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Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. schedule	re: Schedule of the President [partial] (5 pages)	03/01/1993	b(7)(E)

COLLECTION:

Clinton Presidential Records
National Service
Eli Segal
OA/Box Number: 1294

FOLDER TITLE:

[3/1/93 New Jersey] [loose]

2013-0661-F

rs2918

RESTRICTION CODES**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
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- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RETURN TO
E.S.

**THE TRIP OF
THE PRESIDENT
TO
NEW JERSEY**

Monday, March 1, 1993

Staff Copy

MONDAY, MARCH 1, 1993

NEW JERSEY

Adult Learning Center

Event Memo	TAB A
National Service Talking Points	TAB B
Backgrounders on:	TAB C
National Service	
Summer of Service	
New Jersey Youth Corps	

Rutgers University

Event Memo	
with Background on the University	TAB D
Speech	TAB E
MTV Event Memo	TAB F

Local Interviews

New Orleans	
Memo and Background Materials	TAB G
North and South Dakota	
Memo and Background Materials	TAB H

Meet and Greet with Local Officials and Supporters

Event Memo	TAB I
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New Jersey Background

Political Background TAB J

Economic Situation TAB K

Impact of Economic Plan TAB L

Local Issues TAB M

**General Questions and Answers
on the Economic Plan** TAB N

Withdrawal/Redaction Marker

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**SCHEDULE OF THE PRESIDENT
FOR
MONDAY, MARCH 1, 1993
FINAL**

NOTE TO STAFF:

7:25 am	Staff going on trip should be assembled at West Lobby, West Executive Avenue
7:40 am	Staff depart from West Executive Avenue en route Andrews Air Force Base
8:20 am	Staff arrive Andrews Air Force Base
8:35 am	All staff must be on board plane

tba **JOG**

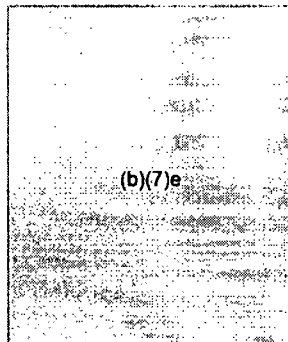
7:40 am tba **RADIO SHOW**
Staff Contact: George Stephanopoulos

8:00 am- **CIA & NSC BRIEFINGS**
8:15 am **OVAL OFFICE**
AGJ, Mack McLarty, Tony Lake, Sandy Berger, Leon Fuerth
Staff Contact: Tony Lake

8:20 am **THE PRESIDENT** proceeds to South Lawn

8:25 am **THE PRESIDENT** meets and greets with public as he proceeds to Marine 1

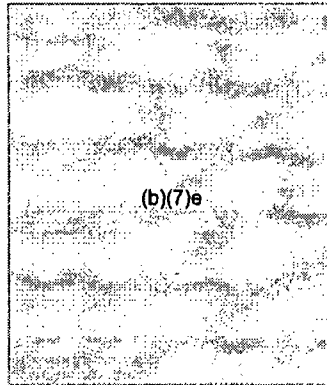
8:40 am **THE PRESIDENT** departs White House via Marine 1 en route Andrews Air Force Base
[flight time: 10 minutes]



8:50 am **THE PRESIDENT** arrives Andrews Air Force Base

9:00 am

THE PRESIDENT departs Andrews Air Force Base via VC-20B plane en route Newark International Airport
[flight time: 1 hour, 10 minutes]
NOTE: speech prep on plane

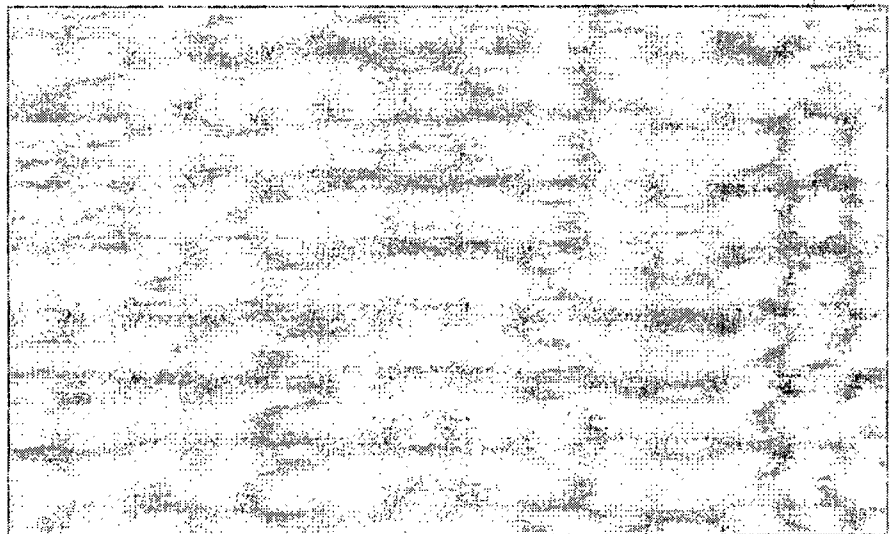


10:10 am

THE PRESIDENT arrives Newark International Airport
greeters: none

10:20 am

THE PRESIDENT departs Newark International Airport en route Adult Learning Center
[drive time: 25 minutes]



10:45 am

THE PRESIDENT arrives Adult Learning Center
greeters: Governor Jim Florio; Senator Bill Bradley; Mayor of New Brunswick James Cahill; Representative Frank Pallone, Jr.

10:50 am

THE PRESIDENT and Eli Segal proceed to Classroom 319 to meet and greet with 100 students who will not be participating in the event

11:05 am

THE PRESIDENT will proceed to Classroom 306 with Eli Segal and Judy Kesin, Principal of the Adult Learning Center and Pauletta Heines, Director of the New Jersey Youth Corps program

**ADULT LEARNING CENTER DISCUSSION
CLASSROOM 306**

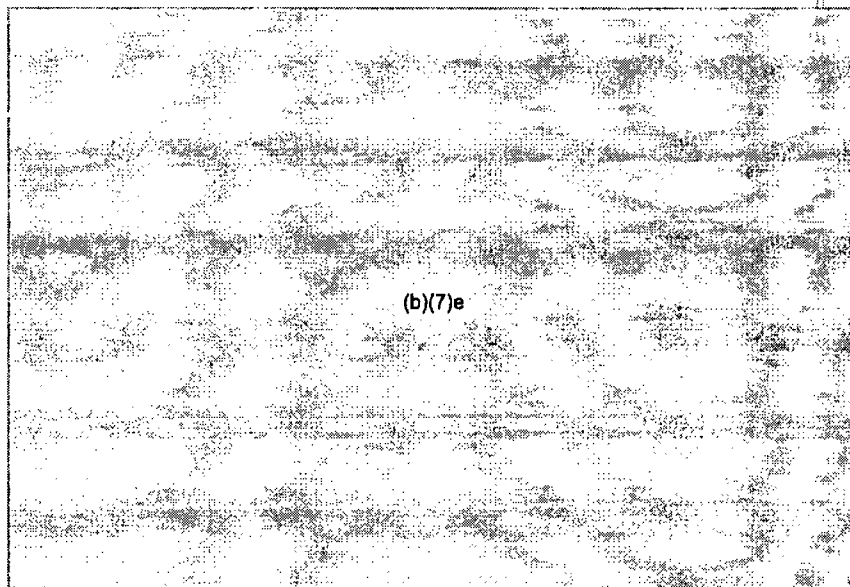
Format: Judy Kesin, Principal of Adult Learning Center, will make one minute opening remarks. A Rutgers student, a NJ Youth Corps member, and an individual who has benefitted from the Adult Learning Center Program will make brief remarks. Judy Kesin will open the event for Q & A discussion.

12:00 pm

THE PRESIDENT proceeds to holding room
(everyone else board motorcade)

12:15 pm

THE PRESIDENT departs Adult Learning Center en route Rutgers University
[drive time: 10 minutes]



12:25 pm

THE PRESIDENT arrives Rutgers University
greeters: Ted Light, Mayor of Pascataway; State Senator John Lynch; Senator Ted Kennedy; Sargent Shriver; Frances Lawrence, President of Rutgers; Ben Barber, Founder of Rutgers Community Service Program; Assemblyman Jerry Green; Assemblyman Bob Smith

12:30 pm	THE PRESIDENT proceeds to Coaches' Office for lunch and speech prep
12:55 pm	OFF STAGE INTRODUCTION THE PRESIDENT proceeds to gymnasium and onstage with Eli Segal, President Lawrence, Senator Bradley, Governor Florio, Representative Pallone, Senator Kennedy, Sargent Shriver, Nakia Tomlinson, Student from Rutgers, other students
1:00 pm	NATIONAL SERVICE ADDRESS format: Pres. Lawrence welcomes (2 min.) Gov. Florio makes remarks (2 min.) Nakia Tomlinson, student from Rutgers, makes remarks (1 minute) and introduces THE PRESIDENT THE PRESIDENT makes remarks OPEN PRESS
1:55 pm	THE PRESIDENT exits stage left and proceeds to work ropeline
2:10 pm	THE PRESIDENT proceeds to Men's Locker Room for makeup and interviews
2:20 pm- 2:45 pm	INTERVIEWS 1) MTV (in Men's Locker Room) 2) Local New Orleans TV stations (in Women's Locker Room) CLOSED PRESS
2:50 pm	THE PRESIDENT proceeds to 3rd floor
2:55 pm- 3:05 pm	RADIO CONFERENCE CALL to North & South Dakota THIRD FLOOR COACHES' OFFICE CLOSED PRESS
3:10 pm- 3:15 pm	MEETING THIRD FLOOR COACHES' OFFICE Clay Constantinou CLOSED PRESS
3:15 pm- 3:45 pm	RECEPTION THIRD FLOOR RECEPTION ROOM format: Gov. Florio will welcome & introduce THE PRESIDENT

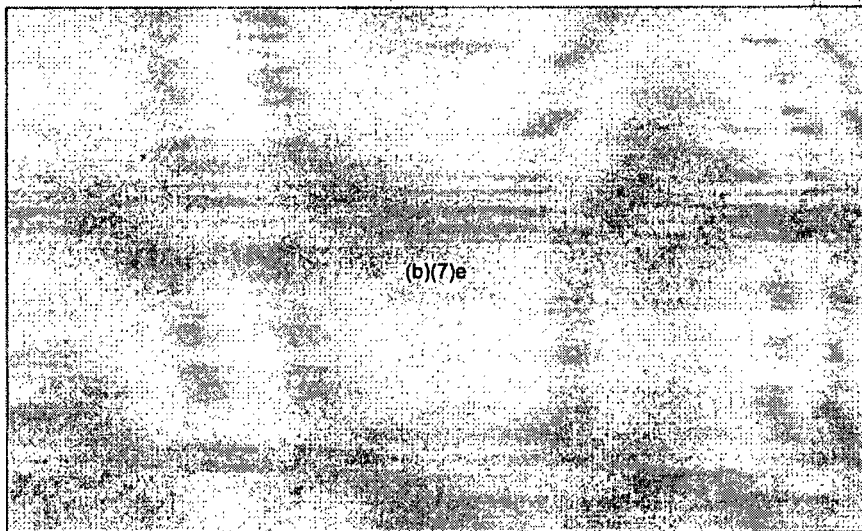
THE PRESIDENT will make brief comments and then meet and greet with approximately 70 local officials and supporters
CLOSED PRESS

3:50 pm

PHOTO-OPS with Chief of Police and 5 other law enforcement officials
THIRD FLOOR HALLWAY

4:00 pm

THE PRESIDENT departs Rutgers University en route for Newark International Airport
[drive time: 30 minutes]



4:30 pm

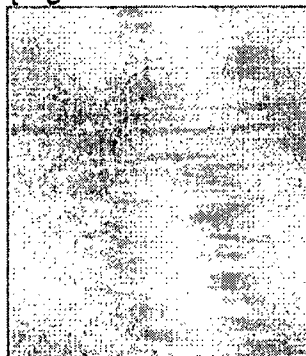
THE PRESIDENT arrives Newark International Airport and proceeds to meet and greet with volunteers, drivers, etc. on tarmac

4:45 pm

THE PRESIDENT boards VC-20B plane

4:55 pm

THE PRESIDENT departs Newark International Airport via VC-20B plane en route Andrews Air Force Base
[flight time: 45 minutes]

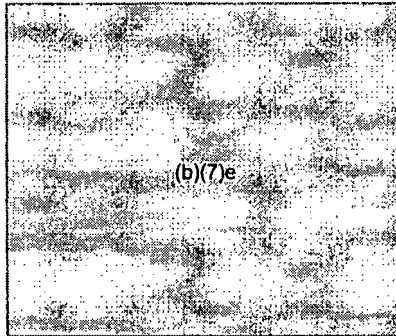


5:40 pm

THE PRESIDENT arrives Andrews Air Force Base

5:50 pm

THE PRESIDENT departs Andrews Air Force Base via
Marine 1 en route White House



6:00 pm

THE PRESIDENT arrives White House

BC AND HRC RON

WHITE HOUSE

THE WHITE HOUSE
WASHINGTON

February 27, 1993

ADULT LEARNING CENTER DISCUSSION

DATE: MARCH 1, 1993
LOCATION: ADULT LEARNING CENTER
TIME: 11:00 am
From: Chris Gallagher

I. PURPOSE

You will be holding a discussion with volunteers and staff from the New Brunswick Adult Learning Center. The purpose of this meeting is for you to interact with the people whose education and service efforts will be affected by your initiative on National Service. Involving both pre- and post college kids, the site is unique in the multiplicity of community service efforts it conducts.

II. BACKGROUND

In 1980 the New Brunswick Board of Education drafted a proposal offering adults in the community the opportunity to earn a standard high school diploma. Judith Kesin was hired to implement the program. It immediately became clear to Judy that the educational needs of area adults greatly exceeded the resources available through the small program. By 1981, state and federal funds were accessed to add programs to the original school and develop new ones at other district schools. In 1984, the first Adult Learning Center opened under a single roof to house the popular programs. In 1988, however, the Center closed and the program nearly died after the state found the facility to be inadequate in meeting building regulations. After much lobbying by participants and staff, the Board of Education made the commitment to support a new center. Today the Adult Learning Center enrolls approximately 800 adults and out-of-school youth. Free day and evening programs provide, in a variety of formats, instruction for Literacy, "Second Chance" High School Diploma Preparation, and English as a Second Language (These programs are described in section III.) The Center's mission is to enable adults and out-of-school youth to acquire the skills and/or credentials necessary to function independently as citizens, parents, workers and consumers.

III. PARTICIPANTS

Governor Jim Florio, Senator Bill Bradley, Representative Frank Pallone, New Brunswick Mayor Jim Cahill, Eli Segal, Judy Kesin, Pauletta Heines.

Student participants will be seated at six round tables representing six different programs offered at the Adult Learning Center. The programs represented at the tables are as follows:

- **Table 1, Adult High School:** Participants earn credit towards a district high school diploma. They must meet state and local graduation requirements as well as minimum standards on the state-wide basic skills assessment. Seated around this table will be four adult high school students, their teacher, and a Rutgers intern who assists the teacher.
- **Table 2, REACH literacy Program:** This program is designed to serve AFDC clients who are referred through REACH (the state's welfare reform program) and JTPA. This remedial program helps clients develop the skills needed for entry into job-training programs. Career counseling is provided for participants. Seated around the table will be adult students on welfare, a teacher, and two Rutgers interns who assist the teacher.
- **Table 3, English as a Second Language (ESL):** This English literacy program serves foreign born students who cannot afford private classes. The program begins with a skills-assessment class and progresses through three levels of ESL classes. Seated around the table will be a diverse group of ESL students of different skill levels, the teacher, and a Rutgers intern.
- **Table 4, New Jersey Youth Corps:** This "second chance" program for young people who have dropped out of school (ages 16-25) combines diploma preparation, community service work experience, work maturity training, personal and career counseling and placement services. Youth Corps graduates have gone on to college, entered job training and obtained full-time employment after participation. Four Corps members, a Corps GED teacher, and a Rutgers intern will be at the table. **Additional details on NJ Youth Corps attached.**
- **Table 5, Mentoring in the Community (Big Sister/Little Sister):** "Mentoring in the Community" is a "Service Learning" course at Rutgers designed to examine and nurture mentoring relationships between young women. In addition to a reading list, Rutgers students become "Big Sisters" to local girls through the Big Sister/Little Sister program at Adult Learning Center. At this table will be both "big" and "little" sisters.

- **Table 6, Artists in Society:** This is another Rutgers class that works in conjunction with the Adult Learning Center. Part of the class includes Rutgers students teaching dance to local kids through the "Art Matters" program at the ALC. Seated at the table will be both Rutgers students from the "Artist in Society" class and the local kids who these students teach through "Art Matters."

Important: Three participants in particular have prepared to share with you their experience at the Adult Learning Center. One will be Daniel Marshall, a New Jersey Youth Corps member. Another will be Betty Shockley, an adult student from the REACH literacy program. And the third will be a Rutgers student, David McNight, who interns at the center. Their backgrounds are attached.

IV. PRESS PLAN

Expanded Pool plus the New Jersey Pool.

V. SEQUENCE OF EVENTS

- * Upon arrival you will be greeted by Gov. Florio, Senator Bradley, Rep. Frank Pallone, and Mayor of New Brunswick Jim Cahill. After the greeting you will proceed to classroom #319 and the greeters will proceed to #306 to get in place for the event. In classroom #319 you will meet and greet (5-10 minutes) with 100 students who will not be participating in the event. This will be very informal, it will be closed to the press and no sound will be provided.
- * After the meet and greet you will proceed to classroom #306 with Judy Kesin, Principal of the Adult Learning Center and Pauletta Heines, Director of the New Jersey Youth Corps program at the Adult Learning Center. You will have on a lavalier microphone. There will be 6 tables of students, you should briefly meet and greet at each table and then take your seat. Judy will make one minute remarks to open and inform everyone about the program. Next there will be brief remarks from David McNight, a Rutgers student; Daniel Marshall, a New Jersey Youth Corps member; and Betty Shockley an adult student in the REACH literacy program. Judy will then open the event for a free flowing discussion. You should not only take questions from the students, but also ask them questions about the program. At the appropriate time, Judy will close the program. At this time you should invite everyone to come to the Rutgers speech.

