

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: James J. Jukes (CN=James J. Jukes/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 6-MAR-1997 10:02:12.00

SUBJECT: Meeting at Noon Today on ISTEА Climate Change issues

TO: Henry C. Kelly (CN=Henry C. Kelly/OU=OSTP/O=EOP @ EOP [OSTP])
READ:UNKNOWN

TO: Linda Lance (CN=Linda Lance/OU=CEQ/O=EOP @ EOP [CEQ])
READ:UNKNOWN

TO: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Diane C. Regas (CN=Diane C. Regas/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

CC: James A. Brown (CN=James A. Brown/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Diane R. Montgomery (CN=Diane R. Montgomery/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TEXT:

You are invited to a meeting at noon today in room 2010 NEOB to discuss EPA's proposal on ISTEА/climate change and the counteroffer described in the attached e-mail. I understand that the counteroffer has been approved by NEC, DPC, and CEQ. OMB intends to attempt to persuade EPA that the counteroffer is the best we can do for them under the circumstances.

EPA will be represented by David Gardiner. DOT will be represented by Jane Garvey and Jano Lieber.

I will chair the meeting at Michael Deich's request. I apologize for the short notice. Michael believes that this issue must be closed today.

Diane R. Montgomery
02/28/97 07:21:18 PM
Record Type: Record

To: Dorothy Robyn/OPD/EOP
cc: Henry C. Kelly/OSTP/EOP
Subject: Sustainable Transportation Initiative

To resolve the Global Climate Change issue, I propose that DOT increase

research spending to fund a Sustainable Transportation Initiative. This initiative would incorporate both global climate change research and Brownfields research at a total of \$25 million over the life of NEXTEA. The purpose of the initiative would be to collect the data regarding land use design, urban sprawl, modeling, sustainable development, Brownfields revitalization, LUTRAC pilots, etc., to better understand the relationship between these issues and transportation.

The program would be funded through FHWA's administrative funds, through which FHWA funds a large portion of their research program, via an existing environmental research and development program. We would instruct DOT to increase their research funds in this administrative account by reducing other administrative costs.

There would not be any specific authorization language referring to this new initiative in NEXTEA; there would simply be an agreement between EPA, OMB, and DOT that DOT will fund approximately \$4.2 million annually in research for these projects over the life of NEXTEA. Because this administrative account is authorized in permanent law, we do not need additional language. I believe we are in agreement that we do not want to call any more attention to this project than necessary. Each budget submission to the appropriations committee, however, would include a brief write-up of this initiative in the environmental research section of FHWA's budget.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 6-MAR-1997 15:10:21.00

SUBJECT: istea

TO: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

can you fax me the dot point papers; i gave you my last copies. sperling
mtg. on istea will be on monday sometime. i'll call you to discuss
content.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mark J. Schwartz (CN=Mark J. Schwartz/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 6-MAR-1997 16:40:48.00

SUBJECT: Proposed reply for Doug Alexander letter

TO: Leanne I. Johnson (CN=Leanne I. Johnson/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TEXT:

(thanks to Jon Ball for doing the draft)

Mr. Doug Alexander
Atlanta City Council
55 Trinity Avenue, S.W.
Atlanta, GA 30335

Dear Doug:

Thank you for writing to me about funding for Amtrak. I understand the importance of rail service to the people of Atlanta, and I have shared your letter with officials in the Office of Management and Budget and Department of Transportation.

I value your perspective on funding for Amtrak and share your determination to provide the American people with high-quality, reliable intercity rail service. My Administration has consistently supported funding for Amtrak at levels above those that Congress has been willing to appropriate. My fiscal 1998 Budget requests a \$27 million increase over 1997 funding for Amtrak, minus one-time 1997 costs.

As you are aware, my 1998 Budget was prepared in anticipation of Intermodal Surface Transportation Efficiency Act (ISTEA) reauthorization. The Administration's ISTEA reauthorization proposal will elaborate on our decision to draw Amtrak funding from the Highway Trust Fund. It will provide Amtrak with the tools it needs to become more efficient, and include substantial operating and capital support for the next six years. It will also allow state and local decision makers, like yourself, more flexibility to include Amtrak and other intercity passenger rail in your surface transportation investment decisions.

The future of Amtrak depends upon the support and involvement of all parties with an interest in intercity passenger rail. I am confident that the changes we propose will advance such cooperation, and better serve the interests of the American people.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: James J. Jukes (CN=James J. Jukes/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 6-MAR-1997 18:38:19.00

SUBJECT: Re: Resolution of EPA/DOT Global Climate Change Issue

TO: Diane R. Montgomery (CN=Diane R. Montgomery/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Robert S. Fairweather (CN=Robert S. Fairweather/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Ronald M. Cogswell (CN=Ronald M. Cogswell/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: James A. Brown (CN=James A. Brown/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: David J. Worzala (CN=David J. Worzala/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Kenneth L. Schwartz (CN=Kenneth L. Schwartz/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Robert J. Tuccillo (CN=Robert J. Tuccillo/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: James C. Murr (CN=James C. Murr/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

CC: Jonathan C. Ball (CN=Jonathan C. Ball/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

CC: Michael Deich (CN=Michael Deich/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TEXT:

Lieber just called to say that the Department rejects the 100% match for clean fuel. He was going to inform EPA directly.

He also said that the Secretary, at hearings today, twice repeated his pledge to have the bill up there this week.

I mentioned to Jano that I understood there might be a need for a final White House chop on this (per the Sperling memo to the President). This was news to him. He was pressing me hard to close the bill tomorrow and I said the best case was Monday. (I think he'd be happy with Monday.)

Diane R. Montgomery
03/06/97 04:04:27 PM
Record Type: Record

To: Michael Deich/OMB/EOP
cc: See the distribution list at the bottom of this message
Subject: Resolution of EPA/DOT Global Climate Change Issue

At Noon today, we met with EPA/DOT officials to discuss the resolution of the global climate change issue. EPA initially requested a \$500 million incentive fund to reward States for reducing vehicle-miles-traveled. As a compromise, TCJS, CEQ, NEC, DPC, and OSTP staff proposed a \$25 million (over 6 years) research program to study both global climate change and brownfields issues. Per agreement with the WH offices, the funds would come from FHWA's administrative account (through which a large portion of their research is financed) to avoid a specific authorization in NEXTEA, which would call unnecessary attention to the initiative. This compromise proposal was passed-back to EPA and DOT yesterday.

At today's meeting, EPA proposed \$90 million (over 6 years) for environmental research, \$150 million for acquisition of clean fuel buses, and \$150 million tax-based incentive fund to reward States for reduced vehicle-miles-traveled. In response, DOT/OMB/WH staff agreed to increase environmental research funding by \$5 million in the outyears (1999-2003) to a total funding level of \$30 million. In addition, OMB and WH staff proposed that CMAQ/FTA matching share for the incremental cost for acquisition of clean fuel buses in areas with air quality problems be changed from 90% to 100%. (DOT has not yet agreed to this proposal, but did agree to investigate feasibility.) DOT also noted that 10% (\$291 million) of its total CMAQ funds from 1992-1995 was spent for alternative fuel buses and, therefore, felt they were meeting EPA's goal. DOT also reiterated a previous agreement with EPA to make environmental research a priority in the National Science and Technology Council (NSTC) process, which would provide access to significant research and development funds across the government.

DOT believes that the current bill sufficiently addresses environmental issues. NEXTEA, for example, includes a 26% increase in funding for the CMAQ program and a 29% increase for the Environmental Enhancements (e.g., bike-ped paths, trails, water pollution mitigation) program. The bill also includes parking-cash out, congestion pricing, and Interstate tolling proposals which could have a significant impact on reducing vehicle-miles-travelled.

EPA did not seem satisfied with a \$30 million research program and was unhappy that total CMAQ/FTA funds would not increase to provide additional funds for clean fuel buses.

Jim Jukes called the meeting to a close, indicating to EPA that they should appeal directly to you if the proposal was not adequate. The deadline for such an appeal is COB today.

