administrator Browner will give an address at the EPA Asian Pacific Month Celebration.

EPA--Florida "Fly-in": The Administrator will be meeting with Florida CEOs as part of the Florida "fly-in."

TREASURY--Breakfast on Banking Issues: Secretary Rubin will host a breakfast at the Treasury for Members of Congress to discuss banking issues.

TREASURY--CEO Luncheon: The Secretary will be hosting the monthly CEO Luncheon.

JUSTICE--Commencement Address: Attorney General Reno will deliver a commencement address at the University of NJ at Rutgers, School of Law in Camden, NJ.

USDA--U.S. Feed Grains Council: Secretary Glickman will address the U.S. Feed Grains Council in Washington, DC.

EDUCATION--New American High Schools: Secretary Riley will address the New American High Schools Conference.

Friday, May 24, 1996

ENERGY--Continuous Electron Beam Accelerator Facility (CEBAF) Dedication: In Newport News, VA, Secretary O'Leary, Vice President Gore, Members of Congress, and local political leaders have been invited to attend the CEBAF dedication. The CEBAF is an innovative laboratory tool exploring how the most fundamental particles in nature interact inside the atomic nucleus.

Saturday, May 25, 1996

HHS--Commencement Address: Secretary Shalala will deliver the commencement address at Skidmore College in New York.

Sunday, May 26, 1996

HHS--Commencement Address: Secretary Shalala will deliver the commencement address at Mount Holyoke College in Massachusetts.

Tuesday, May 28, 1996

EPA--Industrial Park Visit: Administrator Browner will visit the Eco Industrial Park in Baltimore's Empowerment Zone with Mayor Kurt Schmoke.

Wednesday, May 29, 1996

HHS--National Tobacco Control Conference: Secretary Shalala will deliver remarks at the National Tobacco Control Conference in Chicago, IL.

EDUCATION--Conflict Resolution: Secretary Riley will meet Attorney General Reno for an event on conflict resolution.

Thursday, May 30, 1996

EPA--NGO Roundtable: Administrator Browner will attend the NGO Roundtable concerning a follow-up to the UN Conference on Women.

EPA--President's Council on Sustainable Development: The Administrator will attend the President's Council on Sustainable Development.

Friday, May 31, 1996

COMMERCE--Business Leaders Event: Secretary Kantor will travel to Pittsburgh for an event with local business leaders.

COMMERCE--Education and Technology Event: The Secretary will drive to Wheeling, WV to join Governor Caperton for an education and technology event.

THE WHITE HOUSE

WASHINGTON

May 17, 1996

MEMORANDUM FOR DISTRIBUTION

FROM: KITTY HIGGINS

SUBJECT: SUMMARY OF CABINET DAILY ACTIVITIES
MAY 20 - JUNE 2, 1996

Weeks of May 20 - June 2, 1996

HHS--49th World Health Assembly: From May 19-22, Secretary Shalala heads the U.S. delegation to the 49th World Health Assembly which will be meeting in Geneva, Switzerland.

ONDCP--Trip to California: From May 21-23 Director McCaffrey will visit San Diego and Los Angeles. In San Diego, scheduled activities include meetings with U.S. Attorney Berstin, briefings by local DEA, FBI and Customs supervisors, and visits to the Southwest Border HIDTA organization and principal ports of entry. In Los Angeles, his activities include attending a DARE graduation ceremony, visit to the HIDTA task force, and a ride-a-long with LAPD narcotics officers.

Monday, May 20, 1996

COMMERCE--Speech: Secretary Kantor will deliver a speech to the Pacific Basin Economic Council.

SBA--Damage Review in NM: Administrator Lader will review damage in New Mexico with Congressman Bill Richardson.

SBA--Pacific Basin Economic Conference: The Administrator will attend the Pacific Basin Economic Conference dinner.

INTERIOR--Spacial Data Conference: Secretary Babbitt will give remarks at a spacial data conference in Palm Springs.

INTERIOR--NPR Hammer Award to Desert Managers: The Secretary, along with Defense Undersecretary Sherri Goodman, will give a NPR Hammer Award to the Desert Managers group in honor of their efforts in managing the desert ecosystem.

TREASURY--China Issues with Motorola: Secretary Rubin will meet with Gary Tooker, Vice Chairman of Motorola, to discuss China issues.

TREASURY--Congressman Richard Neal: The Secretary will meet with a group of Congressman Richard Neal's business constituents.

JUSTICE--American Bankers Association: Attorney General Reno will address the American Bankers Association, National Consumer Credit Conference in Boston, MA.

JUSTICE--New England Law School: The Attorney General will address the New England Law School Program.

USDA--Alpha Gamma Rho: Secretary Glickman will give an address to the agriculture fraternity, Alpha Gamma Rho, in Washington, DC.

DOT--Detroit Wayne County Airport: Secretary Peña will announce an agreement on Wayne County Airport via hook-up to a press conference in Michigan fulfilling a promise President Clinton made in early March.

DOT--No Zone News Conference: The Secretary will hold a news conference to kick off the "Know the No-Zone" campaign to educate automobile drivers to stay out of the blind spots of truck drivers.

Tuesday, May 21, 1996

SBA--Hong Kong Trade Development Council: Administrator Lader plans to attend the Hong Kong Trade Council reception.

EPA--Cellular Telephone Industry Association: Administrator Browner will meet with the Cellular Telephone Industry Association.

TREASURY--Senate Foreign Operations Subcommittee: Secretary Rubin will testify before the Senate Foreign Operations Subcommittee regarding international financial institution funding.

TREASURY--Interview: The Secretary will attend a luncheon/interview at *The Los Angeles Times* Washington Bureau.

TREASURY--Reception: The Secretary will attend a fundraising reception for Congresswoman Jane Harman.

USTR--Pacific Basin Economic Council (PBEC): Ambassador Barshefsky will deliver the luncheon keynote address to the PBEC to amplify the President's remarks the previous night.

DOT--Joint Air Bag Coalition: Secretary Peña will hold a news conference to announce a new coalition stressing the importance of using seatbelts and airbags.

Wednesday, May 22, 1996

SBA--Small Business Week Celebration: Administrator Lader will join Governor Dean to keynote the Vermont Small Business Week celebration.

EPA--Release of EPA Report on Clean Water: The Administrator will hold a press event on the Washington waterfront to release a new EPA report -- Liquid Assets: A Summertime Perspective on the Importance of Clean Water to the Nation's Economy.

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THE WHITE HOUSE
WASHINGTON

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May 8, 1996

MEMORANDUM FOR ASSISTANTS TO THE PRESIDENT

FROM: LEON E. PANETTA
CHIEF OF STAFF



SUBJECT: Weekly Cabinet Reports



In order to better coordinate responses to questions and concerns raised by the President in his review of the weekly Cabinet report, and to ensure that he receives thorough and prompt answers, staff are asked to follow the procedures noted below:

- The Staff Secretary will transmit the President's comments to the responsible White House office.
- Cabinet Affairs will follow-up on comments directed to the agencies.
- Responses to the President's questions should be forwarded to the Staff Secretary with copies to the Chief of Staff and Cabinet Affairs.
- Cabinet Affairs will work with each office to help ensure that all questions are answered promptly.

Thank you for your continued cooperation.

HERMAN, ALEXIS M.
WHITE HOUSE OFFICE

PUBLIC LIAISON

WH

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MAY 13 1996