- * You will proceed to your holding room for a few minutes to allow everyone to board the motorcade. You and Eli Segal will then board the bus and ride with the Adult Learning Center students to Rutgers. There will be a camera crew and a still photographer riding the bus.

VI. REMARKS

Backgrounders on your National Service and "Summer of Service" initiatives, and general talking points are attached.

**BACKGROUNDS ON THREE YOUNG PEOPLE
GIVING TESTIMONIALS AT
ADULT LEARNING CENTER**

Betty Schockley

Betty is a 32 year old Afro-American mother of three who has returned to school to improve her reading and math skills so she will be able to "get off welfare."

Danyelle Marshall

Danyelle is an 18 year old Afro-American mother completing requirements for the GED. Her community service worksite is in the escort service at Robert Wood Johnson University Hospital.

David McNight

A young man of African-American ancestry, David grew up in an economically disadvantaged setting in Trenton. His devotion to community service began in high school, and is motivated by a desire to give back to communities, especially to the children of economically disadvantaged backgrounds. He is a junior, majoring in sociology and a resident of the Community Service House. He has been working with young people at the Adult Learning Center, first as a math tutor and mentor to young men and women seeking to complete secondary school, then (along with Kenny Greenblatt as a mentor/facilitator/resource in the Youth corps service-learning pilot educational program. He was recently selected as one of two Rutgers University Holland Fellows, named after former Trenton mayor Arthur Holland, a man himself devoted to community service.

NATIONAL SERVICE GENERAL TALKING POINTS

National Service as an American Ethic:

- * Americans have a new sense of determination. They're saying: We want our country back. And they're doing something about it. That's what national service is all about.
- * We're getting back to what's best about America and what's best in ourselves -- a sense that we are all in this together, and a government that helps individuals help our country.
- * I believe deeply in service, and I'm going to use the resources at my disposal to support it. But those resources are nothing compared to the resourcefulness of the American people.
- * So today, as our entire administration honors service, we are challenging you to lift up yourselves and lift up your country through service.

The National Service Initiative:

- * Service is an investment in our future -- and here's the return:
 - We'll rebuild our communities
 - We'll send thousands of Americans to college
 - We'll lift our country up and bring our people together.
- * Here's how we will make sure that government does its part and helps people serve. The program has two main components:
 - The first part will create thousands of new opportunities for young people to pay for college by serving our country -- fighting crime, teaching young people, helping immunize children, or cleaning up pollution and waste.
 - The second part will enable young people to pay off their loans as a small percentage of their income over time. "Income-contingent loan repayment" will help young people take low-paying public service jobs.

The Summer of Service

- * Because I don't want service to wait, I'm going to make this summer a Summer of Service -- eight intense weeks for at least 1,000 young leaders from all backgrounds. They'll serve by getting children at risk ready for school -- with tutoring, so they've got better skills; with mentoring, so they want to stay out of gangs and in class; and with immunizations and lead poisoning detection, so kids aren't sick. (More details about the Summer of Service are separately provided herewith.)

BACKGROUNDER ON NATIONAL SERVICE INITIATIVE

Two parts. The legislation -- to be introduced soon -- has two parts: an income-contingent repayment option and a service-for-college benefits option. (Note: The remainder of this backgrounder concerns the latter.)

Funding. \$7.4 billion appropriated over the next four years -- \$3.4 billion in FY 97, \$400 million in FY 94.

Number of Participants. More than 25,000 in FY 94 and more than 100,000 by 1997. Many more Americans will serve because of the income-contingent repayment option.

Eligibility and benefits. Students before, during and after college will be eligible to serve for a year or two, and in return get a small stipend, health and child care benefits where necessary, and a benefit to pay for college or job training.

Activities. The program aims to meet unmet needs in critical areas selected at the national level.

Administration. The program will be non-bureaucratic, using venture capital to support entrepreneurs and public-private partnerships to support growing programs. States and local organizations will be given the opportunity to design innovative ways to meet identified national priorities.

Nondisplacement. The legislation will include strict nondisplacement and nonduplication provisions.

For your information but not yet vetted with Congress:

Benefit Level. \$5000 per year before college, the lower of \$10,000 or the student's debt after college.

Administration. The legislation will probably establish a new national service agency, consolidating the programs of the Commission on National and Community Service and ACTION. The agency would then be responsible for selecting the priorities to be met by local service programs.

Professional Corps. The Teacher Corps and Police Corps will have benefits and administrative structures different from other programs. They may be funded through the national service agency.

Funding formula. Tentatively set at one-fourth to states by formula (for their allocation); one-fourth to states competitively; one-fourth directly to service organizations; and up to one-fourth to federal agencies for service programs.

BACKGROUNDER ON SUMMER OF SERVICE

Overview. In a limited number of communities around the country, the Summer of Service will involve a diverse group of more than 1,000 young people in a leadership training program and special efforts to help children at risk.

Funding. The program will be funded with a portion of a \$15 million appropriation in the FY 93 stimulus package. (There is additional challenge-grant funding for service corps; for expanding teacher training in service learning; and for re-establishing VISTA's Summer Associates program are also included in the package.)

Goals. The program has two major goals: To show what national service can accomplish, meeting critical needs and bringing people together; and to develop a leadership corps for future years of national service.

Targeted needs. The programs in the Summer of Service aim to help children-at-risk in the areas of education, health, crime prevention, and environmental protection. Some participants will tutor; some will help bring families into medical clinics; some will develop recreational centers; some will counsel youths to keep them out of gangs.

Leadership training. The entire summer will be designed to develop the leadership skills of participants. For several days at the beginning and end of the summer, the young people will gather to share their experiences and complete intensive leadership training.

Post-program. All participants who are interested in continuing to serve through the next year will receive placement assistance. Selected participants with plans to design programs will receive modest Service Entrepreneurial Awards for Change (SEA Change).

Administration. The Commission on National and Community Service will administer a competitive process to determine what programs participate. Then, with Commission guidance, programs that are selected will choose participants and staff and run the summer program.

Compensation. Participants will receive a minimum wage stipend and \$1,000 post-service benefit.

ADDITIONAL INFORMATION ON THE NEW JERSEY YOUTH CORP

Program Description

The New Jersey Youth Corps of Middlesex County was one of the nine pilot Youth Corps projects. The program was originally funded in Fiscal Year 1986 as a consortium of five agencies and institutions in Middlesex County. As a result of the unwieldy logistics of multiple agency involvement, the second year program sponsorship was whittled down to the solid partnership of the New Brunswick Board of Education's Adult Learning Center and the University of Medicine and Dentistry of New Jersey, New Jersey's University of New Jersey, New Jersey's University of the Health Sciences- Community Mental Health Center at Piscataway; Office of Prevention Services.

The program, now in it's eighth year, has continued and flourished under this unique partnership, tapping the rich and varied resources and strengths of both entities. The New Jersey Youth Corps of Middlesex County is housed in the Adult Learning Center with staff form both the University and the Board of Education.

Youth Corpsmembers are enrolled on a monthly basis in groups of 10 - 15 per cycle and participate an average of seven monthly. The first month features as array of activities designed to address attitudinal barriers to success and to promote positive group affiliation while beginning the basic skills development. Intensive training in job readiness and job survival prepares students for the paid community service work experience phase which begins in the second month. Corpsmembers are placed at a variety of local non-profit agencies/institutions where they work on special projects which have been identified as those which would not ordinarily be attended to by regular agency employees. Ten agencies including Robert Wood Johnson University Hospital, Crossroads Theater, City of New Brunswick and the local police Athletic League have served as worksites. Some participants work with the program's Crew Leader on special construction projects. Corpsmembers constructed a shelter for the municipal recycling program. Several times each year, corpsmenbers from 11 New Jersey Youth Corps programs gather to cooperate on special projects of civic concern. These corpsmembers were involved in a massive conservation effort on Earth Day, in which they planted seedlings in Lebanon State Forest. Corpsmembers and staff who are working in a new full-time component funded by a grant from the Commission on National and Community service, will travel to Miami, Florida to participate in a rebuilding effort after the destruction of Hurricane Andrew.

Attending school is an important part of the program and Youth Corpsmembers must attend three hours a day at the Adult Learning Center, where the program is housed, in order to receive a stipend for living expenses for the hours in which they work. Instruction combines both individualized and group modes in order to best meet the varying needs and learning styles of corpsmembers. Basic skills development is generally geared to preparing corpsmembers for the state's GED test leading to the New Jersey High School Diploma. Corpsmembers who have acquired a sizeable number of high school credits may work with the Adult High School, which is also located in the Center, in order to complete state and local requirements for the New Brunswick High School Diploma. Computer-assisted instruction, entrepreneurship education and other practical life skills activities add additional interest and relevance to the curriculum.

A comprehensive counseling component addresses attitudinal and other socio-personal barriers to success. Group and individual counseling are provided to all corpsmembers along with outreach services, crisis intervention and family counseling when necessary. Field intervention and family counseling when necessary. Field trips, cultural activities and personal development workshops are aimed at enhancing the participants' life and coping skills. Career exploration and placement service assist corpsmembers in developing realistic goals and in following through with post program opportunities to enter college, job training or to obtain a full-time job. Transportation and assistance with child care through JTPA are additional support services of the program.

THE WHITE HOUSE

WASHINGTON

February 27, 1993

NATIONAL SERVICE ADDRESS AT RUTGERS UNIVERSITY

DATE:	March 1, 1993
LOCATION:	Rutgers University
TIME:	1:00 PM EST
FROM:	Chris Gallagher

I. PURPOSE

You are going to Rutgers thirty-two years to the day after President Kennedy established the Peace Corps. In his spirit, you will issue a challenge to young people to take responsibility for our future, and you will "make news" by outlining your vision of national service. The long-term vision mentions income-contingent lending and stresses service placements for college aid. The short-term plan is for the "summer of service" for young people to target the needs of at-risk youth. Rutgers was selected because it has one of the best and most celebrated college service programs in the country.

(NOTE: Other Administration principals doing national service hits on Monday include The Vice President at the Wisconsin Conservation Corps; Mrs. Gore at a homeless shelter in Richmond; and Secretaries Babbitt (North Carolina), Reich (Boston), Secretaries Shalala and Espy will participate in the DC-area.)

II. BACKGROUND

Rutgers University: Rutgers University was chartered as Queens College in 1766 to "promote learning for the benefit of the community." Since that time -- it became Rutgers College in the Nineteenth Century and the State University of New Jersey in 1945 -- it has remained committed to a form of liberal learning in which citizenship and community responsibility play a key role. Rutgers now enrolls more than 47,000 students on its campuses in Camden, Newark, and New Brunswick. The university comprises 26 degree-granting divisions: twelve undergraduate colleges, eleven graduate schools, and three schools offering both undergraduate and graduate degrees. Minority students constitute 27% of the student enrollment.

Service at Rutgers: Former President Edward J. Bloustein, in his 1988 commencement address proposed "making community service to others a requirement of the undergraduate liberal arts degree." As a result of President Bloustein's initiative, The Committee on Education for Civic Leadership (CECL), chaired by Walt Whitman Professor of Political Science Benjamin Barber, launched an ambitious program to explore ways that it might educate students in the "civic arts" by linking a classroom-based curriculum with community service activity. The university program, currently in its fourth year, now comprises over fifteen courses on all three campuses in which students combine the study of social issues with community service. At the end of the Spring Semester, 1993, over 800 students will have participated in the CECL pilot courses, contributing over 60,000 hours of community service in New Brunswick, Camden, and Newark.

Collaboration with New Jersey: In addition to the work on the Rutgers campuses, the CECL and the Walt Whitman Center are collaborating with the State of New Jersey in its comprehensive community service plan. The state's efforts are highlighted by the New Jersey Academy for Community Service and Service-Learning, which provides training, curricular development, dissemination, and evaluation to all community service programs across the state; K-12, Youth Corps, and higher education. One of two states to receive funding under all four parts of the National and Community Service Act, New Jersey will be launching its innovative Urban Schools Service Corps, a program sending full- and part-time youth and adults into 15 urban schools across the state to assist with teaching, after-school activities, school-based site management, and parental participation in the schools.

(NOTE: There have been student uprisings and demonstrations at Rutgers for approximately four years. Recently, four members of the lead protesting group CARE -- Campaign for an Affordable Rutgers Education -- have been suspended from Rutgers for violating the university's code of conduct. There has been a 26% increase of tuition at Rutgers over the last four years. The reason for the increase has been explained as New Jersey's low priority in funding Higher Education.)

III. PARTICIPANTS

On stage: Governor Jim Florio; Senator Edward Kennedy; Eli Segal; Sargent Shriver, Original Director of the Peace Corps; Senator Bill Bradley; Rep. Frank Pallone; Francis

Lawrence, President of Rutgers University; and Nakia Tomlinson, Student from Rutgers, and other students.

Special Guests (seated in the VIP section):

See Reception Briefing for list of Special Guests.

IV. PRESS PLAN

Open press.

V. SEQUENCE OF EVENTS

- * Upon arrival at Rutgers you will be greeted by Sen. Ted Kennedy; Sargent Shriver; Francis Lawrence, President of Rutgers; Benjamin Barber- Director of the Rutgers Citizen Education and Community Service Program; State Sen. John Lynch, Mayor Ted Light of Piscataway, Assemblymen Jerry Green and Bob Smith.
- * Proceed to hold in Coach's Office, 3rd floor. At this time you may eat lunch, speech prep, etc.
- * Off state introduction, you will proceed to the gymnasium and onto the stage with Eli Segal, President Lawrence, Senator Bradley, Gov. Florio, Rep. Pallone, Sen. Kennedy, Sargent Shriver, Nakia Tomlinson, Student from Rutgers, and other students. The students will be seated behind you on bleachers and the others will be seated on stage off to the side.
- * Program - President Lawrence will give opening remarks (2 min.), Gov. Jim Florio will make brief remarks (2 min.), Nakia Tomlinson will make brief remarks (1 min.) and introduce you. You will then give your address on National Service. After your address you will exit stage left and work a ropeline for about 15 minutes. After you finish the ropeline proceed to the Men's locker room for make-up and interviews.
- * After your interviews you will have a five minute private meeting with Clay Constantinou. Originally, Clay had a meeting scheduled with you on February 15, at the White House but it was cancelled at the last moment because of a scheduling conflict.

VI. REMARKS

Speech attached. (NOTE: Nakia Tomlinson will introduce you. Her biography is attached. Also attached are biographies of three people who you will refer to in

your speech: Stephen Spaloss, Orah Fireman, and Antoinette Jackson).

Important: Special acknowledgements would be in order for Eli Segal and the four people associated with President Kennedy and/or the Peace Corps: Sen. Edward Kennedy, Sargent Shriver, Harris Wofford (original Deputy Director) and Chris Dodd (Peace Corps volunteer, Dominican Republic).

People you mention in the speech:

(These are young people from across the nation who are doing outstanding service work.)

Stephen Spalos (He gave you his City Year sweatshirt off of his back when you visited the City Year program in Boston during the primaries).

Background: Multi-racial, 23 yrs. old, is a team leader in the City Year youth corp program in Boston.

Stephen grew up in a tough neighborhood in Nashua, NH. He was involved in gangs and drugs and eventually got in trouble with the law. He enrolled in the City Year program because "he wanted someone to give him the tools he needed to start over".

Service Experience: Stephen is a team leader responsible for serving as a mentor, tutor, and big brother for 8 young corps members. The team he leads is restoring senior citizen's homes in Chelsea, MA.

Phone: (617)-230-0405

Orah Fireman

Background: White, 22 yrs. old, grew up in middle class family in New York City, graduated from Wesleyan University, is now full-time teacher in school for "at risk" children in Boston.

Service Experience: Orah began working with children "at risk" at the Ramapo Anchorage camp in Rhinebeck, N.Y. when she was 16 yrs. old. She continued through college, became Head Counselor of the camp, and is now a full-time teacher at a school for "at risk" children in Boston.

Phone: (212)-316-1728

Antoinette Jackson

(From Gould, Arkansas, Antoinette is a member of the Delta Service Corp under the supervision of Billy Anne Meyers)

Background: African-american, 17 yrs. old, high school senior. Plans to attend Philander Smith college next fall.

Service Experience: As a Delta Corpsmember, Antoinette is Site Director for the "Lend-a-Hand" program's "Clothes Closet". This program provides clothing, food, and other essentials to senior citizens and families in need in the community.

Phone: (501)-263-4529

(questions: contact Kate Frucher x6444)

Introducing the President:

Nakia Tomlinson: Freshman, Rutgers University
(She will be participating at the Adult Learning Center event)

Background: 18 yrs. old, african-american, from Laurel Md. She is a freshman at Rutgers majoring in dance.

Service Experience:

* Laurel Public High School - President of the **"Interact" club** which involved high school students twice a week in various sorts of service work (Students visited senior citizen homes, wrote letters to soldiers in Operation Desert Storm, for example). Nakia also coached the cheerleading squad.

* After high school - worked as a counselor at the **"Partners in Education"** summer program working with low to middle income elementary school kids as tutors, mentors, big brothers and big sisters.

* At Rutgers - works at the Paul Robeson center with 30 underprivileged elementary school kids in a program called **"art matters"** which teaches basic music and dance performance skills. (The program is part of the Rutgers University service-learning initiative which requires students to complement their studies with hands-on service experience).

Nakia says that she got involved in service work because "I know I have something to offer people, ...especially young african-american kids who don't think that it is possible for them to become college students or dancers or important people. I have a responsibility to them. I have been fortunate. When they see that I am trying to make it and that I am even getting somewhere, they begin to think that maybe they can too."