Message Copied

To: _____

Kenneth L. Schwartz/OMB/EOP

David E. Tornquist/OMB/EOP

David J. Worzala/OMB/EOP

Jonathan C. Ball/OMB/EOP

James J. Jukes/OMB/EOP

James A. Brown/OMB/EOP

Dorothy Robyn/OPD/EOP

Ananias Blocker III/WHO/EOP

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Anna M. Gomez@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME: 7-MAR-1997 19:32:00.00

SUBJECT: RE: ISTEa Mtg

TO: MAZUR_M (MAZUR_M@A1@CD) (WHO)

READ: 7-MAR-1997 20:10:03.56

TEXT:

Message Creation Date was at 7-MAR-1997 19:30:00

Hey Mark -- ignore my voice mail, Dorothy set me straight. I got stuff from her. Thanks.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Anna M. Gomez@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME: 7-MAR-1997 14:42:00.00

SUBJECT: RE: ISTEa Mtg

TO: MAZUR_M (MAZUR_M@A1@CD) (WHO)

READ: 7-MAR-1997 14:48:55.96

TEXT:

Message Creation Date was at 7-MAR-1997 14:40:00

Sure -- the material would be great. I'm confused though -- Dorothy thinks you are doing a memo . . .

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Anna M. Gomez@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME: 7-MAR-1997 17:33:00.00

SUBJECT: ISTEa Mtg time change to 11:00 a.m. not 9:30!!!!

TO: MAZUR_M (MAZUR_M@A1@CD) (WHO)

READ: 7-MAR-1997 20:10:20.91

TO: Dorothy Robyn (Dorothy Robyn@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TEXT:

Message Creation Date was at 7-MAR-1997 17:30:00

Sorry -- it's been moved to 11:00 a.m. not 9:30 as previously reported.

----- Forwarded by Anna M. Gomez/OPD/EOP on 03/07/97 05:29 PM

Anna M. Gomez

03/07/97 05:29:18 PM

Record Type: Record

To: Dorothy Robyn/OPD/EOP, MAZUR_M @ A1 @ CD @ LNGTWY

cc:

Subject: ISTEa Mtg time change

FYI -- Melissa just told me the ISTEa mtg has been moved to 9:30 - 11:00 a.m.
Monday.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dainel C. Tate (CN=Dainel C. Tate/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 7-MAR-1997 17:00:03.00

SUBJECT: what time is ISTE A

TO: ANDY (Pager) #BLOCKER (ANDY (Pager) #BLOCKER [UNKNOWN])

READ:UNKNOWN

TEXT:

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

CREATOR: Mark J. Mazur (MAZUR_M) (WHO)

CREATION DATE/TIME: 7-MAR-1997 22:00:15.12

SUBJECT: ISTE A meeting on Monday

TO: Janet L. Yellen (YELLEN_J) (CEA)

READ:NOT READ

TO: Michele M. Jolin (JOLIN_M) (WHO)

READ: 8-MAR-1997 15:10:14.22

TO: Alice H. Williams (WILLIAMS_A) (WHO)

READ:10-MAR-1997 09:00:04.39

TEXT:

Folks,

The Monday meeting (now I think it is scheduled for Monday morning at 11 am) is intended to figure out the appropriate strategy for rolling out the ISTE A reauthorization legislation. I think Gene wants to determine if it makes sense to have the President do the roll out, to demonstrate his commitment to infrastructure. This is mostly a political strategy meeting, not substance. Accordingly, I don't think you need a background memo from me.

Mark

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

CREATOR: Mark J. Mazur (MAZUR_M) (WHO)

CREATION DATE/TIME: 7-MAR-1997 12:15:30.37

SUBJECT: istea reauthorization and epa concerns

TO: Michael Deich (Michael Deich@eop@LNGTWY@EOPMRX)

READ:NOT READ

TEXT:

Michael,

For what it's worth, I feel that DOT and the relevant WH staff have gone more than the extra mile to respond to legitimate EPA/DPC concerns about addressing environmental issues in the ISTEA reauthorization bill. What it seems to come down to here is that EPA sees a big pile of money in ISTEA and wants to direct a portion of this toward their own concerns. They seem unaware that Congress does not view spending on climate change as an integral part of the ISTEA (or highway) bill and will resist much redirection of funds. I believe the additional CMAQ monies are going to be controversial enough without adding any other environmental priorities. The strategy outlined by Dorothy Robyn seems the most appropriate for the ISTEA reauthorization bill.

Mark

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elisa Millsap (CN=Elisa Millsap/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 7-MAR-1997 16:54:57.00

SUBJECT: ISTE A

TO: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Meeting now at 11:00am in Roosevelt Room on Monday. Not sure if JH can go.

----- Forwarded by Elisa Millsap/WHO/EOP on 03/07/97

04:53 PM -----

Melissa Green

03/07/97 04:56:06 PM

Record Type: Record

To: Elisa Millsap/WHO/EOP

cc:

Subject:

Hey, pardon me for all of this, but 11:00am and having John there at the top of the meeting just makes more sense. Still in Roosevelt room

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 7-MAR-1997 18:39:31.00

SUBJECT: ISTE A

TO: Dainel C. Tate (CN=Dainel C. Tate/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

FYI

----- Forwarded by Ananias Blocker III/WHO/EOP on
03/07/97 06:33 PM -----

Elisa Millsap

03/07/97 04:57:13 PM

Record Type: Record

To: Ananias Blocker III/WHO/EOP

cc:

Subject: ISTE A

Meeting now at 11:00am in Roosevelt Room on Monday. Not sure if JH can go.

----- Forwarded by Elisa Millsap/WHO/EOP on 03/07/97
04:53 PM -----

Melissa Green

03/07/97 04:56:06 PM

Record Type: Record

To: Elisa Millsap/WHO/EOP

cc:

Subject:

Hey, pardon me for all of this, but 11:00am and having John there at the top of the meeting just makes more sense. Still in Roosevelt room

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

CREATOR: Mark J. Mazur (MAZUR_M) (WHO)

CREATION DATE/TIME: 7-MAR-1997 14:37:59.99

SUBJECT: RE: ISTEa Mtg

TO: Anna M. Gomez (Anna M. Gomez@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TEXT:

Anna,

The ISTEa memo should come from Dorothy, who has been managing this issue. I can give you some background material that I pulled together so far, but this is only just background. Please let me know if you still want this material.

Mark

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Anna M. Gomez@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME: 7-MAR-1997 17:33:00.00

SUBJECT: ISTEА Mtg time change

TO: MAZUR_M (MAZUR_M@A1@CD) (WHO)

READ: 7-MAR-1997 20:10:11.31

TO: Dorothy Robyn (Dorothy Robyn@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TEXT:

Message Creation Date was at 7-MAR-1997 17:29:00

FYI -- Melissa just told me the ISTEА mtg has been moved to 9:30 - 11:00 a.m.
Monday.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Anna M. Gomez@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME: 7-MAR-1997 13:48:00.00

SUBJECT: ISTEa Mtg

TO: MAZUR_M (MAZUR_M@A1@CD) (WHO)

READ: 7-MAR-1997 13:54:13.78

TEXT:

Message Creation Date was at 7-MAR-1997 13:40:00

Hi Mark -- I hear you're doing a memo for Gene on the ISTEa meeting on Monday.
Do you have anything else you'd like me to add to his binder?

Thanks,
Anna

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-MAR-1997 09:40:20.00

SUBJECT: ISTE A

TO: Dainel C. Tate (CN=Dainel C. Tate/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

FYI. ISTE A Planning Meeting today at 11:00 a.m. Room 231 OEOB.

----- Forwarded by Ananias Blocker III/WHO/EOP on
03/10/97 09:33 AM -----

Elisa Millsap
03/07/97 04:57:13 PM

Record Type: Record

To: Ananias Blocker III/WHO/EOP

cc:

Subject: ISTE A

Meeting now at 11:00am in Roosevelt Room on Monday. Not sure if JH can go.