(questions: contact Kate Frucher x6444)

2/28/93
6:30 pm

--Draft--

ADDRESS OF PRESIDENT WILLIAM JEFFERSON CLINTON
RUTGERS UNIVERSITY
MARCH 1, 1993

[Acknowledgments]

I am here to ask you to join me at the beginning of a great adventure. In the next few weeks, I will ask Congress to create a new system of voluntary national service. In the next few years, I believe this program will change America.

Today, I ask you to become part of a noble tradition, of Americans serving their communities and our country.

My parents' generation won new dignity, working their way out of the Great Depression. Brave men and women in my own generation waged and won peaceful revolutions in civil rights and human rights.

Now, Americans of every generation face the challenge of meeting needs that have been neglected for too long. From city streets plagued by crime and drugs, to classrooms where girls and boys must learn the skills they'll need tomorrow, to hospital wards where patients languish for want of care, our problems demand action.

For those who answer the call -- and meet these challenges -- your country must honor your service and offer new opportunities for education and training. For, at our best, America offers opportunity, rewards responsibility, and builds community.

My challenge is for everyone who is young in years -- or young in spirit. It is a challenge for Americans from every background and every walk of life. It is a challenge that builds upon the best traditions of a nation filled with youthful energy, and restless, questing spirit.

Service has value that goes beyond money; it is the American way to change America.

The concept of community -- and the spirit of service -- are as old as our history. Especially at moments of change and challenge, Americans have found new ways to honor service, encourage individual responsibility, and solve our most pressing problems.

It began the moment America was invented. "With faith in divine Providence," Thomas Jefferson wrote in the Declaration of Independence, "we mutually pledge to each other our lives, our fortunes and our sacred honor."

In the midst of the Civil War, President Lincoln signed into law two visionary programs that helped America come together again and grow stronger than ever.

The Morrill Act helped the states create new "land-grant" colleges where young people learned the skills to make American agriculture and industry the best in the world. Its legacy is not only our great state colleges and universities like Rutgers but the American tradition that merit -- and not money -- should give people the chance for higher education.

The Homestead Act offered 100 acres of land for families who had the courage to settle the frontier and farm the wilderness. Its legacy is a nation that stretches from coast to coast.

Seven decades later, in the midst of the Great Depression, President Roosevelt created the Civilian Conservation Corps, which gave two-and-a-half million young people the opportunity to support themselves while working in disaster relief and maintaining forests, beaches, rivers, and parks. Its legacy is not only the restoration of our natural environment but the restoration of our national spirit.

In the midst of World War II, President Roosevelt proposed the GI Bill of Rights which offered returning veterans the opportunity to buy a home, a farm, or a business -- and, even more importantly, for education or job training. Thanks to the GI Bill, which became a living reality in President Truman's time, more than eight million veterans got advanced education. Half a century later the legacy of the GI Bill is the great American middle class.

And for many in my own generation, the summons to citizenship and service came 32 years ago today, when President Kennedy created the Peace Corps, with Sargent Shriver and Harris Wofford, and enabled thousands of young Americans to serve on the leading edge of the New Frontier.

Even at its height, the Peace Corps enrolled only 16,000 men and women. But its legacy is not only good will and good works in countries all across the globe, but a profound and lasting change in the way Americans think about their country and the world.

Truly, the lesson of our history is that honoring service and rewarding responsibility is the best investment America can make. And today I ask Americans to join me in making that investment, not only with our dollars but with our deeds.

Of all the investments in my economic plan, none is more important than national service. It invests in our most precious resource: the spirit and the skills of our people. And it recognizes a simple but powerful truth: that we will make progress not by government working alone, but by the people and their government working together.

My economic plan offers new opportunities for education and training, but you must seize those opportunities and make the most of them. My plan can offer every child the chance for a healthy start and a Head Start, but parents must raise their children right. And my plan can rebuild the physical structure of our communities -- from our roads and highways to our subways and city halls -- but Americans must also restore the social fabric of our communities, so that we can work together in our factories and offices and schools.

My plan summons tremendous resources to tackle our problems. But even greater than these resources is the resourcefulness of the American people. Whenever Americans have been offered the opportunity, they have eagerly accepted the responsibility to improve their own lives and contribute something to their country. This is why national service is so important.

Our national service program will be built on the same principles as the old GI Bill. It will challenge our people to serve our country and do the work that should -- and must -- be done. It will invest in the future of every man and woman who contributes to their community and their country. And while we rekindle the spirit of national service, we should reform our system of student loans.

We will make it easier for young people to pay back their student loans, enabling them to hold public service jobs that accomplish much but pay relatively little. Under our program, Americans will be able to borrow the money they need for college -- and pay it back as a small percentage of their income over time.

We'll give graduates the chance to repay their loans on an affordable, sensible schedule, based on how much money you earn each year. This will give you the chance to do the work our communities really need -- and still pay off your loans.

The status quo is unacceptable. The system is too complicated and too expensive. Bankers and middlemen siphon off too much. Taxpayers are left holding the bag for billions in defaults every year. And high monthly bills that arrive after graduation discourage young people from choosing the path of service.

Beginning tomorrow, Washington, D.C., will be swarming with lobbyists representing the banks. Even before our national service legislation is presented to the House and Senate, they'll try to tell the Senators and Representatives that the status quo on student loans is the best we can do.

It's time to put the national interest first for a change. Let's help the millions of students this system was built to benefit -- not the favored few who profit from it now. You and I know that America can do better.

Our national service program will create new opportunities for Americans to serve our country for a year or two -- and get financial support for education or training in return.

No matter where you stand on life's journey -- and no matter what path you are pursuing -- we will offer you the opportunity to serve. We'll ask you to serve in our schools -- not only as teachers but as tutors in reading and mathematics.

We'll ask you to help our police forces across the nation. We'll train members for a new Police Corps that will walk beats and work with neighborhoods to fight back against the crime wave that terrorizes our people and tears apart our communities.

We will ask you to help control pollution and recycle waste, to make sure that you pass on to your children a country that is clean and safe for generations to come.

And these are just a few of the opportunities we will offer.

I have often spoken about "reinventing government." And I want national service to empower communities, not enlarge bureaucracies. Observers from Alexis de Tocqueville to those in our own time have marveled at the vibrant and diverse civic life we have built here in America -- our houses of worship, our community associations, and our business, professional, labor, and ethnic organizations.

All across America, people are serving their neighbors and their neighborhoods.

This morning, I was inspired to see and speak with students from Rutgers who are serving their community, from mentoring young people as "big sisters" to helping older people learn new skills.

I am impressed by the spirit behind the Rutgers Civic Education and Community Service Program. You understand that community service enriches the educational experience: that students should not only take the lessons they learn in class out into the community, but bring the lessons they learn in community

service back into the classroom. In that spirit, during this academic year alone, more than 800 students from Rutgers are contributing more than 60,000 hours of community service, at your campus here in New Brunswick and in Camden and Newark.

And this morning, I also met members of the New Jersey Youth Corps, who serve in their communities while completing their high school degrees. Through this program, more than 6,500 young adults contribute more than 900,000 hours of service to the state.

Here in New Brunswick, these young people paint senior citizens' homes and tutor and mentor children in after-school programs. For the future of this state and this country, we need more young people like those in the New Jersey Youth Corps, who exemplify the spirit of service. Here in New Brunswick, and all across America, that spirit is moving Americans to make wonderful contributions to their communities.

The spirit of service moves Antoinette Jackson, a high school senior from the community of Gauld in my home state. As a volunteer with the Mississippi Delta Corporation, she works with the "lend-a-hand" program which runs a thrift shop that provides hungry and homeless people with food and clothing. And, in return for her service, the Delta Corporation is going to help her attend college, so that she can get the education to make an even greater contribution to our country.

The spirit of service moves Stephen Spalos, who works with the City Year program in Boston. At age 23, he's had some hard times in his life, but, as he puts it, City Year gave him "a place and the tools to be able to start over." He works as a team leader -- a mentor, a tutor, and a project manager -- for a team of young people restoring senior citizens' homes.

And the spirit of service moves Orah Fireman, a graduate of Wesleyan College. As a sophomore in high school, she worked with disadvantaged children at Camp Ramapo. That experience changed her life, and, during her high school and college years, she continued working with children. Now that she's graduated from college, she's working at a school for emotionally disturbed children in Boston. And she would like other young people to have the opportunity to serve, for, as she writes: "Service work teaches responsibility and compassion. It fights alienation by proving to young people that they can make a difference in their community. There is no lesson more important than that."

There are stories like these all across America. And our national service program is going to build on what people are already doing. We'll work with groups with proven track records serving their communities, giving them the support they need to grow. And we'll let people with good ideas -- "entrepreneurs," if

you will, -- compete for the venture capital they need to develop new programs to serve their neighbors.

That is why we want the national service program to keep growing every year, rewarding results and building on proven success. And I don't want service to wait, while people's potential is wasted.

That is why I want to make this summer a summer of service, when young people can not only serve their communities but build a solid foundation for a new national effort.

I am asking Congress to invest in -- and I am asking young people to participate in -- a special effort in national service and leadership training. We'll recruit more than 1,000 young people, from every background, and from high school dropouts to college graduates. We'll send them to an intensive leadership training "boot camp" at the beginning of the summer.

Then, we'll ask them to work on one of our country's most urgent problems: helping children who are in danger of losing their God-given potential.

Some of the participants will tutor. Some will work on programs to immunize young girls and boys against childhood diseases. Some will help develop and run recreational centers, or reclaim urban parks from the dealers and the debris. Some will counsel people a few years younger than themselves to keep them out of gangs. And every participant will learn about serving our country and helping ourselves.

At the end of this summer of service, we will bring all the participants together for several days of debriefing and training. Then, the participants will join in a Youth Service Summit. I will attend that meeting, and I plan to listen even longer than I speak. And I will ask leaders from Congress, and from the business, labor, religious, and education communities to attend that Youth Service Summit with me.

We'll give those who serve the honor they deserve, and learn a lot about how to build a national service program. And, from the thousand pioneers of this summer, I want the national service program to grow one hundred-fold within four years.

Even when hundreds of thousands are serving, I want to maintain the pioneer spirit of these first months. Because national service will make America new again.

National service can help solve our problems, educate our people, and reknit our communities. If you want to answer the challenge, please let me know. Drop me a card -- and mark it "National Service." Let me know that you want to serve.

Then, when the programs for the Summer of Service have been selected, we will give you information about the effort closest to you. While I cannot guarantee that you will be chosen, I do assure you that you will be considered. Together, we can make sure that the Summer of Service this year will grow into many more seasons of service for others who follow their example and answer the call.

My message today is that you shouldn't wait -- and our country cannot wait -- for a summer or for a program. We need to begin right now.

Today is Monday. By Friday, think about what you can do to be an agent of renewal. Talk to your teachers, your parents, your clergy, and your friends. Join the effort to renew our communities and rebuild our country. And write me about what you are doing.

It is time for millions of you to change our country -- block by block, neighborhood by neighborhood. It is time to return to our roots -- in excitement, in idealism, and in youth.

There are some among us -- your elders and your peers -- who believe that young Americans will no longer answer a call to action. They say young people measure their success merely in the accumulation of material things. They maintain that a summons to service will go unanswered.

I maintain: They are wrong. And I ask you to prove that what they are saying about your generation is wrong.

But my message today is not only for the young people who are here with me, but for Americans of every age, everywhere. Whether you are a ten-year-old in a service program in our schools who reads to younger children, or a seventy-two-year-old who has become a foster grandparent, you can contribute to your community and your country.

In serving others, you will find the best in yourself. And you will learn lessons about your own life, about other people, and about the meaning of our democracy.

You will learn that each of us has the spark of potential to accomplish something for ourselves and contribute something to others. You will experience the satisfaction of making a connection with someone you may think is very different from you, only to learn you have more in common than you thought. You will learn that the joy of mastering a new skill or discovering a new insight is equaled and exceeded only by the joy of helping another person experience that excitement.

You will know the satisfaction of being valued not for what you own or even for what you earn, but for what you have contributed to others. You will understand the wisdom in the words of the Rev. Martin Luther King, Jr.: "Everybody can be great. Because everybody can serve."

More than in any classroom or from any book, you will learn the meaning of America at its best. For we are not just another country, but a special kind of community, linked by a web of rights and responsibilities, and bound together not by bloodlines but by beliefs. When we serve others, we honor our heritage, exercise our responsibilities, and act on our beliefs.

Today, I ask you, not just to commit yourselves to seasons of service, but to become Americans in the best sense of the word. I am confident that your generation of Americans -- and every generation of Americans -- will answer the call.

THE WHITE HOUSE
WASHINGTON

February 27, 1993

MTV INTERVIEW

DATE: March 1, 1993
LOCATION: Rutgers Athletic Center
Holding Room
TIME: 2 PM (approx., after speech)
FROM: Ethan Zindler

I. PURPOSE

You should use this interview to reiterate the message of the speech directly through the one medium which reaches more young people than any other - MTV. This is a perfect opportunity for you to repeat your speech's challenge to young people to play leading roles in solving the problems facing their communities.

II. BACKGROUND

You have been interviewed one-on-one by MTV's Tabitha Soren twice before: at the Meadowlands in New Jersey last November and on the bus in Georgia last September. You also appeared with her on MTV's "Choose or Lose Town Hall" in Los Angeles last May.

Those appearances, along with others aimed at young people, solidified your base of support among 18-24 year olds and helped boost turnout among this previously low-turnout group. It is estimated that young voter turnout increased by 10 percent in 1992, with about two million more young people voting than in 1988. You won the large majority of these "first timers".

The success of the national service initiative will depend largely on how well young people can be motivated to get involved. They must view service as more than a way to pay for college.

III. PARTICIPANTS

1. Reporter Tabitha Soren
2. Producer Dave Sirulnick, MTV News Director
3. Two camera people and two sound tech people.

IV. PRESS PLAN

MTV is putting together a half hour special called "Bill Clinton: Your Future, His Plan" which will air at 11 PM on Monday night, noon and 10 PM on Tuesday, and several more times throughout the week. The program will consist of background on and comparisons

to the genesis of the Peace Corps, soundbites from your speech at Rutgers, and virtually all of this interview.

Tabitha Soren is now also an occasional correspondent for NBC's Today Show and will report on her discussion with you during an in-studio appearance with Katie Couric on Tuesday morning. Portions of the interview will be aired then, as well.

A staff photographer will take pictures of you before and during the interview for possible distribution to college newspapers.

V. SEQUENCE OF EVENTS

- MTV will set up their cameras in a holding room at the Rutgers Athletic Center while you are giving your speech.
- You will be interviewed immediately following the close of your speech for ten minutes.

VI. REMARKS

It is expected that Tabitha Soren's questions will be a bit tougher this time than during your previous interviews. There are a couple reasons for this: first, MTV News is feeling defensive about accusations that they were flacks for the Clinton campaign; and second, Tabitha, aware of the fact that she is looked down upon (and probably envied by) the national press corps, is currently being profiled by Betsey Kolbert of the New York Times who will be watching the interview from MTV's control room.

As a result of this interview and your speech, we would like young people to demonstrate that they think service is vital for the country, that they support your plan for national service, and that they want to serve. Accordingly, you should echo your Rutgers challenge that they write you, saying they are ready to serve. We'll use the statistics about the response received as part of our legislative strategy. We'll also be sending each respondent information about one of the Summer of Service programs closest to them. Specifically, give the following address:

**The White House -- National Service
Washington, DC 20500**

Again, as you are doing in your speech, we'd suggest that you stress that there is only so much the federal government can do, and challenge your audience to seize the responsibility for making change -- and then write you. (These anecdotes will be useful for speeches, for your and Eli's future site visits, and potentially for programs to include in the initiative.)

This is also a good chance to pitch the overall economic plan. Young people have the most to gain and the least to lose under the plan.

Tabitha's questions will probably touch on the following:

The Summer Program and the Entire Initiative

Tabitha is aware of the fact that not all of the details have been sorted out, but she will ask you to clarify how young people can get involved, particularly in the summer program. She will probably also ask you to respond to critics who say you're not keeping your promise and that the program is starting too small. She has been told that national service is being "ramped up" just as other successful social programs such as Head Start and Social Security were.

The Energy Tax

She is likely to ask how this will affect young people. You should feel free to explain to MTV's audience the environmental benefits of such a tax. And you should point out that under your plan young people are asked to make the least financial contribution of any age group, but that we all have a part to play.

Race Relations/Discrimination

As a rejoinder to their "Choose or Lose" campaign of last year, MTV has begun a new campaign called "Free Your Mind" focusing on race, class, and sexual divisions in America. This new campaign was partly inspired by something you said on MTV last November. When asked what was the one issue you would fight hardest for, no matter the political consequences, you answered: tolerance and mutual understanding among all Americans. MTV would very much like to hear you say the word "tolerance" again.

Quick Q & A

At the end of the original MTV town hall, you were asked a series of rapid-fire one word answer questions about your favorite sport, music, book, painter, etc. Tabitha would like a chance to ask you a bunch of these at the end of the interview. Here are some possible questions you might get:

Your favorite rapper?

Chelsea's favorite rapper?

Your favorite band? (supporters U2 or R.E.M.)

What does Hillary like to cook?

Where do you like to listen to music in the White House?

Favorite room in the White House?

Why did you make the White House mess accessible to all?

The average age of your staff?

Age of the person who briefed you for this interview? (23)

February 27, 1993

DATE: March 1, 1993
LOCATION: One-on-one Interviews
w/ Louisiana Anchors
Lewis Brown Athletic Center/
Rutgers, Piscataway, NJ
2--3:30pm
FROM: Lavora Barnes/Maria Tio

I. PURPOSE

These one-on-one interviews are to continue to sell the economic plan at the local level in targeted markets. Today, you will be interviewed by Louisiana anchors from New Orleans, Baton Rouge and Shreveport.

II. BACKGROUND

WWL-TV in New Orleans is the #1 station in New Orleans. Until recently, this station also was #1 in market share in the country, capturing roughly 50% of the viewership in the Crescent City. WAFB-TV in Baton Rouge is #1 in the market and KSLA in Shreveport is #2.

III. PARTICIPANTS

The President
Jeff Eller
John Snell - WWL-TV, New Orleans
George Caldwell Sells III - WAFB-TV, Baton Rouge
Karin Adams - KSLA-TV, Shreveport

IV. PRESS PLAN

No coverage. Interviews are closed.

V. SEQUENCE OF EVENTS

Makeup.
Louisiana anchors interview for 15 minutes.

VI. REMARKS

none.

ADDITIONAL BRIEFING FOR PRESIDENT CLINTON

I. NEW ORLEANS STATION

WWL-TV (CBS) Channel 4: Formerly owned by Loyola University and the Catholic Church (and now owned by a group of in-house employees who bought the station when the Jesuits got into cable), this well-respected, liberal news station has a tradition of in-depth reporting on political, social and environmental issues.

Back in the '80s, when it was fashionable to do series on the fax craze or dating, WWL broadcasted an anchor-driven 24-part series called "The Haves and the Have-Nots." This series examined the problems of every strata of New Orleans' society with particular emphasis on the urban underclass.

John Snell remembers you from a December, 1984 story he did on the grand gulf nuclear power plant. You gave him a 20-minute interview and, from what I gather, the story centered on how Arkansas was well ahead of Louisiana and Mississippi in fighting this power plant. He's considered an unassuming guy, but can ask very tough questions.

WAFB-TV in Baton Rouge also is considered a very liberal station. George Caldwell Sells III has been with the station since 1988. He anchors mostly, but can be an effective interviewer.

KSLA-TV in Shreveport is considered a moderate to conservative station. Karin Adams has been with the station over ten years and her reputation is that she's tough.

II. ISSUES

CASINO VS. RIVERBOAT GAMBLING IN NEW ORLEANS: Louisiana Governor Edwin Edwards says two potential operators of a proposed gambling casino in New Orleans have guaranteed the state \$100 million upfront if the casino at the intersection of Canal Street (the heart of downtown) and the Mississippi River is built. But the Chairman of the Riverboat Gambling commission is saying that the state could realize \$125 million in revenues if the 15 floating casinos are licensed by his commission. (this second proposal calls for gambling on boats on the Mississippi as well as Lake Ponchartrain.)

Local citizenry are concerned about the impact it will have on life in the Big Easy (traffic downtown, organized crime, etc.) as well as the real encroachment on historic preservation land. That area along the river, which includes "The Moonwalk" (a vista named after former Mayor Moon Landrieu), is the gateway to the French Quarter and Fauborg Marigny. The city planning commission has approved the developer's plan, the city council next faces this issue.

Gambling as a whole is a big issue in New Orleans. The voters realize the city and state needs more revenue, but most are concerned about crime. The same kinds of concerns about Gambling exist in Shreveport, Louisiana. Last week, ministers and residents of Bossier City (right outside of Shreveport) prayed together for divine intervention against riverboat gambling.

MORE LOUISIANA FISCAL WOES

DEFICIT, OIL & ENERGY TAX: Louisiana's deficit is over 100 million and still climbing. The state's historical overdependence on oil revenues to pay for state services is the root cause of the problem. And, unfortunately, as the oil revenues dwindled in the 80's, so did federal money targeted for states... Not good news...

Last week, Governor Edwin Edwards unveiled his state budget: \$180 million in permanent cuts and another \$498 million in cuts if the legislature doesn't go along with the \$560 million in tax and revenue increases.

ENERGY TAXES: Without question, Energy taxes will not be considered good news in Louisiana. Both Senators Johnston and Breaux have come out for a VAT tax as opposed to a BTU tax. Oil interests, the butter on the bread of both of these senators, oppose the BTU because the tax is twice as high on crude oil as it is on any other fuels (59.9 cents per million BTU as opposed to 25.7 per million for coal and natural gas). Additionally, the tax would double in 1995 and 1996.

ENERGY TAXES & FARMING: energy taxes will definitely affect farmers in Louisiana. Fuel is used on the farm not only in transportation, but in grain dryers, irrigation systems, aerial spraying. Also pesticides and fertilizers are made from petro and natural gas foodstocks.

*WAFB in Baton Rouge has done a few recent stories about the concern over the BTU tax.

MORE FINANCE AND REVENUE: New Orleans deperately is trying to attract more revenue. It does not have a diverse economy and depends solely on tourism. And tourism obviously doesn't pay all of the bills. This fiscal year, New Orleans faces a 15 million dollar deficit.

Presently, there is a superdome bonds refinance proposal on the city's plate. They're trying to raise money to build a sports arena to attract a basketball team to New Orleans. (Years ago, the New Orleans Jazz basketball team left to become the Utah Jazz.)

EDUCATION: Of some interest is Governor Edwin Edwards' plan to use the \$140 million expected from lottery revenues for elementary and secondary education.

This will be good news to Baton Rouge. New taxes this year earmarked for school improvement was voted down. Since the public schools are predominantly African-American and the private schools predominantly White, some see this as racially motivated.

In New Orleans, quite a few school board members lost their jobs in the last election due to voter concern over poor student performance, underfunding and administration apathy.

And in Shreveport, educators are lauding a plan executed six years ago by Walnut Hill Elementary/Middle School Principal Albert Hardison. He started separating elementary school children according to ability. Six years later: fewer discipline problems, and these mostly low-income rural students' standardized test scores surpassed parish and state averages. Next fall, this principal's blueprint will be used in every Caddo parish elementary school.

HOUSING: In New Orleans, housing stock in scandalous disrepair. Even housing covered by preservation laws are boarded up and abandoned. Not enough money coming into the city for rehab. There is a lot of out migration to areas outside of the city to St. Tamney and Jefferson parishes.

PUBLIC HOUSING is abysmal. In 1991, HUD judged New Orleans public housing as the worst in the country. The Desire, St. Thomas, St. Bernard and Fisher projects truly are horrifying. City Councilman Lambert Boissiere (bwois-e-air) has pushed for individual ownership of public housing units (and, incidentally, enterprise zones).

POLITICAL: When Mayor Sidney Barthelemy returned from the meeting with you and Cisneros, his message to the city was the Clinton Administration would offer co-ordinated help for housing, infrastructure, roads, highways....

CRIME: In New Orleans, the murder rate has dropped for the first time in five years and the numbers show a decrease in the major crime areas. Concurrent with this drop is an increase of police manpower on city streets. N.O. put 200 additional officers on the street this year (Let's hear it for putting people first). In Baton Rouge, crime continues to be a major concern with no decrease in sight.

INSURANCE REFORM, HEALTH OR OTHERWISE: Any insurance reformers, health or otherwise, will find a receptive audience in Louisiana. Louisiana has one of the highest numbers of medically uninsured in the country and 40% of the drivers in Louisiana drive without insurance.

Just FYI: the last two state insurance commissioners, Doug Green and Sherman Bernard, are serving federal time and under indictment (respectively) for insurance fraud...specifically for allowing insurance companies to act criminally in the state. (They allowed insurance companies to act with false assets, writing policies they couldn't cover. Companies basically were paper tigers who were destroyed by claims.)

There are two good medical schools in Louisiana, Tulane and LSU. Two bright growth spots: small business and the medical field. See accompanying articles.

THE WHITE HOUSE

WASHINGTON

February 28, 1993

RADIO CONFERENCE CALL WITH NORTH AND SOUTH DAKOTA

DATE: March 1, 1993
LOCATION: Rutgers University
TIME: Approx 2:30 PM EST
FROM: Richard Strauss

I. PURPOSE:

The purpose of this radio conference call is to help build support for your economic package in both North and South Dakota. As far as I know, this will be your first radio conference call or interview with local radio as President.

II. BACKGROUND:

This will be a fifteen minute conference call with five radio stations/networks from North Dakota and South Dakota. The conference call will be coordinated by the Office of Media Affairs and the White House Communications Agency. Jeff Eller and I will help moderate the call. We will have each station representative ask one question with the opportunity for one follow-up, time permitting.

A complete issues briefing on both states is attached.

III. PARTICIPANTS:

1. Glenn Douglass. Dakota News Network. Fargo, N.D.
2. Gene Hetland. KSOO-AM. Sioux Falls, S.D.
3. Debrah Jenson or Kobi Ebert. KOTA-AM. Rapid City, S.D.
4. Mark Swartzell. WDAY-AM. Fargo, N.D.
5. Doug Barrett. KNOX-AM. Grand Forks, N.D.

Please see attached information sheet for details.

IV. PRESS PLAN:

The radio stations will probably not carry the conference call live but will instead use excerpts in their newscasts. Since the Dakotas don't often get too many exciting news stories, this will be a huge media deal and television stations will also run stories on the call.

V. SEQUENCE OF EVENTS:

You will give your speech and then proceed to an interview with MTV. The radio conference call will take place sometime after your MTV interview.

TO: President Clinton
FR: Richard Strauss
DT: February 28, 1993
RE: Radio Conference Call Participants

1. BI-STATE RADIO NETWORK

STATION: Dakota Radio Network
FORMAT: Bi-State radio network
INTERVIEWER: Glenn Douglass
CONTACT: Steve Carlson
HOTLINE #: 701-237-5000
NOTES: They have 39 affiliates in both North and South Dakota. They are based in Fargo. They will likely ask you about agriculture and the effect of your economic plan on the region's farmers.

2. SIOUX FALLS, SOUTH DAKOTA

STATION: KSOO-AM
FORMAT: News/Talk
WATTAGE: 10,000
INTERVIEWER: Gene Hetland
HOTLINE #: 605-339-1140
BACKUP #: 605-339-9999
NOTES: None.

3. RAPID CITY, SOUTH DAKOTA

STATION: KOTA-AM
FORMAT: News/Talk
WATTAGE: 5,000
INTERVIEWER: Deb Jenson or Kobi Ebert
HOTLINE #: 605-342-2000
NOTES: May ask how your plan will effect farmers in the state.

4. FARGO, NORTH DAKOTA

STATION: WDAY-AM
FORMAT: News/Talk
WATTAGE: 5,0000
INTERVIEWER: Don Haney
CONTACT: Mark Swartzell
HOTLINE #: 701-241-5304
BACKUP #: 701-241-5305/237-6500
NOTES: Fargo is the biggest city, with 74,111 people. It sits along the Red River on the eastern border of the state, with sister city Moorhead, MN across the river. Mark may ask you a question about Larry Vallella.

5. GRAND FORKS, NORTH DAKOTA

STATION: KNOX-AM
FORMAT: News/Talk
WATTAGE: 5,000
INTERVIEWER: Doug Barrett
HOTLINE #: 701-746-6397
BACKUP #: 701-775-4611/775-5559
NOTES: Grand Forks is the 2nd largest-city, with 49,425 people. It lies north of Fargo on the Red River, with its sister city of East Grand Forks, Minnesota close by. Doug may want to talk about the agricultural economy and the energy and ethanol issues.

ISSUES BRIEF ON NORTH AND SOUTH DAKOTA

NORTH DAKOTA

GENERAL

North Dakota is the most rural state in the nation. One-quarter of her 639,000 residents live on farms and ranches. The state is second only to Kansas in wheat production, and leads the world in the production of durum wheat.

AGRICULTURE

Agriculture is the keystone of North Dakota's economy, accounting directly and indirectly for more than 40 percent of personal income. When farmers have a good year, everybody has a good year.

Like many farm states, North Dakota has been losing farm and rural population. The 1990 census showed that North Dakota was, for the first time, more urban than rural, and was one of only four states to go down in population size between 1980 and 1990.

ENERGY

The energy industry finishes a distant second to agriculture in the state economy. North Dakota is one of the top ten states for oil production, but the oil in western North Dakota is difficult to extract and profitable only when prices are high.

The state boasts huge reserves of lignite coal, powering mine-mouth electrical generation plants and the nation's only commercial-scale coal gasification facility, the Great Plains plant.

POLITICS

The state is conservative and generally votes Republican in Presidential contests. North Dakota last voted for a Democratic President in 1964. The numbers in the 1992 contest were 44 percent for Bush, 32 for you, and 23 for Perot.

Nonetheless, the state has been sending Democrats to Congress. Senator Conrad was elected by a crushing margin in a special election to replace the late Senator Quentin Burdick. Senator Byron Dorgan was elected to the Senate in November after spending ten years in the House. Earl Pomeroy, also a Democrat, now serves as the state's only House member.

The Democrats, however, lost the gubernatorial election in 1992, with Republican Ed Schafer winning the open seat, succeeding retiring Governor George Sinner.

PEOPLE

The ethnic heritage of North Dakota is overwhelmingly Scandinavian, German, and German-Russian. The state was a center for the radical "prairie fire" farm politics of the early 1900's, and the economic and physical isolation the early settlers felt from the centers of finance and commerce in the east remains today. North Dakotans are fiercely independent, and very suspicious of "eastern liberal" media and politicians.

There are six indian reservations in North Dakota, home to a number of Sioux peoples, Chippewa, and the Three Affiliated Tribes of the Mandan, Hidatsa and Arikara.

IN THE LOCAL NEWS

North Dakota's Legislature meets for only 60 days, once every two years in Bismarck. The current session is dominating the news right now. Republicans hold the House and the Democrats hold the Senate by a one-vote margin.

The state faces a **serious budget shortfall**, and the Legislature is struggling with funding for human services, public education, and health care. Aid to local city governments is likely to be cut and with respect to funding, faces the same relationship between state and city governments nationwide.

Specifically, the state may drop optional Medicaid packages and other optional services such as optometry, prescription payments, and dental care. About 200 people -- many of them elderly and handicapped -- recently rallied at the state capitol to protest against the cuts. The state hopes to save as much as \$2 million by dropping such services.

North Dakota prides itself on setting extremely high standards for public education. Students in the state consistently have one of the lowest drop-out rates in the nation, and score well on national tests. However, many young people leave the state after school to seek economic opportunities elsewhere.

The other big story in the state is **Larry Villella**, the 14-year-old boy from Fargo that sent you a \$1,000 check to help lower the deficit. After speaking with you from Air Force One, Larry appeared on all three network morning shows, flew to New York for a taping on Donahue, and conducted more than 90 radio interviews.

Sending the money sparked others to do the same -- a 92-year old man sent a check for \$1,000, the day after Larry sent his, and many others around the country are doing the same. Late last week, there was still no word whether or not the money could be legally applied directly to the deficit.

POTENTIAL QUESTIONS

AGRICULTURE: There is a growing consensus that while North Dakota is willing to do its part to achieve deficit reduction, agriculture is being asked to shoulder an unfair burden, especially since deep cuts were made in the agriculture budget during the 1990 "budget summit," without any real deficit reduction being achieved.

The problematic agriculture cuts for North Dakota include:

- the increase in unpaid acres
- cuts in crop insurance
- cuts in the Rural Electrification Administration
- cuts in the O-92 program
- elimination of the honey program. (North and South Dakota are consistently the top two honey-producing states.)

On the bright side, if the President's plan brings down interest rates even more, it will be a real boon to the farm economy. Farmers in the state hold \$3.6 billion in loans: if the interest rate drops one percentage point, that's \$36 million back in the economy. The small business incentives help agriculture as well.

ENERGY TAX

The energy tax is the most important issue now to the thousands of farmers across the state. Like many western and northern plains states, an energy tax will hit North Dakota hard. The state produces large quantities of oil, coal, and natural gas. Coal is used to help export electricity and farmers use enormous amounts of fuel to run their farms. Additionally, people must drive long distances due to the geography of the state. Finally, the cold weather in the state makes energy usage even higher.

Some estimates in the state say your proposed energy tax could cost the average farmer as much as \$1,000 per year. However, Senator Conrad has said the energy tax would cost an average family of three \$350 more per year. However, farmers realize that a BTU tax is a far more equitable tax for our state than a carbon tax would have been.

Perhaps the biggest concern related to energy comes from The Great Plains Coal Gasification plant north of Beulah. This plant, which employs about 750 people, produces synthetic natural gas from coal, and the company and its workers fear that the proposed energy tax would produce a "double whammy" because they would be taxed on the coal coming in, and the gas coming out.

The plant is a one-of-a-kind facility -- one of perhaps the only commercial coal gasification plants in the nation -- and there is great hope in the state that as your plan moves through Congress, you might make a some sort of loophole so they would not be taxed twice. Residents fear that the double tax could mean that plant

would have to close, people would lose their jobs, and the economy in the surrounding community would greatly suffer.

HEALTH CARE

Rural health care is on the minds of many of the rural residents. The issue was prevalent during the campaign and it has not gone away, especially on the family farm. The farmers that have to go great distances for medical care are especially anxious to hear what they might get out of a revamped health care system. The radio stations will likely ask how the Health Care Task Force is coming along and how rural farmers might benefit from it.

TRADE

North Dakota produces 90 percent of the nation's durum wheat (used to make pasta). The Canadian Free Trade Agreement has allowed Canadian durum to flood across the border, causing real problems for the North Dakota farm economy and has consequently given a poor impression of the North American Free Trade Agreement to state residents. GATT is unpopular for the same reasons.

NAFTA is also a concern for the state's sugar industry, which might be destroyed if NAFTA allows Mexico to start exporting sugar into the U.S.

EDUCATION

Proposed cuts in federal impact aid at public high schools will effect schools around the state. It is reported that your plan for phasing out aid to local school districts for students whose parents are federal employees would effect some 650 students in Grand Forks and would similarly effect other cities in the state.

GOOD NEWS

--INCOME TAXES: North Dakota is a low-income state. Estimates show that 70 percent of North Dakota families fall below the \$30,000 per-year cutoff for income tax increases.