----- Forwarded by Elisa Millsap/WHO/EOP on 03/07/97
04:53 PM -----

Melissa Green
03/07/97 04:56:06 PM
Record Type: Record

To: Elisa Millsap/WHO/EOP

cc:

Subject:

Hey, pardon me for all of this, but 11:00am and having John there at the top of the meeting just makes more sense. Still in Roosevelt room

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

CREATOR: Timothy J. Brennan (BRENNAN_T) (WHO)

CREATION DATE/TIME:10-MAR-1997 13:08:04.06

SUBJECT: DOT testimony on ISTEА

TO: James A. Brown (BROWN_JA) Autoforward to: Remote Addressee (James A.
Brown@eop@lngtwy@eopmrх) (OMB)
READ:NOT READ

CC: Mark J. Mazur (MAZUR_M) (WHO)
READ:12-MAR-1997 09:23:28.21

CC: Dorothy Robyn (ROBYN_D) Autoforward to: Remote Addressee (Dorothy
Robyn@eop@lngtwy@eopmrх) (OPD)
READ:NOT READ

TEXT:

James,

The draft testimony from ADS Huerta of DOT landed on my desk because Mark Mazur is away. Without speaking for him (or the CEA), I have no objections to the testimony. Flexibility in how one spends money to achieve transportation goals is a bit like motherhood. However, were I on the Senate committee, I would point out that there must be a federal interest in local transportation infrastructure--if not, why have this funding at all?--and, therefore, I'd want to know what steps DOT makes to ensure that the states that exercise this flexibility nevertheless serve the national interest.

Tim Brennan, CEA

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elizabeth M. Toohey (CN=Elizabeth M. Toohey/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-MAR-1997 10:26:16.00

SUBJECT: ISTEa meeting now at 12:00 pm. Liz

TO: KATHRYN (KITTY) (Pager) #HIGGINS (KATHRYN (KITTY) (Pager) #HIGGINS [UNKNOWN])

READ:UNKNOWN

TEXT:

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Joshua Silverman@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:10-MAR-1997 13:25:00.00

SUBJECT: ISTE A

TO: MCHUGH_L (MCHUGH_L@A1@CD) (WHO)

READ:10-MAR-1997 13:27:30.63

TO: Julia R. Green (Julia R. Green@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Jonathan Murchinson (Jonathan Murchinson@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TEXT:

Message Creation Date was at 10-MAR-1997 13:20:00

Here's a brief read-out from today's ISTE A meeting:

Unlike previous years the Admin (including POTUS) plans to play a larger role in the passage of current ISTE A legislation. There are tons of regional projects thus gaining strong support from Mayors and other local pols from across the country who are looking for any event with POTUS or other Admin officials -- Discussion of bringing back the ever-popular Mayoral conference calls with a listen-in press line. More specific regional press outreach will be discussed later but it is worth putting on all of our radar screens.

We should also keep tabs on potential POTUS involvement -- There is however a debate on what kind of POTUS participation is feasible (surprise).

There is talk of a late day Wednesday Room 450 event in which POTUS would do drop-by short remarks (this looks more unlikely because there are already two public events on the schedule: Brain and Radio Town Hall).

There was also debate on doing something around the radio address: Have a listen party/amplification event on Saturday in Room 450 simultaneous to the POTUS radio address from FL. This (for obvious reasons) got lambasted from all sides and looks very unlikely.

Scheduling q's were left with Gene looking into something early next week -- Which given the current schedule looks impossible.

I will make an effort to stay in the loop and keep everybody posted.

FYI to Lorrie -- I dragged April along so there'd be LP representation.

Hope this makes a little sense.

Josh

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Joshua Silverman (CN=Joshua Silverman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-MAR-1997 13:18:38.00

SUBJECT: ISTEА

TO: Julia R. Green (CN=Julia R. Green/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Jonathan Murchinson (CN=Jonathan Murchinson/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: MCHUGH_L (MCHUGH_L @ A1 @ CD @ LNGTWY [EOP]) (WHO)

READ:UNKNOWN

TEXT:

Here's a brief read-out from today's ISTEА meeting:

Unlike previous years the Admin (including POTUS) plans to play a larger role in the passage of current ISTEА legislation. There are tons of regional projects thus gaining strong support from Mayors and other local pols from across the country who are looking for any event with POTUS or other Admin officials -- Discussion of bringing back the ever-popular Mayoral conference calls with a listen-in press line. More specific regional press outreach will be discussed later but it is worth putting on all of our radar screens.

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Hope this makes a little sense.

Josh

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ann M. Cattalini (CN=Ann M. Cattalini/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 19:23:13.00

SUBJECT: Members for ISTE A Event

TO: Ben A. Freeland (CN=Ben A. Freeland/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Nicholas B. Kirkhorn (CN=Nicholas B. Kirkhorn/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Stacey L. Rubin (CN=Stacey L. Rubin/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Julie E. Mason (CN=Julie E. Mason/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Laura K. Capps (CN=Laura K. Capps/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Michael W. Williams (CN=Michael W. Williams/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: James T. Heimbach (CN=James T. Heimbach/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Timothy J. Keating (CN=Timothy J. Keating/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Elisa Millsap (CN=Elisa Millsap/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: NWGate (NWGate @ 4562784 @ fax [UNKNOWN])

READ:UNKNOWN

TO: Debra A. Schiff (CN=Debra A. Schiff/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

This list will be updated first thing in the morning

EVENT: Annoucement of the President ,s ISTE A Legislative Proposal

DATE: Wednesday, March 12, 1997

TIME: 9:30 - 10:00 AM

LOCATION: 450 OEOB

MEMBER(S) CONFIRMED TO ATTEND (1):

Senator Moynihan

MEMBERS PENDING (13):

Senator Byrd
Senator Stevens
Senator McCain
Senator Sarbanes
Senator Shelby
Senator Lautenberg

Representative Shuster
Representative Oberstar
Representative Petri
Representative Rahall
Representative Molinari
Representative Wise
Representative Wolf

MEMBERS INVITED BUT UNABLE TO ATTEND (12):

Senator Daschle
Senator Lott
Senator Chafee
Senator Baucus
Senator Warner
Senator Hollings
Senator D. Amato

Speaker Gingrich
Representative Gephardt
Representative Livingston
Representative Obey
Representative Sabo

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Eli G. Attie (CN=Eli G. Attie/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 16:46:21.00

SUBJECT: ISTEА remarks

TO: Michael Waldman (CN=Michael Waldman/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Michael --

I hope you don't mind, but I just asked Laura if there was any way someone else could do the ISTEА remarks, because I'm coming down with a cold, and starting to feel a bit run-down as the day drags on.

As you know, under normal circumstances I'm always happy to do speeches on short notice, but after getting all the backup material on this one (and apparently we're not getting a draft from the agency), I realized that with staffing, comments, etc., this could take quite a while, on a night when I could really use a lot of sleep...

Let me know if this leaves you in a bind...

Thanks,

Eli

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ann T. Eder (CN=Ann T. Eder/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 16:58:48.00

SUBJECT: istea

TO: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

CORRECTION

The correct contact at the United Way is Betty Stanley-Bean. (Sorry, I was looking at an old list.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Marilyn DiGiacobbe (CN=Marilyn DiGiacobbe/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 14:58:56.00

SUBJECT: Re: ISTEA Reauthorization

TO: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I don't think I have any of those?! Is that OK?!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: April K. Mellody (CN=April K. Mellody/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 19:31:29.00

SUBJECT: ISTEА

TO: Darby E. Stott (CN=Darby E. Stott/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Julie E. Mason (CN=Julie E. Mason/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Joshua Silverman (CN=Joshua Silverman/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Mary E. Glynn (CN=Mary E. Glynn/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Michael D. McCurry (CN=Michael D. McCurry/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: MCHUGH_L (MCHUGH_L @ A1 @ CD @ LNGTWY [EOP]) (WHO)
READ:UNKNOWN

TO: Kathleen M. McKiernan (CN=Kathleen M. McKiernan/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
ISTEA reauthorization announce

POTUS, VPOTUS and Secretary Slater will participate in the 9:30am event in OEOB 450.

DOT (working with NEC) will provide detailed paper from us to distribute to the White House press corps tomorrow am.

DOT will provide a detailed briefing at 1:30pm on the legislation at the agency (they will also have someone available to join Mike - probably a Deputy Asst Secretary).

DOT will release state by state numbers. We will not release these formally from the White House, but they will provide us with the materials.

Questions? Concerns?? AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 18:08:01.00

SUBJECT:

TO: 4832 (4832 @ WHCA [UNKNOWN])

READ:UNKNOWN

TEXT:

pls see e-mail re ISTEa wallman

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Katherine Hubbard (CN=Katherine Hubbard/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 15:40:49.00

SUBJECT: ISTEА event with POTUS

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

TO: Elizabeth M. Toohey (CN=Elizabeth M. Toohey/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

There will be an ISTEА event with POTUS tomorrow at 9:30 am. I'll let you know th details as soon as get them. Thanks.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: April K. Mellody@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:11-MAR-1997 15:29:00.00

SUBJECT: ISTE A

TO: MCHUGH_L (MCHUGH_L@A1@CD) (WHO)

READ:11-MAR-1997 16:21:58.26

TO: Mary E. Glynn (Mary E. Glynn@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Barry J. Toiv (Barry J. Toiv@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Michael D. McCurry (Michael D. McCurry@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Julie E. Mason (Julie E. Mason@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Lori L. Anderson (Lori L. Anderson@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Joshua Silverman (Joshua Silverman@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Jonathan Murchinson (Jonathan Murchinson@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TO: Julia R. Green (Julia R. Green@EOP@LNGTWY@EOPMRX)

READ:NOT READ

TEXT:

Message Creation Date was at 11-MAR-1997 15:23:00

Per NEC -- we are ready to introduce our ISTE A legislation. POTUS will make the announce in OEOB 450. VP and Slater will also participate. DOT will do a follow-up briefing at the agency (I think we'll also need something here). There is a scheduling meeting on this event in 324 OEOB at 3:45pm. AM

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-MAR-1997 18:10:16.00

SUBJECT: Re: ISTE/CMAC

TO: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Definitely. We tried to get Carol Browner to be part of the event, but she'll be testifying (we hope to get her to participate in the McCurry briefing later on). I'll talk to Jake, who's drafting remarks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-MAR-1997 18:05:29.00

SUBJECT: ISTEА

TO: Jason S. Goldberg (CN=Jason S. Goldberg/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

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

TEXT:

PRINTER FONT 12_POINT_ROMAN

March 11, 1997

ANNOUNCEMENT OF ADMINISTRATION'S ISTEА REAUTHORIZATION BILL

DATE: March 12, 1997
LOCATION: OEОB Room 450
TIME: 9:30

-9:45 a.m.

FROM: Dorothy Robyn, NEC

I. PURPOSE

You will announce the Administration's National Economic Crossroads Transportation Efficiency Act (NEXTEA), a six

-year,
\$175 billion investment program to continue building and operating a safe, efficient and environmentally sound surface transportation system into the next century.

II. BACKGROUND

NEXTEA authorizes the Department of Transportation's highway, transit, highway safety, and rail programs (the rail title will be transmitted separately). It builds upon the current ISTEА framework, emphasizing flexibility, planning, intermodalism, safety, investment and environmental protection.

Funding. NEXTEA authorizes \$174 billion over 6 years -- an increase of \$17 billion or 11 percent over the \$157 billion authorized by ISTEА (not counting inflation). Approximately \$5 billion of this increase is for programs included in NEXTEA that were not in ISTEА. Excluding these programs, NEXTEA authorizes \$169 billion -- an increase of \$12 billion or 8 percent over ISTEА. Actual spending under NEXTEA would be \$149 billion over 6 years. Proposed 1998 funding for ISTEА programs is approximately equal to the 1997 enacted level.

Authorization levels in NEXTEA are higher than planned spending

levels in case the Administration's economic growth and deficit projections prove too conservative, as they have in the recent past. If the budget situation were to improve, we would look toward increasing the obligation levels. Even at the higher authorized levels, the Highway Trust Fund balance would increase from \$26 billion in 1997 to \$48 billion in 2003. NEXTEA proposed funding is sufficient to maintain federal

-aid highways in their current condition and provide for some capacity expansion. NEXTEA also addresses capacity through technology (e.g., the Intelligent Transportation System, ITS) and through

pricing policies (congestion pricing and elimination of the prohibition on Interstate tolling). Transit funding will maintain current conditions, address expected traffic increases on existing systems, and provide some funds to address other capacity expansion.

Eligibility. Eligibility for highway funds would be expanded to include intercity passenger rail (Amtrak), ITS, and publicly owned bus terminals, freight rail and intermodal freight transfer facilities. Eligibility for transit funds would be expanded to include intercity passenger rail and ITS. Privately owned freight railroads and ports would not be made eligible for NEXTEA funding.

Formulas. The funding allocation formulas seek to balance the claims of the donor and donee states and

III. PARTICIPANTS

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

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Joshua Silverman@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:11-MAR-1997 19:04:00.00

SUBJECT: ISTE A

TO: MCHUGH_L (MCHUGH_L@A1@CD) (WHO)
READ:11-MAR-1997 19:33:48.33

TO: Jonathan Murchinson (Jonathan Murchinson@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Julia R. Green (Julia R. Green@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TEXT:
Message Creation Date was at 11-MAR-1997 19:00:00

As it turns out DOT is planning to release state-by-state figures detailing highway structure dollar amounts across the country. I apologize for the late notice but as everything surrounding the event it just kind of happened.

I've spoken with DOT and they are faxing over a copy tonight -- We should take a look at it and make the determination whether the good outweighs the bad.

My initial reaction is that if these numbers are at all good we should release them tomorrow while we have Presidential support -- We won't ever get the same bang.

We might not be able to get representatives from the big winner states over to the event by tomorrow AM -- But at the least we can get them the transcript and the st-by-st release.

Let me know what you think.

Josh

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Joshua Silverman (CN=Joshua Silverman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 19:27:39.00

SUBJECT: RE: ISTE A

TO: Julia R. Green (CN=Julia R. Green/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Jonathan Murchinson (CN=Jonathan Murchinson/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: MCHUGH_L (MCHUGH_L @ A1 @ CD @ LNGTWY [EOP]) (WHO)

READ:UNKNOWN

TEXT:

It has been decided by the powers that be in NEC that we should let DOT handle the state-by-state info.

Apparently, the bad outweighs the good -- And we would rather have DOT in the middle of a regional fight. They will release the state specific info tomorrow at their briefing (time tbd).

However, we will have a copy of the figures for our own amusement -- But we still should refer calls to the DOT press office and reporters the DOT briefing tomorrow.

Sorry if this is all confusing.

Josh

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Floydetta McAfee (CN=Floydetta McAfee/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 18:30:18.00

SUBJECT: Re: ISTE A Reauthorization

TO: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

The following are recommended for the briefing:

Mary Cooper
Director, Washington Office
National Council of Churches
110 Maryland Avenue, NE
Washington, DC 20002
(202) 544-2350

Sister Catherine Pinkerton
Catholic NETWORK
801 Pennsylvania Avenue, SE
Suite 460
Washington, DC 20003
(202) 547-5556

Mark Harrison
United Methodist Church
110 Maryland Avenue, NE
Washington, DC 20002
(202) 488-5645

Ms. Deryl K. McKissack
Principal
McKissack & McKissack
Suite 1200
1025 Vermont Avenue, NW
Washington, DC 20005
(202) 347-1446

Mr. Walter Owensby
Presbyterian Church
110 Maryland Avenue, NE
Washington, DC 20002
(202) 543-1126

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 18:35:47.00

SUBJECT: Re: ISTEА Reauthorization

TO: Floydetta McAfee (CN=Floydetta McAfee/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Flo, thanks for the list. However, you need to invite your own people and let me know how many can attend as well as their specifics, name, birthdate, SS#. They have to be here by 8:30 tomorrow. Both the POTUS/VPOTUS and Rodney will participate in the event, which will start at 9:30 in room 450. Brian and Danny will clear your names tonight. Thanks for your help and sorry for the confusion. Call if you have questions.
Richard

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 14:56:31.00

SUBJECT: Re: ISTEA Reauthorization

TO: Marilyn DiGiacobbe (CN=Marilyn DiGiacobbe/OU=WHO/O=EOP [WHO])

READ:UNKNOWN

TEXT:

Anyone that cares about transportation issues and policies.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: James J. Jukes@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:11-MAR-1997 17:21:00.00

SUBJECT: ISTE A "Rollout"

TO: Dorothy Robyn (Dorothy Robyn@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: MAZUR_M (MAZUR_M@A1@CD) (WHO)
READ:12-MAR-1997 09:30:10.99

CC: Ellen S. Seidman (Ellen S. Seidman@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: Michael Deich (Michael Deich@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: Kenneth L. Schwartz (Kenneth L. Schwartz@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: David E. Tornquist (David E. Tornquist@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: David J. Worzala (David J. Worzala@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: James C. Murr (James C. Murr@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: James A. Brown (James A. Brown@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: Daniel M. Tangherlini (Daniel M. Tangherlini@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: Ananias Blocker III (Ananias Blocker III@EOP@LNGTWY@EOPMRX)
READ:NOT READ

CC: Charles E. Kieffer (Charles E. Kieffer@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TEXT:
Message Creation Date was at 11-MAR-1997 17:12:00

Dorothy --

Since we haven't been able to find you by phone, I wanted to alert you by e-mail that it appears virtually certain that the ISTE A bill will not be finished in time for a Presidential event tomorrow.