--SMALL BUSINESS: There is no large-scale industry in North Dakota, so small business is their best hope for economic diversity and growth. The investment tax credit would be a real boon to the state, and any initiatives to boost the entrepreneurial spirit of small business in rural America will help -- but NOT at the expense of the health of the agricultural sector.

--SECRETARY ESPY: Secretary Espy will be going to Sioux Falls, South Dakota in March to attend a meeting of farmers to discuss many of these issues.

-- EDITORIAL: An editorial in the Grand Forks newspaper offered the headline, "President's Plan is Complex and Fair." The editorial was published two days after your speech to the Congress and was generally supportive.

(North Dakota brief by Richard Strauss)

SOUTH DAKOTA

ENERGY PLAN

You should expect a question on ethanol. There is a lot of concern about whether or not ethanol will be exempt from the energy tax. You should know that Senators Daschle, Harkin, Wellstone, Conrad, Simon, Mosley-Braun, Dorgan, Exon and Kohl wrote a letter to Secretary Bentsen this week urging an ethanol exemption. Senator Wellstone has been particularly outspoken on this issue. He believes that including ethanol in a category with coal and oil is "a blatant inconsistency. We're going to fight it hard. Right is on our side. Now we have to make sure right is prevailed". Midwesterners feel ethanol should have the same exemption as solar, wind and geothermal energy.

Republican Senator Pressler's spin that the Administration is "beating up on farmers, and South Dakota is being hit with a triple whammy -- anyone who drives a truck or a tractor will be hurt by the plan", has been getting a lot of play.

Pressler also said the energy tax would cost an extra \$1,600 annually per farm and add \$400 for home heating fuel users, and said rural electricity rates could rise 15 percent.

Daschle has been very supportive. His answer to ethanol has been right on message "We have to govern and put our special interests aside...Nothing has been decided on ethanol yet, there is hope for a compromise".

GENERAL BACKGROUND

South Dakota is behind other states in the corn belt when it comes to agriculture processing and ethanol production. South Dakota processes less than one percent of the corn they raise, while some of their key competitors in the corn belt process 1/3 of their state grown corn. South Dakota has to ship their corn 500 miles more than a state like Kansas, because South Dakota is on the fringe, and far away from markets. Since South Dakota has to ship their products so far, the profits go back to the farmer with a reduced price per bushel of corn.

Rather than send corn out to be processed, the people of South Dakota would like to create jobs instate. They want to process their goods in the state and bring jobs to South Dakota. When

corn is processed in state, it will cause the price to go up 10 cents per bushel.

STATE ECONOMY

South Dakota's unemployment in January increased to 4.3%, up from 3 percent in December. One year ago in January, the unemployment rate was 3.7. Non-farm wage and salaried employment dropped 5500 jobs from December to January. There was an 11.1 percent drop in the construction sector, retail trade employment fell 3.9 percent and government employment slipped 1.8 percent.

Sioux Falls had 3.1 percent unemployment in January, compared to 2.8 percent a month earlier and 2.8 percent a year earlier. Unemployment in Rapid City was 4.9 percent, compared to 2.9 percent in December and 3.9 percent in January 1991.

Non-farm employment accounts for 85 percent of all jobs with weekly earnings averaging \$368.54. Most of the jobs in South Dakota are dependant upon the Agriculture industry.

While South Dakota has a relatively low unemployment rate, the jobs are low wage. South Dakota has the lowest average annual paycheck than any other state in the country.

HEALTH CARE

Health care is a big deal in this state. Some rural hospitals in South Dakota face closure if they do not receive more money from the legislature. If many of these hospitals close down, the people they serve will have to travel over 50 miles to get to another hospital.

Governor Mickelson introduced a health care plan aimed at containing costs and extending coverage to the uninsured. His package calls for:

- *Managing patient health care and competition to help hold down costs.
- *Enact insurance reforms to provide coverage to the 7 to 9 percent of the state population who have no insurance, and require insurance companies to provide coverage regardless of health problems.
- *Trim administrative costs with a standardized health insurance claim form and electronic filing system.
- *Patient identification system to help determine who is eligible for coverage and public assistance.
- *20 percent cap on the amount by which rates can vary, and have insurers base rates on the health care risks of South Dakota as a whole.

The South Dakota House of Representatives approved the reform plan for health insurance last week. South Dakota democrats feel this is a band-aid solution, and does not take the place of a national health care plan. You should know that Governor

Mickelson has been very complimentary of your initiatives on health care reform. Mickelson is co-chairman of the NGA task force on health care, and helped draft a similar plan that the NGA submitted during their recent visit.

INFRASTRUCTURE / WATER DEVELOPMENT

Water development is a big issue in South Dakota. The state has to rely on ground water, which is a particular problem in the western part of the state. Indian reservations, ranches and small towns in the western part of the state have to depend on substandard ground water.

Mickelson has implied in the newspapers that you will dump a load of money into South Dakota to fund this and other infrastructure developments.

OTHER ISSUES

*Kevin Costner and brother Dan are building a \$95 million resort and casino in Deadwood, South Dakota. Recently a bill that would have raised bet limits and allowed more games in Deadwood casinos was rejected by the South Dakota Senate. The Senate will reconsider it.

*The plan's proposal to end honey subsidies could put more than half of South Dakota's beekeepers out of work. While the proposal has been criticized, there are a limited number of honey producers. General support for the program come from the standpoint of benefits from pollination. Honey producers will tell you privately that if restrictions were placed on imported honey they would need the program.

*Abortion: A Senate committee defeated bills to restrict abortions Friday but the full Senate may vote on the bills next week. These bills would require a waiting period, parental notification and a ban on using tissue from voluntary abortions for medical purposes.

*In Rapid City, there is concern at Ellsworth Air Force base over the defense cuts. The B2 bomber is made there and people are concerned about whether or not defense cuts will hit the B2 right away. Several thousand people would be affected by a decision on the B2.

*Secretary Espy will be in South Dakota next Friday to Monday for the National Farmers Convention.

(South Dakota brief by Lisa Mortman)

Clinton Cuts Weighted Against Farmers,

Lobbyists Say

Agriculture Supporters Urge Administration to Spread Spending Reductions More Evenly

By William Claiborne
Washington Post Staff Writer

Facing \$8 billion in federal spending cuts and additional user fees over the next four years, farm-state lawmakers and agriculture lobbyists say they will learn to live with the broad outlines of President Clinton's deficit-reduction plan, although they believe they are shouldering an undue share of the proposed spending cuts.

The farm advocates are urging the administration to consider spreading the cuts more evenly in all areas of federal spending, including entitlements. They also plan to push for a closer examination of the impact of the proposed energy tax, which they say could add \$600 million in operating costs to farmers, who rank fifth among all user categories in per capita consumption of energy.

"Most producers recognize the beneficial impact of deficit reduction on farmers as well as everybody else, and we are willing to do what needs to be done as long as others assume their fair share of the burden, too," said Grant Buntrock, director of the National Farmers Organization.

"When we think what could have happened," Buntrock said, "frankly we were relieved. But the fact is, proportionally we're taking the biggest cut of any part of the budget."

Clinton's proposal seeks to cut \$3.8 billion from programs that protect and subsidize the incomes of major commodity producers, trim \$2 billion from the \$10 billion annual cost of farm subsidies, and save \$1.03 billion over four years by reducing the amount of acreage eligible for crop subsidies for wheat, feed grains, rice and cotton.

Rep. Charles W. Stenholm (D-Tex.), a farmer and chairman of the House Agriculture subcommittee on livestock, dairy and poultry, estimated that although agriculture accounts for only 1.8 percent of domestic spending, it will shoulder 6.4 percent of the cuts over the next four years, ending up 10 percent below its current spending level.

However, he said, only \$636 million of the \$17.6 billion in the stimulus package and \$1.5 billion of the

\$99 billion of new spending in the investment package are in the agriculture sector.

Farm lobbyists said that absorbing more than three times more cuts—in terms of percentage of budget—than any other domestic sector of the federal government would be more palatable were it not for the bitter memory of record commodity program cuts in 1989.

After reaching a high of \$26 billion in 1987, following a debilitating drought, commodity program spending plunged to \$14 billion two years later, putting farmers under financial strains from which many are still trying to recover, spokesmen for farm support groups said.

"Since 1982, agriculture has been a part of every deficit-reduction package. Agriculture has taken its fair share of cuts, while many other areas of federal spending have gone untouched," said Dean Kleckner, president of the American Farm Bureau Federation.

During a trip to his home state of Mississippi and to Louisiana and Texas to promote the Clinton eco-

P.1

P-2

conomic plan, Agriculture Secretary Mike Espy repeatedly stressed that agriculture had escaped relatively unscathed from the spending cuts, largely because the administration did not want to weaken its negotiating position with the heavily subsidized European producers during the talks for a General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement.

Staff members on the key agriculture committees that will consider Clinton's farm proposals predicted that the administration's \$8 billion target for spending cuts will survive relatively intact, but that the mix of program slashes and subsidy reductions will look different than it does now.

A pivotal figure in deciding what the cuts will look like is Rep. Richard J. Durbin (D-Ill.), who recently became head of the Appropriations subcommittee on rural development, agriculture and related agencies, which oversees more than \$60 billion in crop subsidies, food programs and market regulations.

Durbin, who grew up in cities, is considered by some legislative analysts as likely to switch the subcommittee's focus from traditional subsidy and other farm income support issues to food stamp and nutrition programs for poor families, as well as environmental issues.

Among the most contentious cost-saving agriculture proposals that Congress will consider:

- Increasing user fees for meat and poultry inspection, a proposal that has been made before and has failed in Congress. It would save \$59 million.

- Increasing from 15 percent to 25 percent the amount of so-called triple-base acreage on which a farmer will be unable to qualify for crop deficiency payments for certain commodities. The proposal would result in substantial losses of income for thousands of farmers. It would save more than \$1 billion over five years.

- Reducing the Rural Electrification Administration's loan subsidies by raising interest rates from as low as 2 percent to the normal Treas-

ury Department interest rate, which now is nearly 7 percent. This would save \$374 million by 1997.

Congressional farm experts said it would undermine the Clinton administration's planned \$1.5 billion rural development initiative. "What's the point of trying to bring new business to an area where you're hurting investment," said one agriculture subcommittee aide.

- Eliminating fertilizer research conducted by the Tennessee Valley Authority. The TVA has long been considered a politically sacred budget item, and some congressional analysts said the spending proposal is unlikely ever to be enacted. It would save \$188 million.

- Eliminating subsidies to honey producers, which congressional critics said would end a 40-year windfall for beekeepers but also

destroy the incentive for keeping bees that are used for pollinating almonds, blueberries, alfalfa and other crops. This would save \$32 million over five years.

- Curtailing subsidy payments to farmers who provide wool and mohair, a program adopted in 1954 to ensure a strategic reserve of wool for soldiers' uniforms at time of war. This would save \$212 million.

- Ending government subsidies for farmers who make more than \$100,000 annually in non-farm income. Buntrock said this proposal would, in effect, turn a commodity price support system into a "means-tested" welfare system, a notion he said is certain to be opposed even by farmers whose non-farm incomes are below the \$100,000 threshold. This would save \$470 million.

RURAL AMERICA

Rural America is the forgotten foundation of our country. The steadfast commitment of rural Americans to family and to community are the bedrock upon which America was founded, and through which America can prosper. The President's plan recognizes the economic needs of rural America, and provides a specific program to revitalize rural communities.

The President's program will invest \$17 billion of new program dollars, including:

- o investing in rural infrastructure by providing \$871 million in loans and grants for rural water and wastewater projects;
- o incentives to boost investment in rural hospitals and other community facilities;
- o the creation of thousands of jobs through \$2.4 billion in business and housing loans and grants for rural development;
- o funds for Forestry Research to improve domestic ecosystem management, and millions more to increase tree planting in rural areas.
- o \$188 million for enhanced natural resource protection and environmental infrastructure.

Rural America is asked to participate in the bold changes that the President is bringing about by bearing a fair share of the burdens. In so doing, however, the plan recognizes the limited resources available in rural areas:

- o Total cuts in agricultural price supports are limited to \$0.1 billion in 1994 and \$3.8 billion through 1997.
- o Farm payments will be directed to family farmers by eliminating CCC payments to individuals making more than \$100,000 of off farm income a year.
- o The President's plan does not affect target prices or agricultural loan rates.
- o For the most part, deficit reduction proposals for agricultural programs merely build on proposals contained in the 1990 farm bill.
- o There will be no disproportionate regional impact.
- o REA loans will be made at Treasury rates, while preserving \$25 million each year for needy electric borrowers.

THE WHITE HOUSE

WASHINGTON

MARCH 1, 1993

NATIONAL SERVICE RECEPTION

DATE:	March 1, 1993
LOCATION:	Holding Room
TIME:	3:15 - 3:45
From:	Reta Lewis, Special Assistant, Political Affairs

I. PURPOSE

You will attend a 30 minute meet and greet reception for approximately 60 state and local elected officials, Rutgers University and US Congress representatives at a reception following your address at Rutgers University.

II. BACKGROUND

This reception will follow your speech on National Service and will include US Senators and Congressmen who strongly support your National Service initiatives, as well as, Rutgers University representatives and New Jersey elected officials.

III. PARTICIPANTS

See attached National Service Reception participants list.

IV. PRESS PLAN

Closed press.

V. SEQUENCE OF EVENTS

- * You will proceed to the reception room. Gov. Florio will make brief comments and introduce you. You should make brief informal comments and then meet and greet for about 20-25 minutes.
- * After the reception you will take 6 quick photographs with the Chief of Police and other law enforcement officials.
- * You will proceed to the motorcade and depart for Newark International.

VI. REMARKS

None required.

NATIONAL SERVICE RECEPTION

National Officials

Governor Jim Florio (D-NJ)
Former Governor Tom Kean (R-NJ)
Senator Bill Bradley (D-NJ)
Senator Chris Dodd (D-CT) - has not confirmed
Senator Ted Kennedy (D-MA) & Vicki Kennedy
Senator Claiborne Pell (D-RI)
Senator Jay Rockefeller (D-WV)
Senator Harris Wofford (D-PA) & Mrs. Claire Wofford
Rep. Cass Ballenger (R-NC) - has not confirmed
Rep. Bill Ford (D-MI)
Rep. Herbert Klein (D-NJ)
Rep. Major Owens (D-NY) - has not confirmed
Rep. Robert Menendez (D-NJ)
Rep. Frank Pallone (D-NJ)
Rep. Donald Payne (D-NJ)
Rep. Dave McCurdy (D-OK)
Sargent Shriver, Peace Corps Founder

New Jersey Officials

Mayor James Cahill, New Brunswick, NJ
Mayor Ted Light, Piscataway, NJ
Mayor Aaron Thompson, Camden, NJ
Mayor Susan Bass Levin, Cherry Hill, NJ
Mayor Douglas Palmer, Trenton, NJ
Mayor Cardell Cooper, East Orange, NJ
Mayor Sharpe James, Newark, NJ
Mayor Michael Steele, Irvington, NJ
Assemblyman John Watson, Trenton, NJ
County Executive Robert Janiszewski, Hudson, NJ
Assemblyman Jerry Green, Plainfield, NJ
Assemblyman Bob Smith, Piscataway, NJ
Councilman Donald Tucker, Newark, NJ
Senator John Lynch(Minority Leader), Middlesex County
Delegate Joe Doria(Minority Leader), Hudson County
Senator Wayne Bryant, Camden, NJ
Senator Wynona Lipman, Essex County

Democratic Party Officials

Ray Lezniak, Party Chair

Mary Lee Fitzgerald, New Jersey State Commissioner of Education

Ed Goldberg, New Jersey State Chancellor of Higher Education

Clay Constantinou, Deputy Treasurer of the DNC and was New Jersey Finance

Director for Clinton/Gore

**Florence Thomases, Mother of Susan Thomases and assisted with women's coalition
bus tour**

Ronnie Liebowitz, Former Counsel to Rutgers University

Bob Raymer, Classmate of Mrs. Clinton's from Yale Law School

June Fisher, Member of the DNC Eastern Caucus

Harry Pozyski, Middlesex County Democratic Chair

Charlie Marciante, Republican President of the New Jersey AFL-CIO

Karen Kessler, Finance member and fundraiser for Gov. Florio

Louis Katz, Florio financial chair and finance member

Allan Sagner, Former Chairman of the NY/NJ Port Authority

Clive Cummis, Finance member and fundraiser

Al DeCotiis, Finance member and fundraiser

**Arthur Goldberg, Finance member, fundraiser and Chairman of Bally's Casino in
Atlantic City**

Ken Pentony, Friend of yours from Georgetown and a finance member

**Jackie Thomas, Young African-American woman who raised money from the professional
community**

Joe Salema, Governor Florio's Chief of Staff

Jamie Fox, Executive Director of Florio's exploration committee

**Betty Hutcheon, Friend of the First Lady's and co-coordinated the women's campaign
in New Jersey**

Edith Payne, Co-coordinated the women's campaign in New Jersey

Lenore Miller, President of the Retail, Wholesale, and Department Store Union

Bob Deltufo, State Attorney General

William Waldman, New Jersey Commissioner of Health

Harold Hodes, Close friend of Paul Tulley's

**Richard Gannon, Office of Presidential Personnel and was the New Jersey Clinton/Gore
State Director**

Richard Lerner, New Jersey Finance Director and is in the Office of Presidential Personnel

Jane Moore, Her husband was one of your roommates at Georgetown

and was in the School of Foreign Service with you

Steve Oxman, Appointed to be the Assistant Secretary to Europe

State and National Service Councils

Cynthia Daniels, Rutgers Professor who has worked closely with the National Service Office
Toni Schniegelow, Executive Director of the City Volunteer Corps in New York City
John Briscoe, Executive Director of PennServe
Lynn Keepers, Executive Director of the New Jersey Service Corps
Carolyn Angiolillo, Executive Director of the Urban Conservation Corps of New York City
Marlene Mazyck, Executive Director of the Youth Corps of Newark
Don Mathis, Executive Director of the Pennsylvania Conservation Corps
Tony Fairbanks, Executive Director of the Philadelphia Youth Service Corps

Rutgers University Officials

Mr. and Mrs. Frances Lawrence, President of Rutgers University
Mr. and Mrs. Alvin Rockoff, Chair of the Board of Governors
Carl Holstrom, Vice Chair of the Board of Governors
Richard Lavao, Chair of the Board of Trustees
Mildred Edwards, Vice President for Public Affairs and Development
Joseph Whiteside, Senior Vice President and Treasurer
Nancy Lotostein, Member of the Board of Governors
Mrs. Keiko Harvey, Member of the Board of Governors
Gene Heller, Member of the Board of Governors
Nancy Lane, Member of the Board of Governors
Michael Tuosto, Member of the Board of Governors
Anthony Cicatiello, Member of the Board of Governors
Kevin Collins, Member of the Board of Governors
Jeanne Fox, Member of the Board of Trustees
Dean Paranicus, Member of the Board of Trustees
Angelo Genova, Member of the Board of Trustees

NATIONAL SERVICE RECEPTION

◆ Governor Jim Florio (D-NJ)

Florio is currently Governor of New Jersey. He is up for re-election in 1994.