I understand that a decision memo to the President on the credit issue is under development. I would expect that it would take 24-48 hours at best to reduce a decision (once received) to cleared legislative language.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Michael Deich@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME:11-MAR-1997 13:43:00.00

SUBJECT: decision memo on istea credit.

TO: MAZUR_M (MAZUR_M@AI@CD) (WHO)
READ:12-MAR-1997 09:28:37.89

TO: Barry B. Anderson (Barry B. Anderson@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Joseph J. Minarik (Joseph J. Minarik@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Kenneth L. Schwartz (Kenneth L. Schwartz@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: David E. Tornquist (David E. Tornquist@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: David J. Worzala (David J. Worzala@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Harry E. Moran (Harry E. Moran@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Randolph M. Lyon (Randolph M. Lyon@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Daniel M. Tangherlini (Daniel M. Tangherlini@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Dorothy Robyn (Dorothy Robyn@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Ananias Blocker III (Ananias Blocker III@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TEXT:
Message Creation Date was at 11-MAR-1997 13:33:00

pls get comments to me by 3:30. thx.

===== ATTACHMENT 1 =====
ATT CREATION TIME/DATE:11-MAR-1997 13:43:00.00

ATT BODYPART TYPE:D

TEXT:
The following attachments were included with this message:

TYPE : FILE
NAME : ISTEACRE.WPD

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

===== ATTACHMENT 2 =====

ATT CREATION TIME/DATE:11-MAR-1997 13:43:00.00

ATT BODYPART TYPE:p

ATT SUBJECT: ISTEACRE

TEXT:

Unable to convert OA\$SHARA644:ZWTBJMFW0.WPC to ASCII,
The following is a HEX DUMP:

===== END ATTACHMENT 2 =====

DRAFT --- DECISION --- DRAFT

MEMORANDUM FOR THE PRESIDENT

FROM:

SUBJECT: Elements of the "Innovative Financing" Program
in the Administration's ISTEA Reauthorization Bill

This memorandum seeks your decision on the nature of the 'Innovative Financing' program that is to be included in the Administration's ISTEA reauthorization proposal.

As currently drafted, the Innovative Financing title has two parts. The first would provide Federal grants of \$150 million per year to State Infrastructure Banks (SIBs). SIBs would use these funds to offer credit support for State/local transportation projects (e.g., by writing down the interest that borrowers must pay). All agencies support this provision.

The second part of the Innovative Financing title would allow the Federal government to make direct loans, on favorable terms and conditions, for up to 33 percent of the cost of a State/local transportation project. The \$100 million per year in budget authority available for this purpose would support about \$400 million in loans. NEC, OMB, DOT and White House Legislative Affairs support this provision. Treasury objects. Treasury proposes instead that the \$100 million per year be used for direct grants (e.g., adding the \$100 million to the \$150 million per year already provided for SIBs).

OPTION 1 -- Direct Federal Loans with Flexible Repayment Provisions

Under this option, the Federal government would offer loans to State/local sponsors of revenue-generating (toll) transportation projects of "national economic significance." The Federal loans could cover up to one-third of total project costs. The State/locality would cover the remaining project costs by issuing tax-exempt bonds.

During the first 10 years of the loan, the Secretary of Transportation could defer repayment of principal and/or interest on the Federal loan if the cash flows from the project were insufficient to cover these items. Any deferred payments would be added to the balance of the loan and would accrue interest at the Federal cost of funds. At the end of 10 years, the balance of the Federal loan would be refinanced with a 20-year Federal loan, at Treasury interest rates, with no further deferral of repayment allowed.

Since borrowers would pay interest at the Federal cost of funds, the budget cost of these loans would arise only from losses associated with default. In the case of default, the Federal government and the other project lenders would have equal standing: each could claim project assets in proportion to the amount of loans they had outstanding.

PRO:

Leveraging Federal investment in transportation. Compared to existing Federal grants, these loans would provide a much lower subsidy to any one project, thus leveraging the total amount of transportation investment stimulated by Federal assistance. Preliminary OMB estimates indicate that, in contrast to existing direct grants subsidizing 80 percent of project costs, the Federal loan would provide financial assistance equivalent to a direct subsidy of up to 8 percent of project costs.

More efficient use of the Nation's transportation infrastructure. By subsidizing the construction of transportation projects that charge user fees, the program would increase the efficiency with which the Nation's transportation infrastructure is used.

CON:

Treasury acknowledges the advantages of the proposed credit subsidies, but objects profoundly to the form in which the subsidies would be provided. Treasury argues that the DOT proposal is at odds with longstanding Federal credit policy, and would set a precedent that would be difficult to avoid with a host of other Federal subsidy programs. Treasury objections include:

Enhancement of tax-exempt debt. Treasury argues that the direct loan program would violate Federal policies prohibiting the use of Federal funds to enhance the credit-worthiness of State/local tax-exempt debt. The prohibition against enhancement is designed to discourage the use of tax-exempt debt:

- reducing tax-exempt debt reduces the associated revenue loss to the Treasury;
- making State/local tax-exempt debt less attractive increases the demand for Treasury debt, and lowers the interest rate that the Federal government must pay.

Existing Federal policy would allow a direct Federal loan covering 100 percent of the cost of a State/local transportation project. However, Treasury argues that a Federal loan for 33 percent of project costs would constitute an 'enhancement' of the State/local tax-exempt debt that covers the remaining project cost. Treasury argues that the enhancement would arise from the market's belief that the Federal government would grant the project further subsidies rather than allow the project to fail and the Federal loan to go into default. NEC, OMB and DOT argue that a market perception of enhancement could be overcome by a consistent Federal policy against forbearance.

"Subordination" of Federal debt. Treasury argues that the most problematic aspect of the DOT proposal, however, is the fact that the Federal loans would involve more risk than the tax-exempt loans: during the first 10 years of the loan, the State/local borrower would be able to defer payments on the Federal loan, but would be required to make uninterrupted payments to private lenders of the tax-exempt debt. During the first ten years of the loan, the Federal

government would take on more credit risk than the private lenders. Treasury argues that the Federal loan is therefore 'subordinate' to the tax-exempt debt.

NEC and OMB argue that the Federal loan would not be subordinate in any material sense: both the Federal loan and the tax-exempt debt would have equal claim on the project assets in the event of default; moreover, as long as OMB accurately measured the extra risk assumed by the Federal government, the Federal budget would accurately reflect the potential liability associated with that risk at the time the Federal loan was made.

Scoring uncertainty. Treasury argues that it would difficult to measure the risk associated with toll transportation projects, for such projects are infrequent, lumpy investments. (Since 1961, only \$39 billion in revenue bonds have been issued for transportation toll projects; one percent of this amount has defaulted.) NEC and OMB acknowledge the uncertainty, but note that any measurement uncertainty would be reflected in a higher OMB estimate of the credit subsidy cost of the loans; on average, the OMB credit subsidy estimate should accurately reflect the long-term budget cost of the Federal loans.

OPTION 2 -- Provide Additional Grants to State Infrastructure Banks

Under this option, the Secretary of Transportation would allocate the \$100 million per year to SIBs for specific transportation projects. The SIBs would use the funds to provide some form of credit support to the projects (e.g., an interest-rate write down).

PRO:

Consistent with Treasury interpretation of Federal credit policy. Since any direct enhancement of tax-exempt debt would be provided directly by SIBs rather than the Federal government, this option would be consistent with Federal credit policy.

Budget Certainty. By providing grants rather than loans, this option would eliminate all of the budget uncertainty associated with scoring credit programs.