◆ Former Governor Tom Kean (R-NJ)

Kean is Florio's immediate predecessor. He is currently President of Drew University.

◆ Senator Bill Bradley (D-NJ)

Bradley sits on the Senate Committee on Energy and Natural Resources; the Senate Committee on Finance and the Senate Special Committee on Aging. He is a recent convert to the line item veto.

◆ Senator Chris Dodd (D-CT)

Dodd serves on the Senate Committee on the Budget; the Senate Committee on Banking, Housing, and Urban Affairs; the Senate Committee on Foreign Relations; the Senate Committee on Labor and Human Resources; and the Senate Committee on Rules and Administration. Dodd was a sponsor of the 1990 National Community Service Act and frequently speaks on this subject. He was a Peace Corps volunteer and served two years in the Dominican Republic.

◆ Senator Ted Kennedy (D-MA)

Kennedy is Chairman of the Senate Committee on Labor and Human Resources. He also serves on the Senate Committee on the Judiciary; the Senate Committee on Armed Services; and the Joint Economic Committee. He is involved in all service-related legislation. He wants to ensure that Pell Grants and other low-income programs are not disrupted by new service legislation. His wife, Vicki is also in attendance.

◆ Senator Claiborne Pell (D-RI)

Pell is Chairman of the Senate Committee on Foreign Relations. He also sits on the Senate Committee for Labor and Human Resources and the Senate Committee on Rules and Administration. He is also Chair of the Subcommittee on Education, Arts and the Humanities.

◆ Senator Jay Rockefeller (D-WV)

Rockefeller serves on the Senate Committee on Commerce, Science, and Transportation; the Senate Committee on Finance; and the Senate Committee on Veterans' Affairs. His interest in national service stems from his days as a VISTA volunteer and Peace Corps headquarters staff person. He is also very interested in children and health issues.

◆ **Senator Harris Wofford (D-PA)**

Having served as President Kennedy's civil rights advisor and a founding staff director of the Peace Corps, Wofford's support for National Service represents his long-standing dedication to this cause. He serves on the Senate Committee on Environment and Public Works; the Senate Committee on Foreign Relations; and the Senate Committee on Labor and Human Resources. His wife, Claire is also in attendance.

◆ **Rep. Cass Ballenger (R-NC)**

Ballenger is the ranking Republican member of the Select Education and Civil Rights Subcommittee of the House Committee on Education and Labor which has jurisdiction over National Service. Ballenger represents the 10th district of North Carolina, much of which lies within the Smokie mountains.

◆ **Rep. Bill Ford (D-MI)**

Ford is the Chairman of the House Committee on Education and Labor. Ford continues to be very helpful in promoting your economic plan, including waiving jurisdiction for supplemental appropriations. He is vital to the passage of the National Service legislation. His principle education interests are student loans and Pell grant programs. As a graduate of a vocational training school, he is deeply committed to vocational education.

◆ **Rep. Herbert Klein (D-NJ)**

Klein is a new member of Congress, representing New Jersey's northern 8th District. Klein is a graduate of Rutgers University and serves on their Board of Trustees.

◆ **Rep. Major Owens (D-NY)**

Owens is the Chairman of the Select Education and Civil Rights Subcommittee of the House Committee on Education and Labor, which has jurisdiction over National Service. Owens represents the Brooklyn area of New York City.

◆ **Rep. Robert Menendez (D-NJ)**

Menendez is a new member of Congress, representing the newly drawn and largely Hispanic 13th district. Menendez is the son of Cuban immigrants and is a loyal Democrat. He is a graduate of Rutgers University School of Law.

◆ **Rep. Frank Pallone (D-NJ)**

Pallone represents the 6th district of New Jersey, in which Piscataway and Rutgers University is located. Pallone has decided he will support the economic plan.

◆ **Rep. Donald Payne (D-NJ)**

Payne represents the 10th district of New Jersey and also serves on the House Committee on Education and Labor. Payne is the Vice-Chairman of the Subcommittee with jurisdiction over National Service.

◆ **Rep. Dave McCurdy (D-OK)**

McCurdy has been a strong supporter of National Service through the DLC. This week, McCurdy voted against the extension of unemployment benefits on the floor of the House. The original McCurdy National Service Plan would have eliminated current higher education programs.

◆ **Sargent Shriver, Peace Corps Founder**

Shriver was the founding director of the Peace Corps under President Kennedy. He also was Director of the Office of Economic Opportunity under President Johnson.

◆ **Mayor James Cahill, New Brunswick, NJ**

Cahill was extremely helpful to the Clinton/Gore campaign. He found the location for the state headquarters and obtained parking spots for the staff. He also used two floors of his law office as a dormitory for campaign staffers.

◆ **Mayor Ted Light, Piscataway, NJ**

Light was a Clinton/Gore supporter. Rutgers University is located in Piscataway.

◆ **Mayor Aaron Thompson, Camden, NJ**

Thompson was a Clinton/Gore supporter. Camden was the starting location for the first bus tour.

◆ **Mayor Susan Bass Levin, Cherry Hill, NJ**

Levin was a strong supporter of the Clinton/Gore campaign. She is a potential Assemblywoman candidate.

◆ **Mayor Douglas Palmer, Trenton, NJ**

Palmer was a Clinton/Gore campaign supporter.

◆ **Mayor Cardell Cooper, East Orange, NJ**

Cooper was a Clinton/Gore campaign supporter. He is very close to Governor Florio.

◆ **Mayor Sharpe James, Newark, NJ**

James was a strong Clinton/Gore supporter. He loaned several members of his staff to the Clinton/Gore campaign. He was an honorary Co-chair of Clinton/Gore New Jersey. Also, he is the first Vice President of the National League of Cities.

◆ **Mayor Michael Steele, Irvington, NJ**

Steele supported the Clinton/Gore campaign.

◆ **Assemblyman John Watson, Trenton, NJ**

Watson was a Clinton/Gore supporter. He is a potential contender, along with former Democratic State Senator Stockman, for the State Senate.

◆ **County Executive Robert Janiszewski, Hudson, NJ**

Janiszewski was Chairman of the Clinton/Gore NJ campaign. He is a DNC member and the Hudson County Executive. He served as whip and delegate for you at the Democratic National Convention.

◆ **Assemblyman Jerry Green, Plainfield, NJ**

Green was a Clinton/Gore campaign supporter.

◆ **Assemblyman Bob Smith, Piscataway, NJ**

Smith was a Clinton/Gore campaign supporter.

◆ **Councilman Donald Tucker, Newark, NJ**

Tucker was a Clinton/Gore supporter. He served as State President of the Black Issues Convention which Gore visited.

◆ **Senator John Lynch, Middlesex County**

Lynch is the State Senate Minority Leader. He was a potential gubernatorial candidate, although it appears he has decided not to run due to financial problems. He is the former Mayor of New Brunswick.

◆ **Delegate Joe Doria, Hudson County**

Doria is the State House Minority Leader. He obtained 40 buses on election day as an in-kind contribution to the coordinated campaign.

◆ **Senator Wayne Bryant, Camden, NJ**

Bryant is an African American State Senator from Camden County. He is the sponsor of the welfare reform bill being considered by the New Jersey General Assembly. This proposal has received considerable attention. He was a Transition Advisor representing New Jersey.

◆ **Senator Wynona Lipman, Essex County**

Lipman is the only female African American State Senator. She served as a Transition Advisor representing New Jersey. She played a key role in registering voters for the state.

◆ **Ray Lezniak, Party Chair**

Lezniak is the New Jersey Democratic State Chair and a State Senator.

◆ **Mary Lee Fitzgerald**

Fitzgerald was recently appointed the New Jersey State Commissioner of Education.

◆ **Ed Goldberg**

Goldberg was recently appointed New Jersey State Chancellor of Higher Education.

◆ **Clay Constantinou**

Constantinou was the New Jersey Finance Director for the Clinton/Gore campaign, raising over \$4 million. He is Deputy Treasurer of the DNC.

◆ **Florence Thomases**

Thomases is the mother of Susan Thomases. She assisted with the women's coalition bus tour.

◆ **Ronnie Liebowitz**

Liebowitz is a friend of yours and a financial contributor to the campaign and party. She is former General Counsel to Rutgers University. She is married to Bob Raymar.

◆ **Bob Raymar**

Raymar is a friend of the Clintons and a financial contributor. He was a classmate of Mrs. Clinton's at Yale Law School. He is married to Ronnie Liebowitz.

◆ **June Fisher**

Fisher is a member of the DNC Eastern Caucus.

◆ **Harry Pozycki**

Pozycki is the Middlesex County Democratic Chair.

◆ **Charlie Marciante**

Marciante is the Republican President of the New Jersey AFL-CIO.

◆ **Karen Kessler**

Kessler is a finance member and fundraiser for Florio.

◆ **Louis Katz**

Katz is a finance member and Florio's financial chair.

◆ **Allan Sagner**

Sagner is a finance member, large contributor and fundraiser for Clinton/Gore. He is the former Chairman of the New York-New Jersey Port Authority.

◆ **Clive Cummis**

Cummis is a finance member and fundraiser.

◆ **Al DeCotiis**

DeCotiis is a finance member and fundraiser.

◆ **Arthur Goldberg**

Goldberg is a finance member and fundraiser. He is Chairman of Bally's Casino in Atlantic City.

◆ **Ken Pentony**

Pentony is a friend of yours from Georgetown. He is a finance member and fundraiser.

◆ **Jackie Thomas**

Thomas is a young African-American woman who raised money from the young professional community. She was also part of the women's coalition.

◆ **Joe Salema**

Salema is Governor Florio's Chief of Staff.

◆ **Jamie Fox**

Fox is Executive Director of Florio's exploration committee. He donated half of his office building for GOTV efforts.

◆ **Betty Hutcheon**

Hutcheon is a friend of the First Lady and co-coordinated the women's campaign in New Jersey.

◆ **Edith Payne**

Payne co-coordinated the women's campaign for New Jersey.

◆ **Lenore Miller**

Miller is President of the Retail, Wholesale, and Department Store Union (RWDSU). She is the only female president of an international union. She was an early Clinton supporter and Clinton delegate to the Democratic National Convention. RWDSU was one of the first unions to support you. She is a Rutgers Trustee.

◆ **Bob Deltufo**

Deltufo is the State Attorney General and was previously considered for the Deputy Attorney General or Associate Attorney General positions within your Administration.

◆ **William Waldman**

Waldman is the New Jersey Commissioner of Health and served previously as Deputy Commissioner.

◆ **Harold Hodes**

Hodes was a very close friend of Paul Tully's. He ran New York state with Paul for Dukakis in 1988.

◆ **Richard Gannon**

Gannon is currently in the Office of Presidential Personnel. Gannon was the NJ Clinton/Gore State Director.

♦ **Richard Lerner**

Lerner is the New Jersey Finance Director and is also currently in the Office of Presidential Personnel.

♦ **Jane Moore**, her husband was one of your original roommates at Georgetown.
Her husband was in the school of Foreign Service with you.

♦ **Steve Oxman**, Appointed Assistant Secretary to Europe.

♦ **Cynthia Daniels**

Daniels is a Rutgers University Professor. She has worked very closely with the White House National Service office.

♦ **Toni Schniegelow**

Schniegelow is the Executive Director of the City Volunteer Corps in New York City.

♦ **John Briscoe**

Briscoe is the Executive Director of PennServe.

♦ **Lynn Keepers**

Keepers is the Executive Director of the NJ Service Corps.

♦ **Carolyn Angiolillo**

Angiolillo is the Executive Director of the Urban Conservation Corps of New York.

♦ **Marlene Mazyck**

Mazyck is the Executive Director of the Youth Corps of Newark.

♦ **Don Mathis**

Mathis is the Executive Director of the Pennsylvania Conservation Corps.

♦ **Tony Fairbanks**

Fairbanks is the Executive Director of the Philadelphia Youth Service Corps.

♦ **Mr. and Mrs. Frances Lawrence, President of Rutgers University**

♦ **Mr. and Mrs. Alvin Rockoff, Chair of the Board of Governors**

♦ **Carl Holstrom, Vice Chair of the Board of Governors**

♦ **Richard Lavao, Chair of the Board of Trustees**

♦ **Mildred Edwards, Vice President for Public Affairs and Development**

- ◆ **Joseph Whiteside, Senior Vice President and Treasurer**
- ◆ **Nancy Lotostein, Member of the Board of Governors**
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- ◆ **Gene Heller, Member of the Board of Governors**
- ◆ **Nancy Lane, Member of the Board of Governors**
- ◆ **Michael Tuosto, Member of the Board of Governors**
- ◆ **Anthony Cicatiello, Member of the Board of Governors**
- ◆ **Kevin Collins, Member of the Board of Governors**
- ◆ **Jeanne Fox, Member of the Board of Trustees**
- ◆ **Dean Paranicus, Member of the Board of Trustees**
- ◆ **Angelo Genova, Member of the Board of Trustees**

MONDAY, MARCH 1, 1993

MEMORANDUM TO THE PRESIDENT

FROM: Reta J. Lewis
Special Assistant to the President
Political Affairs

RE: Political Briefing - New Jersey

1992 PRESIDENTIAL ELECTION RESULTS

	<u>Middlesex County</u>	<u>New Jersey</u>
Clinton	45.2%	42.9%
Bush	38.1%	41.2%
Perot	16.0%	15.9%

RECENT CABINET VISITS

On February 16, 1993, Energy Secretary Hazel O'Leary was in Somerville, New Jersey (NJ) to stump for the economic program. Secretary O'Leary visited the Somerville Elementary Schools Science Center 2000, an interactive science learning program for third, fourth and fifth graders. Additionally, Secretary O'Leary met with the editorial board of the Somerville Courier-News.

PRESIDENTIAL VISITS TO RUTGERS

Former Presidents Jimmy Carter and Gerald Ford both visited Rutgers after leaving office and George Bush last year landed his helicopter at Rutgers enroute to an off-campus campaign appearance. University officials said they could not recall the last time a U.S. President visited campus while in office. Richard McCormick, a retired professor who has written a history of Rutgers, said Harry Truman visited New Brunswick while in office in 1948 but not the campus.

NOTE: During the general election, Mrs. Clinton was the keynote speaker for a GOTV rally held at Rutgers and over 4,000 students attended. Additionally, on election day, 3,000 Rutgers University students went door-to-door with the GOTV message throughout the state.

POLITICAL OVERVIEW

New Jersey is the ninth most populous state in the nation. Historically, NJ has not voted for a Democratic candidate for President since 1964 -- except for this most recent election. New Jersey was targeted by the Clinton/Gore campaign and you won by a narrow victory.

The county you will be visiting, Middlesex, is located 20 miles southwest of New York City and extending almost to Princeton. Middlesex is home to large numbers of both older Reagan Democrats and younger suburban Independent voters. This past September 1992, 69% of the county's voters said the economy is the "main problem" the candidates should be addressing in the gubernatorial campaign. Middlesex is an affluent county -- the median household income is \$48,760 -- it also suffers from an 8.1% unemployment rate.

GUBERNATORIAL POLITICS

History: In 1989, Jim Florio was elected Governor (Gov.) of New Jersey by a landslide. Soon after assuming office, the economic situation for the state of NJ took a turn for the worse. Faced with the problem of an increasing deficit, due to fewer taxes, Gov. Florio raised taxes to help bring more revenue to balance the state's deficit. This was an extremely unpopular decision because Gov. Florio had promised not to raise taxes during his gubernatorial campaign.

Although Gov. Florio was elected by a large margin in 1989 (he received 61% of the vote and led a Democratic sweep of both houses of the State Legislature), within two years the backlash to his tax program led to a massive Republican victory. The Republicans have a majority margin of 58 to 22 in the House and 27 to 13 in the Senate, a margin which enables the Republicans to override any vetoes by the Governor (as evidenced by the recent Assembly override of the ban on assault rifles -- see Walker's Issue Briefing - crime and drugs).

"The Resurrection Kid": Governor Florio was considered politically dead after a populist uproar over the 1990 tax hikes, but he is now in a re-election bid that many have declared "a toss-up". After imposing a \$2.8 billion tax package, public sentiment against Gov. Florio dropped his job approval rating in the polls to 18%. Since then it has crept up to 36%.

But things are changing --- Florio has since teamed with GOP leaders on health care reforms, school funding compromises, and job-creation measures. He now calls himself the "resurrection kid."

James Carville and Paul Begala are the strategists for Governor Florio's re-election campaign.

Gubernatorial Race 1993: It does not appear that Gov. Florio will face a Democratic challenger in the upcoming primary but he does face a tough challenge by one of two formidable Republican foes -- either Christine Todd-Whitman or Cary Edwards.

Ms. Whitman is the daughter of former national Republican leader Richard Todd. She served as Chairman of the Board of Public Utilities for several years during the Kean Administration after

a stint as a Somerset County Freeholder (a county elected official). Whitman gained notoriety in her campaign against Senator Bill Bradley in 1990 where the results turned out far closer than anyone expected. She has been running for Governor ever since.

Mr. Edward is a former Attorney General of the State (an appointed office), and served as former Governor Thomas Kean's Chief Counsel during his first term in office. Edwards now practices law with the firm of Mudge Rose Guthrie Alexander and Ferdon which specializes in bond work. His political base lies in Bergen County, the wealthiest and most populous county in New Jersey. He is a moderate Republican. He has recently revealed that he had employed an illegal alien as a housekeeper. Brenda Bacon, a senior advisor to Florio has also been hit by this issue.

Whitman has been active in raising funds to help other Republicans throughout the state. She comes from a very wealthy family (millionaires) and lived on a large estate until recently. She likewise has revealed she hired an illegal alien couple to tend to the estate and to watch her children. Her political philosophy was initially moderate, but she has recently attempted to woo the more conservative factions in the GOP.

Both Whitman and Edwards have attacked your Administration's economic proposals as typical Democratic "tax and spend" plans, reminiscent of the Florio tax increases in 1990.

Performance Polling: On Sunday, February 28, 1993, the Star-Ledger/Eagleton Poll revealed that New Jersey residents were more optimistic about their state and the positive job performance ratings of elected state officials have increased. The Governor's positive ratings increased 7 percentage points to 36 percent and the legislature increased 11 percentage points to a 28 percent positive rating points. However, half of the state's residents do not think Gov. Florio deserves to be re-elected, while about 4-of-10 say he merits a second term.

In the Star-Ledger poll, the first job performance rating for you showed that 44 percent of New Jerseyans gave you positive ratings. The Star Ledger poll only asked, "And, how would you rate the job Bill Clinton is doing as President -- excellent, good, only fair or poor?" the response was Excellent -- 15% , Good -- 29%, Only Fair -- 26%, Poor --18% and Don't Know -- 12%.

The Star-Ledger attributed the upbeat mood in the state's Democrats to the Party's victory in the Presidential election which increased their optimism about government and elected officials.

NEW JERSEY'S REACTION TO PRESIDENT CLINTON'S ECONOMIC PLAN:

Polling: A poll released by the Asbury Park Press Home News on February 21, 1993 revealed that New Jersey residents support the higher taxes and spending included in your economic address but oppose imposition of an energy tax. When asked, "if you take the economic package as a whole, do you think Congress should pass it," the response was: Yes -- 53%, No -- 38%, and Undecided/Refused -- 9%.

Tax Bashing: The press over the last few days was anything but positive. On Tuesday, February 23, 1993 two news conferences were held bashing your economic plan. One was held by State Senate President Donald T. DiFrancesco (R-Union) and Assembly Speaker Chuck Haytaian (R-Warren). They said your proposed plan would raise income taxes by \$1.1 billion, energy taxes by \$992 million when fully implemented by 1997 and corporate taxes by \$360 million.

However, the GOP numbers were disputed by the State Treasury Department. The Department said that the projection of \$1.1 billion increase in income taxes seemed too high. The Treasury estimated that 150,000 households or 3% of the state's residents would pay higher income taxes.

However, both sides agree on the cost of the new energy tax. By 1997, the tax would cost New Jerseyans \$992 million or an average of \$273 a year. The gasoline tax would increase an average of \$73 per household.

Also, the Coalition Against Higher Taxes held a press conference, attacking you for hiking taxes without seriously addressing government waste. The coalition included: Hands Across New Jersey, Hands '91, New Jersey Taxpayers Task Force, REVOLT, Middlesex County Conservative Coalition, and Ross Perot's United We Stand. The groups were formed during Florio's tax increase. The coalition is chaired by Republican U.S. Congressman Dick Zimmer of Hunterdon County.

Clinton/Florio Parallels: In recent political commentary around the state, your first months in office and Gov. Florio's (alleged) "no tax" promises on the campaign trail have been paralleled to Florio's first months in office and the campaign promises that he made regarding no new taxes.

There are differences between Gov. Florio's first term and yours. The first is that the you announced your proposals to the nation first, to gain public support. Gov. Florio failed to do so and his actions were perceived as arrogant by people upset by his tax increase.

The second difference is that even with a majority in both houses of Congress, you still included Republicans in your briefings and

made them a part of the process. Gov. Florio, with a majority in both houses of the Assembly, failed to include Republicans and therefore was unable to ever gain their support.

You have publicly pointed out that you respect Gov. Florio's courage in making tough choices, like raising taxes, to save his economically failing state. However, not many people in New Jersey would agree that what Florio did took courage.

CONGRESSIONAL DELEGATION:

New Jersey has 13 members in the House of Representatives, seven Democrats and six Republicans. Both Senators are Democratic.

Senator Bill Bradley has served since 1979. Senator Bradley will be joining you at the Adult Learning Center and for the speech at Rutgers.

Senator Frank R. Lautenberg has served since 1983. Senator Lautenberg is up for re-election in 1994. Because of a prior commitment, Lautenberg will not be joining you in New Jersey. It is rumored that former Republican Governor Thomas Kean might run against Lautenberg.

NOTE: Former Governor Tom Kean will be attending the speech and reception at Rutgers. Currently, Gov. Kean is President of Drew University.

The members of the New Jersey Congressional Delegation are:

Rep. William J. Hughes (D)	Rep. Jim Saxton (R)
Rep. Frank Pallone, Jr. (D)	Rep. Christopher H. Smith (D)
Rep. Robert C. Torricelli (D)	Rep. Marge Roukema (R)
Rep. Robert Menendez (D)	Rep. Bob Franks (R)
Rep. Robert E. Andrews (D)	Rep. Dean Gallo (R)
Rep. Herbert C. Klein (D)	Rep. Dick Zimmer (R)
Rep. Donald Payne (D)	

Representative Pallone will be attending the Adult Learning Center tour and speech at Rutgers. Congressman Pallone represents the 6th district in which Rutgers University is located. Pallone has decided that he would support your plan. Representatives Payne, Menendez and Klein will be attending the Rutgers speech and reception.

THE STATE LEGISLATURE:

There are 12 Democrats and 27 Republicans in the State Senate. In the State House, there are 22 Democrats and 57 Republicans. Republican Donald T. DiFrancesco is President of the State Senate. Republican Garabed (Chuck) Haytaian is Speaker of the General Assembly. (see previous discussion on Tax Bashing).

POLITICAL NOTES:

Empowerment: You appointed a task force comprised of senior officials and cabinet secretaries to develop several of your major domestic proposals, such as enterprise zones and community banks. Gene Sperling, Deputy National Economic Council, and Bruce Reed, Deputy Domestic Policy Advisor will lead the group. In a similar move, Congressman Robert Andrews (D-NJ) and Curt Weldon (R-PA) will chair a new Congressional Empowerment Caucus. Other members of the Caucus include: Congressman Charlie Rangel (D-NY); Joseph Knollenberg (R-MI); Tony Hall (D-OH); and Senator Joseph Lieberman (D-CT).

Carville Remark. Former New Jersey Attorney General, Cary Edwards (R), described James Carville's comment on the composition of the Clinton Administration as "racially based gratuitous" remark. He is referring to the following statement made by Carville when he was asked about bringing Clinton campaign aides into the White House, "It's like how many blacks you played on the basketball team in Louisiana 20 years ago. The rule was three at home, four on the road and five when you're behind." This quote appeared in The Wall Street Journal and Newsweek. Carville's response to Edwards comment was that his remark was "complimentary and first told to him by blacks in Louisiana." Governor Florio said he was unaware of Carville's remarks and had no comment.

Special-Interest: The annual report by lobbyists of what gifts they gave legislators came out last week and produced stories and editorials of criticism for the gift giving (Gov. Florio signed the law that required the disclosure). Additionally, the national GOP convened in NJ last week and got beat up because the event was lobbyist-financed. Also, this week Gov. Florio will sign a campaign reform bill that for the first time places limits on contributions to candidates for the Legislature. It isn't a great bill, but Florio thinks it is a good first step.

MEMORANDUM

COUNCIL OF ECONOMIC ADVISERS

February 26, 1993

TO: ALAN BLINDER

FROM: MICHAEL KNETTER ^W

SUBJECT: Talking Points on the New Jersey Economy

- o After an extended period of strong performance, the New Jersey economy has fallen on tough times since 1989.
 - The rise in New Jersey's unemployment rate was nearly 4 percentage points greater than the rise in the national rate between the first quarter of 1989 and the third quarter of 1992. The New Jersey unemployment rate rose from a low of less than 4 percent to over 9 percent during this period.
 - Nonfarm payroll employment has fallen 3 years in a row. In contrast, employment growth was only briefly interrupted in 1982 during the previous recession.
- o Job losses have been huge in manufacturing and construction.
 - Between 1989 and 1992, payroll employment declined by 285,000--168,000 jobs were lost in manufacturing and construction.
 - Since 1989 NJ total payroll employment has fallen by 7.7 percent, manufacturing employment has fallen 17.0 percent, and construction employment has fallen by 36.1 percent. For comparison, in the United States as a whole, total employment has been unchanged, manufacturing employment has fallen 6.4 percent, and construction employment has fallen 11.4 percent.
- o A study of the Clinton plan by Regional Financial Associates shows NJ to be one of 14 States adversely affected.
 - NJ will benefit from urban aid and transportation programs in the short term. Manufacturing and technology programs may help in the longer term.
 - Adverse effects are due to the high-income earners in the State who will face tax hikes and the dependence on oil which is subject to the higher BTU tax.

cc: TO, DC, JK, BD

THE WHITE HOUSE
WASHINGTON

February 28, 1993

MEMORANDUM FOR THE PRESIDENT

FROM: THOMAS KALIL (NEC)

SUBJECT: IMPACT OF ECONOMIC PLAN ON NEW JERSEY

Four elements of the plan are particularly important: the plan's impact on the pharmaceutical industry, the emphasis on environmental technologies, higher taxes, and long-term investments in infrastructure.

1. Pharmaceutical industry:

The pharmaceutical industry is a major employer in New Jersey, and the industry feels that they are being unfairly "demonized" in the debate on health care reform. On Friday, the *Wall Street Journal's* editorial page ran a story on Dr. Roy Vagelos, the CEO of the New Jersey-based Merck & Co. During the campaign, you stated that Merck's policy on drug pricing "represents what we can do as Americans if we set our minds to it." Now, however, Dr. Vagelos feels betrayed by the Administration's criticism of the industry. During the Little Rock Economic Conference, Vagelos had stated that the problem on immunization for children was not the price of the vaccine, but a break-down in the delivery system. Dr. Vagelos thought that this analysis had been accepted, and was "shocked" by the Administration's criticism of the industry -- which some analysts claim is responsible for recent declines in drug company stocks. Merck is running full-page ads in major newspapers defending its policies.

On Thursday, the Office of Technology Assessment released a report which confirmed many of the charges of industry critics:

- * Although the industry is R&D-intensive, it spends more on advertising and promotion than on R&D.
- * Industry "excess profits" amount to \$2 billion per year.
- * The "market for prescription drugs is broken", since doctors and patients are often unaware of the prices of the drugs they prescribed or took.

2. Environmental technologies:

In his January 1993 State of the State address, Governor Florio proposed a seven point plan to turn New Jersey into a world center for environmental technology. The plan includes: using a portion of the state's \$200 million Economic Recovery Fund to help entrepreneurs develop and market environmental technology; customized job training focused on environmental skills; tax incentives; loans for exports; and the creation of the New Jersey Corporation for Advanced Technology to help commercialize government and academic research.

Environmental technology is a logical focus for New Jersey. New Jersey has 113 Superfund sites, more than any other state.

Your plan contains \$271 million in additional funds for environmental technologies from FY 1994 to FY 1997.

3. Taxes on upper-income Americans

As one of the five wealthiest states, New Jersey will be hit harder than most by the increases in the top rate. New Jersey residents already feel overtaxed because of high property taxes, the highly unpopular tax increases enacted by Governor Florio in 1990, and the high cost of living. New Jersey's Treasury Department estimates that 150,000 households, or 3 percent of the state's residents, would pay higher income taxes.

Despite opposition to the higher income and energy taxes, a February 21st poll conducted by the *Asbury Park Press* found that the majority of New Jersey residents supported the package as a whole. When asked, "If you take the economic package as a whole, do you think Congress should pass it," the response was:

Yes	53 percent
No	38 percent
Undecided/no answer	9 percent

4. Investment and stimulus package:

An editorial in the *New Jersey Star Ledger* concluded that the state "will get more than our fair share of the new federal money because New Jersey has matching fund proposals just waiting for the feds to come through with the dollars." The Governor's office estimates that New Jersey will receive \$350 million in funds from the economic stimulus package, including \$113 million for transportation, \$82 million for clean-water projects, and \$54.5 million in Community Development Block Grants.

On Monday, Governor Florio will announce a plan to increase investment in the state's highway and public transit capital programs by an additional \$1.4 billion. The Governor's office estimates that this investment will create 42,000 jobs.

THE WHITE HOUSE
WASHINGTON
February 28, 1993

MEMORANDUM TO THE PRESIDENT

FROM: Ann Walker
RE: Issues Briefing - New Jersey

ECONOMY AND JOBS

Unemployment: 7.0% (January 1992)

Taxes

The biggest issue in New Jersey is the Clinton economic plan - particularly taxes. With a higher per capita income than the national average, many New Jersey residents will be affected by the tax plan. Most Jersey residents with incomes in the \$75,000 range consider themselves "middle class." The cost of living is very high especially in northern NJ.

High state property taxes combined with State tax increase under Florio, contribute to the feeling that NJ residents pay "more than their share." Suburban taxpayers frequently complain about paying for "urban ills." The large senior population worries about fixed income and fuel taxes.

Energy Tax

Concern that the BTU tax will disproportionately affect NJ residents.

Pharmaceutical Industry

NJ is the headquarters of major pharmaceutical firms including:

-Johnson & Johnson (headquartered in New Brunswick)
-Ciba Geigy
-Warner Lambert -Bristol Myers
-Squibb, -Schering Plough
-Hoffmann LaRouche -Sandoz
-Merck

Leaders in the pharmaceutical industry have expressed concern that their industry is coming under fire causing stock prices to decline. Merck CEO, Roy Vagelos, in an open letter advertisement placed in five large US newspapers expressed his "disappointment" with your comments in the immunization address. They say they

want to work with the you to contain health care costs and, through Florio, have requested a meeting with you.

The ripple effect of a disruption in the pharmaceutical industry for the state of NJ would be a loss of jobs, as well as a loss of community participation. J&J has been particularly involved in community projects, including a very successful partnership for the revitalization of New Brunswick.

Military Base Closings

There is a lot of concern about possible base closings at Fort Monmouth, Fort Dix, McGuire Air Force Base, and the Philadelphia Naval Yard. These bases are large employers in the state, and reductions would worsen existing unemployment.

Last week, Senators Bradley and Lautenberg and Rep. Saxton, held a press conference (Feb. 23) and said the state couldn't afford to lose another facility to further defense cuts. McGuire Air Force Base employs 11,000 people and contributes over \$1 billion to the state's economy each year. They promised to fight to keep the bases open.

Job Creation

Florio's jobs agenda is receiving favorable ratings for expanding existing economic opportunities. The NJ Economic Development Authority has aggressively pursued public/private partnerships leading to new jobs and economic growth. Since 1990, the EDA has arranged \$1 billion in financing representing over 400 projects and businesses. Through leveraging, this activity has led to \$2.75 billion in total investments and 24,000 additional jobs.

In 1992, EDA administered the Economic Recovery Fund, an economic development initiative expected to stimulate \$800 million in total investments and to create 20,000 construction and 75,000 permanent jobs over three years. Using no additional taxpayer dollars, Florio authorized the sale of \$224 million in bonds to serve as the catalyst for this economic stimulus.

CRIME

Ban on Assault Guns Repealed

NJ's 1990 assault weapon law, which Florio pushed, is the toughest in the nation. However, last week (Feb. 25), the General Assembly voted to override Florio's veto of a bill to weaken the state ban on semi-automatics weapons by legalizing all semiautomatic except Uzis and AK-47s. The override attempt now goes to the state Senate.

The public overwhelmingly (78%) in favors keeping the ban on assault weapons intact.

HEALTH CARE

Reform

A bipartisan health care reform package was enacted on November 30, 1992 to phase in community rating over a three year period in an effort to:

- make insurance more accessible and affordable
- eliminate discriminatory rating practices
- guarantee portability of insurance

The package was also designed to stimulate competition among insurers and promote managed care.

This health care agreement was struck between the Governor and the Republican-controlled Legislature. The package was not supported by Legislative Democrats. A major point of contention was the level of compensation provided to urban hospitals. This package has come under a great deal of fire from the urban hospitals, who claim that the compensation provided for them under this legislation is not adequate to help urban hospitals to provide for the drain of uninsured patients. The reform package also dismantled, at the insistence of the Republican leadership, the hospital reimbursement system known as "Diagnostic Related Groups" (DRGs) which had proven to contain hospital costs relative to other states in the region.

Also at issue was the funding mechanism for this program. Funds have been diverted from the State Unemployment Trust Fund to pay for uncompensated care. This measure was opposed by labor leaders because it could potentially trigger increases in unemployment taxes to replace the diverted funds.

New Brunswick

Mayor Cahil has declared New Brunswick the "health care city." It recently added new CORE pavilions (Care, Outreach, Research and Education) to two hospitals -- one for women and children at St. John's Hospital, the other at the Robert Wood Johnson hospital for cancer patients. (Currently the Robert Wood Johnson Hospital is hosting a "Battle of the Bulge." The hospital matches each pound lost with \$1 donated to Elijah's Promise, a soup kitchen in the area. Last year a 1,000 pounds were lost.)