CON:

Fewer transportation projects would be built. NEC, DOT and OMB believe that the Federal government would subsidize fewer projects under Option 2 than under Option 1. First, Option 1 allows States/localities to borrow at the federal cost of funds, while Option 2 requires States/localities to access the credit market at the SIB cost of funds. Second, Option 1 would provide a financial instrument not routinely offered by private capital markets (a 30 year loan with limited deferral of principal and interest during the first ten years). Purchasing a private-sector equivalent of Option 1 therefore would require a premium to compensate lenders for the unusual nature of the credit instrument that is being purchased.

NEC, OMB and DOT argue that the absence of a private market equivalent to Option 1 may reflect a capital market imperfection due to the short time horizons of private investors; they

note that the Federal government can offer more ‘patient’ capital. In response, Treasury argues that no market failure exists: we observe no similar private sector loans only because the risks are high and borrowers are unwilling to pay the required premium. Treasury notes that, with perfect capital markets, States should be indifferent between a direct Federal loan and a grant equalling the OMB-estimated subsidy cost of the loan (which the State could use to write-down the cost of a private loan). Since States prefer direct Federal loans, Treasury concludes that OMB must be underestimating the true budget cost of the loan; NEC, OMB and DOT simply conclude that private capital markets may not be perfect.

RECOMMENDATIONS

NEC, OMB, DOT and White House Legislative Affairs recommend that you approve Option 1. Treasury recommends that you approve Option 2. If you are inclined to approve Option 1, Secretary Rubin would like to speak with you before you give final approval.

DECISION

- ☐ Approve Option 1
- ☐ Approve Option 2
- ☐ Discuss Further

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Doris O. Matsui (CN=Doris O. Matsui/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 16:17:39.00

SUBJECT: Re: ISTE A Reauthorization

TO: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

What kind of groups are you looking for?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: James J. Jukes (CN=James J. Jukes/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:11-MAR-1997 17:14:04.00

SUBJECT: ISTEА "Rollout"

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: James A. Brown (CN=James A. Brown/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: David J. Worzala (CN=David J. Worzala/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: Kenneth L. Schwartz (CN=Kenneth L. Schwartz/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: Ellen S. Seidman (CN=Ellen S. Seidman/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Charles E. Kieffer (CN=Charles E. Kieffer/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: Daniel M. Tangherlini (CN=Daniel M. Tangherlini/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: James C. Murr (CN=James C. Murr/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: Michael Deich (CN=Michael Deich/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: MAZUR_M (MAZUR_M @ A1 @ CD @ LNGTWY [EOP]) (WHO)

READ:UNKNOWN

TEXT:

Dorothy --

Since we haven't been able to find you by phone, I wanted to alert you by e-mail that it appears virtually certain that the ISTEА bill will not be finished in time for a Presidential event tomorrow.

I understand that a decision memo to the President on the credit issue is under development. I would expect that it would take 24-48 hours at best

to reduce a decision (once received) to cleared legislative language.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-MAR-1997 23:43:41.00

SUBJECT: NEXTEA packet

TO: Beverly J. Barnes (CN=Beverly J. Barnes/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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TEXT:

Please find attached a packet of materials for today's announcement of the
National Economic Crossroads Transportation Efficiency Act.

===== ATTACHMENT 1 =====

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TEXT:

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NEXTEA

*THE NATIONAL ECONOMIC
CROSSROADS TRANSPORTATION
EFFICIENCY ACT*

*SHAPING AMERICA'S SURFACE
TRANSPORTATION SYSTEM FOR THE
21ST CENTURY*

MARCH 12, 1997

THE NATIONAL ECONOMIC CROSSROADS

TRANSPORTATION EFFICIENCY ACT

Today, President Clinton will announce the National Economic Crossroads Transportation Efficiency Act (NEXTEA), *a six-year, \$175 billion investment program to improve America's highways, bridges, transit systems, and railroads; lower the toll in lives and health care costs from motor vehicle crashes; enhance America's environment; and support mobility and economic prosperity. NEXTEA increases surface transportation funding by \$17 billion, or 11 percent, over the \$157 billion authorized by ISTEA.*

■ **"REBUILDING AMERICA" -- \$175 BILLION INVESTMENT WHILE BALANCING THE BUDGET**

- Increases funding for core highway programs by 30 percent over ISTEA levels.
- Provides greater flexibility for states and localities to target funds that best meet community needs.
- Expands programs for innovative financing to leverage federal dollars.
- Provides \$600 million to deploy Intelligent Transportation Systems.

■ **PUTTING A STRONGER EMPHASIS ON SAFETY**

- Increases funding for the National Highway Transportation Safety Administration by 11 percent to \$333 million.
- Increases highway and truck safety funding by \$2 billion.
- Increases funding for drunk driving prevention by 60 percent.
- Creates and expands programs to increase the proper use of safety belts and child restraints, reduce drunk and drugged driving, and continue research into building safer roads and vehicles.

■ **PROTECTING THE ENVIRONMENT**

- Increases funding for the Congestion Mitigation and Air Quality Improvement Program (CMAQ) by 30 percent, to \$1.3 billion annually.
- Increases Transportation Enhancements funding by more than 25 percent to support recreational trails, bike paths and pedestrian walkways.
- Expands CMAQ eligibility to include regions that fail to meet any new air quality standard.
- Provides greater flexibility for state and local investment in non-polluting modes of transportation.

■ **INVESTING \$600 MILLION TO MOVE PEOPLE FROM WELFARE TO WORK**

- Supports flexible, innovative transportation alternatives, such as vanpools, to get people to where the jobs are.
- Increases incentives for states and localities to provide job training for federally-funded technology and construction projects.

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REBUILDING AMERICA

America's prosperity and quality of life are linked to our transportation system's efficiency, which keeps production costs low and maintains our international competitiveness. When President Clinton promised to "rebuild America" five years ago, this system suffered from inadequate capacity, deteriorating infrastructure, and poor connections among different forms of transportation. The President has worked with Congress to make good on his promise, taking advantage of ISTEA to raise infrastructure investment to record levels.

ISTEA SUCCESSES

- Under President Clinton, federal transportation infrastructure investment increased 21 percent, to an average of \$25.5 billion annually.
- Many indicators of highway conditions and performance have stabilized or improved. The condition of bridges and highway pavement, which had been deteriorating, has stabilized. We have kept pace with our transportation system's maintenance requirements and stopped its deterioration.
- Transit investment has increased, including over \$3 billion transferred using ISTEA's flexible funding provisions. Nearly 26,000 new buses and nearly 600 new rail cars have been bought for state and local transit agencies, and more than 100 miles of new transit lines serving more than 100 new stations are under construction. Transit speeds have improved by an average of about 10 percent.

KEY NEXTEA PROVISIONS

- NEXTEA builds on ISTEA's successes while helping us to move towards a balanced budget. It would authorize about \$175 billion for surface transportation programs from 1998 through 2003, an 11 percent increase over ISTEA. The proposed authorization levels would sustain or expand core programs such as the National Highway System, maintenance of the Interstate Highways, bridge reconstruction, and mass transit.
- NEXTEA gives state and local officials greater flexibility to target funds towards projects that best meet community needs, including Amtrak and intercity rail passenger facilities. It also increases the tools available to them by making intelligent transportation systems eligible under all major program categories and by expanding innovative finance strategies to cut red tape and to leverage private and nonfederal public resources.

A

COMMITMENT TO SAFETY

More than 40,000 Americans die and three million are injured in motor vehicle crashes each year, inflicting a tragic toll on millions of families. In addition, these crashes cost our economy \$150 billion annually, including \$14 billion paid directly by taxpayers for expenses such as health care and emergency services. Improved safety can help to control these costs.

ISTEA SUCCESSES

- Under ISTEA, with its enhanced commitment to safety, highway fatalities have been lower than in decades, averaging about 41,000 annually. Safety belt use has grown from 11 percent of motorists in 1982 to 68 percent last year. Alcohol-related fatalities have decreased from 57 percent of crashes in 1982 to 41 percent in 1995.

KEY NEXTEA PROVISIONS

Our challenge is to continue the progress on safety even as traffic increases. Recently, we have seen warning signs that we may be approaching the limits of progress under ISTEA: the fatality rate has stagnated, increases in safety belt use have leveled off, and the number of alcohol-related deaths has increased. NEXTEA would attack these problems by focusing on three key areas: driver behavior, road design, and vehicle standards.