TRANSPORTATION/INFRASTRUCTURE

Infrastructure Investment

Florio led the rest of the nation in infrastructure investment by creating his New Jersey Works! program three years ago. Today, New Jersey has over 500 construction projects under way throughout the state worth \$2 billion. These projects are not only helping repair the state highways and bridges, but are also

creating thousands of jobs. The Governor is continuing his commitment on Monday, Mar. 1, when he will submit a \$1.4 billion capital program for the Department of Transportation and the state's transit agency, NJ TRANSIT. This program is expected to generate more than 42,000 construction related jobs.

ENVIRONMENT

Dioxin Dredging

Port Elizabeth and Port Newark, two of the busiest ports on the East Coast, employ tens of thousands of New Jerseyans. To maintain the viability of the ports, dredging will be necessary, but the area is contaminated with dioxin from the runoff of a defunct chemical company. The question is where to deposit the dredged material. The ordinary location is 6 miles off the Jersey shore. Environmental activists contend that the dredged material should be dumped at a site 250 miles off the Jersey shore. The Port Authority and business leaders say this is economically untenable.

Shore Protection. The New Jersey shore was hit quite hard by this winter's storms. Many entire towns were devastated by this disaster, and there are many FEMA claims currently being processed. A report by FEMA suggested that some properties damaged might be bought out instead of continually rebuilt in precarious locations.

The damage to the shore could also cost the state thousands of dollars in tourism revenue if the rebuilding is not completed by the beginning of the summer.

SOCIAL ISSUES

Community Service. In March of 1992, New Jersey applied for funds under the National Community Service Act, which were administered by the National Commission on Community Service. New Jersey's application to the Commission was the State Plan for Community Service which is called "One New Jersey." New Jersey was one of only two states (the other state was Massachusetts) to receive funding under all four components of the Act. New Jersey won approximately \$2 million total. The components are Serve America, Higher Education, Youth Corps, and National and Community Service.

College Tuition. Governor Florio has instituted increases in aid to higher education. A program which is particularly touted is the Tuition Stabilization Incentive Program, which is currently being funded at \$30 million to hold tuition increases to 5%. This appropriation has consistently been under threat by the Republican legislative leadership and is a very popular program, particularly at Rutgers.

FEBRUARY 27, 1993

MEMORANDUM TO THE PRESIDENT

FROM: GENE SPERLING

SUBJECT: Q&A ON THE ECONOMIC PLAN

Attached is both an in-depth Q&A that answers many of the criticism that have been made concerning aspects of the economic plan. This is a "living" document that will be given to many people who will have to speak for the plan. We will add new questions as they arise, and will strengthen our current answers when we learn of other points we might have missed. Please let us know when you are getting new questions or if you have ideas about how the current Q&A could be strengthened.

IN-DEPTH Q&A ON CLINTON-GORE ECONOMIC PACKAGE

1. Broder column and the deficit:

Q: Broder implied that the President knew about the deficit increase during the campaign and that thus he was not being straight in saying that it was the deficit that forced him to go beyond the campaign and raise energy taxes. What is your response?

A: The clear and undisputable facts show that he is wrong. It is the case that the deficit did deteriorate during the Presidential campaign. Everyone knew that. But it did not deteriorate enough to require us to have raised energy taxes to get our current deficit target for 1997.

But the undisputable fact is that after the election was over the deficit got far worse by any standard. The adjusted OMB projections show that the deficit got worse by \$70-100 billion after the campaign. The CBO showed that it got worse by well over \$33 billion. When adjustments were made to our internal numbers, the deficit was \$50 billion higher. So by any standard, it is a clear, objective and undisputable fact that the deficit got \$33-\$100 billion worse after the campaign. No one -- no one -- had the capacity to know what the January 1993 CBO and OMB numbers would be before they came out. Therefore, no matter whose numbers you believe, the facts are clear: the deficit is much higher than anyone could have known last summer.

2. Business Week Deficit "Prediction:"

Q: But last July, Clinton told Business Week the deficits would approach \$400 billion.

Let me repeat, no human being could predict what the OMB or CBO would do with their January 1993 numbers until they came out.

The unexpected increase in the deficit was the rise in FY1997 to \$346 billion -- more than \$100 billion greater than when we first did our plan. When Clinton spoke to Business Week he was not even talking about the deficit baseline in 1996 or 1997. What he was referring to in that July 6, 1992 interview was that some were predicting that the 1992 budget might rise to near \$400 billion because of RTC costs and other factors. When Congress did not deal with the RTC and technical changes were made, the deficit for 1992 ended up being \$290 billion. As it turned out, the 1992 number was far lower than anyone expected, but the 1997 number that we have to live with was more than \$100 billion worse than Clinton -- or anyone -- could have known in July 1992.

3. Bush Campaign Tax Commercial:

Q: When Bush cut a commercial saying that people making \$36,000 would pay higher taxes, Bill Clinton said it was despicable. Yet, now it seems that Clinton intends to raise taxes on such families. Hasn't Clinton's critique of Bush's commercial proven to be unfair?

A: Absolutely not. Clinton stated that his income tax proposal would apply only to the top 1-2%. What he proposed in his budget was only on the top 1.2% -- families making over \$180,000. Almost 99% of Americans are untouched by increases in the income tax -- just as Clinton promised.

Even when the deficit increased after the campaign by an additional \$50 billion, Clinton ensured that average families were touched as little as possible by the overall tax package-- no more than \$17 a month for an average family -- while millions of families will pay far less when you count their reduced mortgage costs due to lower interest rates.

4. Family Economic Income:

Q: David Broder says that the Clinton income figures of \$30,000 and \$100,000 are inflated and count income that people normally do not count as income and that this is more smoke and mirrors. What is your response?

A: Those were the same Treasury calculations used in the Treasury for years -- by Republican Administrations. Only now is it challenged. If you look at the Reagan Administration's 1985 "Tax Proposals to the Congress for Fairness, Growth and Simplicity" or their 1984 report "Tax Reform for Fairness, Simplicity, and Economic Growth" -- they both use the same concept of "family income" and have an appendix that explained it in detail. Whatever differences there are between family income and adjusted gross income, that difference is minimal for the average middle class family.

In any case, objective studies by the nation's top tax and accounting companies completely confirm our estimates.

Arthur Anderson showed that a family of three making \$25,000, would actually receive a \$700 tax cut because the amount we increased the Earned Income Tax Credit is so much larger than the energy tax.

Coopers & Lybrand found that for a family of four making \$55,000 adjusted gross income their tax rate would go up less than \$11 a month.

[It should also be noted that, by any standard, objective study after objective study has shown that the average family pays only around \$15 more a month in higher energy taxes, while a USA Today article this week showed that many middle class families

will save over \$1000 in mortgage costs from the reduced interest rates that have been brought about already from the seriousness of the Clinton plan. In addition, the worst distribution table shows that the top 10% pay 70% of all of revenues in the Clinton plan.]

5. Clinton Baseline and CBO Baseline:

Q: Isn't Clinton's baseline purposefully made more negative so that it looks like you are doing more on the deficit. After all, the CBO deficit is only \$319, while his is \$346?

A: The Administration had some slightly more conservative revenue calculations, but let's be clear: the plan achieves specific gross cuts of \$195 billion in 1997. When you subtract \$55 billion for new investments that comes to \$140 billion in net deficit reduction.

We have been more conservative in all our numbers so that the American people know we are shooting straight with them. Remember, the Council of Economic Advisors came up with the same growth numbers as the Blue Chip. We could have used those numbers and no one could have assailed them. Yet, since the CBO numbers were more conservative, they used them so that there could be no chance that anyone could see them as getting out of the nation's problems with rosy scenarios.

6. Spending cuts:

Q: How do you reply to the claims by Pete Domenici that the Clinton is not really doing much on spending cuts?

A: If you look at his gross cuts, the President is cutting \$247 billion in spending and has \$493 overall in gross deficit reduction. Even when you subtract all of the tax incentives and new investments, you still find \$325 billion in net deficit reduction over four years and \$473 in net deficit reduction over five years. Even with all of the new investments, this is still close to being the largest net deficit reduction package of all time.

In fact, if the Clinton plan is adopted, we will spend less -- as a proportion of our national income -- than either Bush or Reagan. [Government spending under the Clinton plan would average 22.7 percent. Under the Republicans, it averaged 23.3 percent.]

7. Tax and Spending Ratios:

Q: But doesn't he rely far more heavily on tax revenues and really far too little on spending cuts? Some -- like Rep. Kasich -- say the ratio is \$3.60 cents to every \$1 in spending cuts.

A: The long-term package over five years has \$375 billion in gross spending cuts and \$222 billion in cuts even if you subtract all of the new investments.

In gross terms, the overall plan relies more on spending cuts and has more spending cuts than revenue raisers by the second full year. Yet, even if you look at the net numbers -- even if you subtract all of the tax incentives and new investments -- there are more spending cuts than taxes by the fourth year out, and most importantly, that pattern continues to grow with each year. In other words, the percentage of spending cuts continues to exceed the revenue raisers by more and more each year starting in the fourth year.

So the plan will set the nation on a new path. We are turning around the pattern of high deficits and low investment and replacing it with lower deficit, higher investments and do so while setting a long-term pattern that relies more and more on spending cuts with each year.

[Note: In real terms, Treasury has calculated that the 1982 Reagan tax increase was larger and less fair than our tax package]

Specific Spending Cut Issues:

Q: Your numbers seem good from a distance, but what we are hearing is that you are inflating your spending cuts by counting things that are not really spending cuts. I would like to mention the charges one by one and have you respond as to why it is a spending cuts.

8: Interest Cuts?

Q: Both of the critique on the Clinton budget put out by Republicans on the House and Senate Budget Committees say that the Administration is wrong to count interest rate cuts as a spending cut. What is your response?

A: We knew that Washington was out of touch, but we never thought we would live to see the day when if we cut the tragic amount of interest we pay on the debt, we would be told that this is not cutting spending! Do the Republicans think that cutting interest payments on the debt is raising taxes?

We spend nearly \$200 billion a year in interest payments on a national debt that has exploded over the last 12 years. We spend this money -- much of it to foreign bond holders -- instead of investing in America. Since, many of the people in Washington have never cut the interest payments we pay on the debt, I can understand that they do not know what to call it. But I think most people know that when they pay down their credit cards so they pay less interest, they are cutting their spending. When we finally have the courage to cut the deficit so that we are cutting the spending we pay on interests, we are cutting spending. Republicans can call this a Kangaroo or an orange or whatever they want, but common sense tell you that you are cutting spending not raising taxes.

9. Social Security?

Q: Many people have criticized the Administration for counting their Social Security provision as a spending cut when they are raising funds by including more Social Security benefits as taxable income?

A: Just Tuesday, at a Dole, Domenici, Packwood Press conference -- Senate Finance member Packwood stated clearly that this type of reduction in Social Security has been counted as a spending cut by both the Bush and Reagan Administration. [Reuters Transcript Report, 2/23/93] Former CBO director Rudy Penner has published an article stating that this reduction should be seen as a spending cut.

And as Herb Stein said in the Wall Street Journal, (1/24/93) there is no reason to call this a new revenue as opposed to a spending cut. The effect is exactly the same. However it is classified, we are spending less on entitlements by the same amount

The main thing is that it is too bad that people who don't have the courage to change are getting lost in form over substance. For years and years, we have heard that we have to cut what we spend on entitlements, and that we must have the courage to take on Social Security. If the Clinton plan had cut COLAs, it would have been regressive, but everyone would have called that a "spending cut." Yet, the Administration figured out a way to cut spending on Social Security entitlements by affecting only the top 19% of beneficiaries. That is an important, smart and fair way to reduce entitlements -- whatever you call it.

10. User Fees?

Q: Some are also saying that they are counting fees as cuts when they are really higher taxes:

A: It has always been the standard rule that if a business or a person uses a government service -- paid for by the taxpayer -- and that business or person pays for a specific service and is charged for it in a business-like way, then it is counted as a reduction of the costs of the program. Why should a taxi cab driver have his tax dollars used to subsidize a wealthy person's use of a private jet? Making that private jet owner pay for his use of a taxpayer financed airport so that we can spend less on our airports is lowering the spending costs average taxpayers have to pay.

11. Earned Income Tax Credit:

Q: The House Budget Republicans say that it is wrong for the Administration to count all of the earned income tax credit as a tax cut, and that they should count part of it as a spending increase?

A: That is a trickle-down definition if I've ever heard one. If a tax cut is given for a rich person it is called a supply-side miracle. When we give a tax cut for working people, they call it a spending increase. The fact is that President Bush and everyone else scored the earned income tax credit as a tax cut in the 1990 Budget Agreement. It is just one more attempt to distract attention from the fact that Bill Clinton has presented a real deficit package, and the Republicans have no reply.

12. Spending Cuts and Budget Agreement:

Q: What is your response to Domenici and others who say that many of the Administration's spending cuts were already in the 1990 budget agreement?

Answer: No. Every single one of the 150 programs we cut is a new cut -- beyond what was implemented in the Bush Administration -- creating new savings. The 1990 Budget agreement had caps -- it didn't say what the cuts were, or who would have the courage to identify and call for them. By filling in the black box with real and specific reductions, the Clinton plan converts smoke and mirrors into concrete spending cuts.

13. Gross and Net Deficits:

Q: But didn't the OMB Director purposely mislead us by giving the impression that you were cutting \$493 billion in net deficit reduction over four years?

A: No. There may have been some confusion over what was gross deficit cuts and what was a net deficit cut. The Administration has always made it clear that of the \$493 billion in gross deficit reduction, 2 of every 3 dollars goes for deficit reduction and \$1 goes for new investment. In his briefing on February 17th, Leon Panetta referring to the \$493 billion said, "Two-thirds of that amount goes for deficit reduction, one-third of that amount goes for investments."

14. Social Security Thresholds:

Q: The President claimed that while he was going to ask for more from well-off Social Security recipients, that no one who did not pay tax on their Social Security now would not pay tax under his proposal. Yet, some claim this is not true. They say that the provision will reach below \$32,000 and tax new people who never before paid tax on their Social Security benefits.

A: That is not true. We ask more from the top 19% of the Social Security recipients and that is all. The same 80% of Social Security recipients who don't pay a dime on their Social Security benefits will still not pay a dime.

[The formula to increase the amount of benefits subject to taxation, is phased in so that only those over the current threshold -- \$25,000 for a single and \$32,000 for couple --are affected. The claim that we are reaching deeper is not the case: the thresholds are intact under our plan. (If there are disputes on the revenue we raise, that is a technical issue)]

15. The Need for a Stimulus?

Q: Now that we see how great the growth was for the 4th Quarter of 1992, do we still need a stimulus package?

A: In light of the strong upsurge in consumer confidence that occurred in the last few months of 1992 because of optimism over President Clinton's election, we are gratified by the encouraging news. Yet, as we have said before, the President's criteria is jobs, and we still have a jobless recovery, with historically low job creation rates. If this were even an average recovery, we would have 3 million more jobs in the economy today. In fact, the unemployment rate is higher today than it was at the very bottom of the recession. So we are not satisfied, and we will not be satisfied until we get a job creating recovery.

16. Gramm-Army?

Q: What about the Gramm-Army plan? They call for a Balanced Budget Implementation Act that would put a cap on entitlements, used fixed deficit targets and sequestration to balance the budget by the year 2000. What is wrong with that, especially if they are only capping non-Social Security entitlements at inflation as they claim?

A: Their plan is just another gimmick designed to allow some members of Congress to hide behind a scheme that allows them to sound tough on the deficit, without having to summon the courage to specifically say what they would cut.

Gramm-Army does not call for a single new dollar in training for laid-off defense workers, for anti-crime initiatives, for fixing the environment, for the best children's programs like Head Start and WIC or for welfare reform.

But far beyond that, their nice sounding plan could only be implemented with devastating cuts that could set our nation back decades. To reach their goal through across the board spending cuts, they would have to cut everything by 33%. That means brutalizing Medicare and Medicaid. That means, according to one Congressional study, that we would need a 33% cut in our veteran programs, a 33% cut in federal judges, a 33% cut in the FBI -- 3,000 fewer agents, a 33% cut in federal drug enforcement officials, and a 33% cut in programs like Head Start, child immunizations.

We have given every cut -- no matter how painful -- line by line, dollar by dollar, year by year. Others who don't have the cuts to follow course, throw out gimmicks that sound nice, but when you look behind them you find that they could only take place if we called for painful, dangerous cuts that these same people don't have the courage to be specific about.

17. Kemp-Weber?

Q: How about the Kemp-Weber proposal -- "Empower America?"

A: It is the same old thing: nice words, no courage, major deficit increases and a wish list with no specifics.

Mr. Kemp calls for hundreds of billions in all sorts of tax cuts to everyone imaginable. He would spend hundreds of billions reducing the payroll tax cut, increasing the personal exemption, while reducing every corporate tax imaginable. Some of this is nice -- I wish we could just give away hundreds of billions. And what is his only suggestion for paying for these massive new tax cuts? He calls for a line-item veto --

- which we support -- and what he calls "strong budget caps." We really can't afford four more years just like the last 12 years with people like Mr. Kemp promising everything to everyone, saying we can cure all our problems without having the guts to come forward with even one specific tough choice. We gave America a real budget, with over a 150 specific cuts in program for each of the next five years so that we could both bring the down the deficit while we increased investments in our people. That is tough to do, but that is the type of change the American people want.

18. Marriage Penalty?

Q: Isn't there a marriage penalty in this package?

A: No. This plan doesn't even touch the incomes taxes of any other than the top 1.2% of all taxpayers. Some have complained that the surtax on those making over \$250,000 is a marriage penalty for those in that bracket because it didn't distinguish between singles and married couples who are extremely well-off. Once again the Republicans are throwing up a red herring by focusing on a technical issue.