Safer Drivers

- NEXTEA would increase NHTSA safety funding by 11 percent to \$333 million, and fund incentive programs to reduce drugged and drunken driving, to increase safety belt use, and to collect improved data on highway safety to better identify and solve safety problems.
- \$9 million annually in financial incentives would be provided for states to increase proper use of safety belts and child restraints.
- NEXTEA would increase funding for drunk driving prevention by 60 percent to \$40 million in 1998, and reward states for aggressively reducing drunk driving through administrative driver's license suspensions and revocations, programs to prevent minors from drinking, and effective sanctions for repeat offenders.
- NEXTEA would provide \$5 million annually beginning in 1999 in grants to states to

prevent drugged driving. A state would be eligible for these grants if it adopted five of nine countermeasures, including zero tolerance laws, administrative license suspension for those driving under the influence, and pre-license drug testing.

Safer Roads

- Under ISTEA, funding was set aside to eliminate road hazards and to make highway-rail grade crossings safer. Grade crossing deaths alone have dropped by 31 percent. NEXTEA would build on this progress by replacing this set-aside with a flexible, six-year, \$3.2 billion Infrastructure Safety Program. States would now have the ability to transfer funds to enforcement and behavioral programs if they would have a greater impact on safety.

Safer Vehicles

- States would have increased flexibility for tougher enforcement, such as targeting shippers who encourage truckers to violate rules and increasing penalties for violators. States also would be reimbursed for border enforcement and other high-priority activities that improve trucking safety.
- Under NEXTEA, the freeze on the size and weight of larger combination trucks on Interstate Highways and other routes would continue. We are doing a comprehensive study of this and related issues, and may soon propose additional steps in future safety legislation.
- Much progress on safety has been the result of vehicle design aimed at protecting motorists in crashes. NEXTEA would build on the progress to date with a \$45 million annual research program targeted at improving crash avoidance and crash worthiness. In addition, more than a third of intelligent transportation systems research would be focused on collision avoidance systems and other “smart vehicle” technologies that prevent crashes.
- A new focus on performance in safety programs would measure effectiveness by looking at quantifiable results, not at how much money or effort is put into solutions.

INCREASING INVESTMENT THROUGH INNOVATIVE FINANCING

In spite of ISTEA's record investment, the federal government alone cannot meet all of our infrastructure needs. President Clinton recognized this in his January 1994 Executive Order on infrastructure, in which he directed us to cut red tape to speed construction and supplement federal funds by leveraging private and nonfederal public investment.

ISTEA SUCCESSES

- President Clinton's Partnership for Transportation Investment accelerated 74 projects worth \$4.5 billion, including \$1.2 billion in investment beyond that available through conventional financing. Projects are advancing an average of two years ahead of schedule, saving interest and inflation costs.
- Some innovative finance initiatives also advance other national priorities, such as in Missouri and Arizona, where entrepreneurs were given permission to install fiber optic cable within highway rights-of-way in return for reserving part of the cable as the backbone of statewide intelligent transportation systems.
- The new State Infrastructure Bank program uses federal seed money to leverage private and nonfederal public funds in 10 pilot states. Among the proposed uses of these funds are: a loan to start construction on a highway interchange without waiting for the full federal funding to be accumulated; a loan to finance a toll road's interest costs while it is being built, before revenues can begin to pay off the construction debt; and a loan to buy new light rail vehicles.
- We provided a direct loan to California's Alameda Corridor, which will speed shipping from Los Angeles' port by creating a dedicated freight rail corridor. We also provided standby lines of credit to secure private financing for California toll roads; at a cost of just \$18 million, we supported \$2.5 billion in construction financing

KEY NEXTEA PROVISIONS

- NEXTEA would open the State Infrastructure Bank program to all states, increase the federal seed money dedicated to these banks, and allow states to use up to 10 percent of their regular federal-aid highway funds to capitalize their banks.
- \$100 million annually would be dedicated to help leverage nonfederal public resources for projects of national significance, such as interstate trade corridors.

ENSURING GLOBAL COMPETITIVENESS

Under President Clinton, America is once again the most economically-competitive nation in the world and its leading exporter, and this is due in great measure to the reliability and low costs of our transportation system. In an increasingly-global economy, keeping transportation efficient is crucial to our continued competitiveness and to taking advantage of the markets opened by NAFTA and GATT.

ISTEA SUCCESESSES

- Seamless connections among different forms of transportation, such as between trucks, railroads, and seaports, are important for efficiency, and ISTEA-funded projects are making possible these connections. These projects include truck-rail freight transfer facilities in Stark County, Ohio, and Auburn, Maine, and projects in Portland, Oregon and Seattle designed to improve rail and truck access to seaports.
- Projects such as the Red Hook barge transfer, which daily takes hundreds of trucks off New York's crowded streets, often have important social and environmental benefits, and ISTEA made them eligible for funding through such flexible initiatives as the Congestion Mitigation and Air Quality Improvement Program and our innovative finance programs.

KEY NEXTEA PROVISIONS

- NEXTEA would facilitate trade by creating new programs to improve border crossings and develop major trade corridors within the U.S., cutting congestion and eliminating bottlenecks.
- NEXTEA would support projects of national significance, such as those focused on trade corridors, through dedicated funds and by expanding the State Infrastructure Bank program.
- The proposal would expand funding eligibility to include access to intermodal terminals and water ports. This is a vital change since much international trade -- 98 percent by weight, 50 percent by value -- is shipped through ports. These programs also would make eligible for funding Amtrak and intercity rail passenger and public freight facilities and intelligent transportation systems projects, which can improve the logistics crucial to "just-in-time" deliveries.

IMPROVING ACCESS TO JOBS AND TRAINING

One of the biggest barriers faced by those moving from welfare rolls to payrolls is finding transportation to jobs, training, and support services such as day care. Poverty and welfare eligibility rules mean that few welfare recipients own cars, and public transit often provides inadequate connections to job and training centers. This problem is becoming more serious, since two-thirds of new jobs are in suburbs. To support his comprehensive welfare reform initiative, President Clinton proposes to build on existing transit programs that work with innovative approaches to helping people make the transition to the working world.

ISTEA SUCSESSES

- Our Livable Communities program integrates transit with jobs, schools, and housing. In Corpus Christi, local residents worked with local officials on developing three bus transfer centers and improving pedestrian access to local amenities, and a Los Angeles neighborhood initiative generated a hundred new jobs and helped to cut crime by 19 percent.
- The Joblinks program provides transportation and training in both urban and rural areas. Oregon's Glendale-Azalea School District used Joblinks funds to transport 400 unemployed and undereducated residents to training and to jobs in the first year alone. The success of initiatives such as Joblinks and Livable Communities provides a model for new efforts to improve community access to jobs and other necessities.

KEY NEXTEA PROVISIONS

- NEXTEA includes a six-year, \$600 million grant program to support flexible, innovative transportation alternatives, such as vanpools, to get people to where the jobs are. Funding would also provide access to training centers and to support services such as day care at transit links. This program would be closely coordinated with other human services assistance that would be provided to states and localities working to meet the special needs of the welfare population.
- Since transportation and construction jobs are among America's best-paying, we want to open opportunities in these fields for welfare recipients and other disadvantaged people. NEXTEA would increase incentives for states and localities to provide job training in conjunction with federally-funded technology and construction projects, and to enable them to offer hiring preferences to welfare recipients and residents of Empowerment Zones and Enterprise Communities.

PROTECTING THE ENVIRONMENT

Scientific research demonstrates the effects of pollution on our health and on the ecological systems which sustain human life. President Clinton has taken advantage of ISTEA's landmark environmental provisions to reduce air and water pollution, to preserve wetlands and open space, and to make transportation facilities more compatible with the environment.

ISTEA SUCCESSES

- The largest ISTEA environmental initiative is the Congestion Mitigation and Air Quality Improvement Program (CMAQ), which authorized \$1 billion annually under ISTEA to help communities meet national standards for healthy air. CMAQ has funded such innovative projects as cleaner natural gas buses in Cleveland and Boise, a child care center to promote ridership at a San Jose transit facility, and an inspection and maintenance program in Indiana, which ensures that auto emissions systems continue to cut pollution.
- ISTEA supported important travel alternatives, such as bikeways and pedestrian paths, and preserved scenic and historic roadside vistas, supporting tourism and strengthening local economies.

KEY NEXTEA PROVISIONS

- NEXTEA would increase CMAQ funding by 30 percent, to \$1.3 billion annually, and expand funding eligibility to include scrappage of higher-polluting pre-1980 vehicles. It also would act on new research on the dangers of particulate matter by allowing areas that do not meet health standards for this pollutant to receive CMAQ funds. NEXTEA also would ensure that no state loses CMAQ funds as a result of the Environmental Protection Agency's proposed changes in air quality standards.
- NEXTEA would increase Transportation Enhancements funding by more than 25 percent, supporting projects designed to strengthen the cultural, aesthetic, and environmental aspects of our transportation system.
- The National Scenic Byways program, which designates roads of aesthetic or historic value and funds improvements to them, would be continued, and the list of eligible activities would be expanded to include scenic byway marketing programs. Funding for recreational trails, bicycle transportation and pedestrian walkways, landscaping, and wildflower plantings also would be continued, as would ISTEA's commitment to inclusive transportation planning which reflects such community values as environmental preservation.

IMPROVING TRANSPORTATION THROUGH TECHNOLOGY

Technology can improve the performance of roads and transit systems and effectively increase their capacity, especially in urban areas where new construction is too expensive or environmentally unsound. Technology also can make travel safe: most automobile crashes involve human error, and advanced collision avoidance systems and highway-rail grade crossing warnings can save hundreds of lives annually. Finally, technology can provide the logistical support needed for such innovations as “just-in-time” deliveries, which are cutting costs and improving productivity at nearly a third of U.S. companies.

ISTEA SUCCESSES

- ISTEA established a major federal commitment to intelligent transportation systems (ITS), the application of advanced information and communications technologies to travel. The federal role includes providing seed money for development and deployment, assistance in the creation of technology standards to promote system integration, and the coordination of public and private research efforts.
- The first generation of ITS is already being deployed: in Denver, synchronized traffic signals reduced travel times by over 15 to 20 percent, and in Seattle, ramp metering has cut accident rates by more than 60 percent. *Operation TimeSaver*, an initiative to reduce travel times in 75 cities by 15 percent over the next decade, was launched last year. Under this initiative, states may use their federal transportation funds to deploy ITS systems.
- Overall federal transportation research and technology investment increased to record levels, \$930 million in 1997 alone. Initiatives resulting from this investment include high-performance materials, such as Superpave asphalt, which cost less and last longer, and the application of global positioning satellite systems to aviation and maritime navigation.

KEY NEXTEA PROVISIONS

- NEXTEA would provide states and localities with ITS training and technical assistance, and fund a \$600 million incentive program to help cities integrate their ITS programs and to help rural areas deploy ITS to improve safety, mobility, and commercial vehicle operations. It also would expand the eligibility of all major program categories to include ITS, so technology will always be considered as a strategy for meeting travel demand.
- NEXTEA would increase overall federal investment in technology research for initiatives including advanced composites for stronger, safer roads and bridges and second-generation ITS technologies such as collision avoidance systems.

STRENGTHENING URBAN COMMUNITIES

Sound transportation is crucial for sustaining economic prosperity and a high quality of life in our cities. Targeted infrastructure investment can reduce congestion and improve connections so businesses can take advantage of the city's proximity to suppliers, support services, markets, and amenities. Such investment also can generate jobs for city residents, directly through construction, and indirectly by attracting new businesses.

ISTEA SUCCESSES

- ISTEA strengthened the role of cities in the transportation planning process, giving cities greater control over a substantial portion of federal funds and enabling them to choose projects which best met urban needs.
- Together with the increased flexibility of many programs, this enabled funding to be transferred to such urban needs as transit. Over \$3 billion traditionally earmarked for highways was used for high-priority transit projects, most in cities, and overall transit funding increased under ISTEA, reaching a record \$6 billion in 1995 alone.

KEY NEXTEA PROVISIONS

- NEXTEA sustains investment in mass transportation by increasing direct federal transit funding to \$5 billion, by increasing the flexible Surface Transportation Program, and by making Amtrak and intercity rail terminals eligible for funding. Transit programs would be streamlined to make it easier for local officials to select the options that make the most sense for their communities
- NEXTEA includes a six-year, \$600 million program to support flexible, innovative transportation alternatives, such as vanpools, to get people to where the jobs are and to provide access to training and such support services as child care.
- Technology can provide needed additional urban travel capacity with less disruption to established communities and at less cost than new construction. NEXTEA proposes to make intelligent transportation systems eligible under all major programs, and to create an incentive program to ensure that these technologies are fully integrated.
- NEXTEA would further strengthen the role of central cities in regional planning and simplify federal planning requirements.

SERVING RURAL AMERICA

Transportation is as vital to rural areas as it is to cities. Sound transport is vital for shipping raw materials and agricultural products. Tourism, generated by the four in five Americans who drive for pleasure in rural areas, sustains many local economies. And many rural residents rely on transit to reach schools, health care, and other necessary services.

ISTEA SUCCESSES

- ISTE A provided over \$1 billion for projects in rural America, such as protecting scenic roadside vistas, preserving historic transportation facilities, and beautifying communities with bicycle and pedestrian facilities.
- ISTE A benefitted rural areas with provisions like special transit programs for small communities, transportation enhancements, scenic byways, and set-asides for off-system bridges.

KEY NEXTEA PROVISIONS

- NEXTEA would strengthen rural communities' involvement in transportation planning by requiring coordination with local rural officials when statewide transportation plans are developed.
- NEXTEA would increase investment in core programs affecting rural areas, such as the National Highway System, Transportation Enhancements, and Rural Transit Assistance, and expand funding eligibility to include Amtrak and intercity rail, a key lifeline for rural America.
- NEXTEA would raise authorizations for the Federal Lands Highways Program to \$525 million, funding improvements on roads in national parks and forests, Indian reservations, and other public lands.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 13:03:00.00

SUBJECT: ISTEА Reauthorization

TO: Richard Socarides (CN=Richard Socarides/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Doris O. Matsui (CN=Doris O. Matsui/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Marilyn DiGiacobbe (CN=Marilyn DiGiacobbe/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TO: William H. White Jr. (CN=William H. White Jr./OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Floydetta McAfee (CN=Floydetta McAfee/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Cheryl M. Carter (CN=Cheryl M. Carter/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Barbara D. Woolley (CN=Barbara D. Woolley/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Suzanna A. Valdez (CN=Suzanna A. Valdez/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Robert B. Johnson (CN=Robert B. Johnson/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Hi gang. There is a possibility the Administration will introduce it's proposal for reauthorizing the Intermodal Surface Transportation Efficiency Act (ISTEA) this week. As you probably know, this bill provides funds for highway construction among other things. In addition to providing funds for cement, the Administration wants to emphasize other things the bill will address such providing funds for welfare recipients needing transportation to get to work, use of alternative modes of transportation, minority and women-owned construction business procurement issues, and sustainability/environmental/ and quality of life issues. To help kick things off, we are planning a white house briefing involving EPA, DOT, and White House officials. Maria request that you send to me by 5:00 p.m. today, the names of your top 3-5 organizations that would be invited to such a briefing. Please send me the person's name, affiliation, and phone number. Please call if you have questions. Thanks

for your help.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Marilyn DiGiacobbe (CN=Marilyn DiGiacobbe/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 14:53:42.00

SUBJECT: Re: ISTEА Reauthorization

TO: Richard L. Hayes (CN=Richard L. Hayes/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Richard, I'm not sure who to give you for this?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Joshua Silverman (CN=Joshua Silverman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 17:34:44.00

SUBJECT: ISTEA Reauthorization Advisory

TO: Mary E. Glynn (CN=Mary E. Glynn/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Barry J. Toiv (CN=Barry J. Toiv/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Jonathan Murchinson (CN=Jonathan Murchinson/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Brenda M. Anders (CN=Brenda M. Anders/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Dag Vega (CN=Dag Vega/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: MCHUGH_L (MCHUGH_L @ A1 @ CD @ LNGTWY [EOP]) (WHO)
READ:UNKNOWN

TO: SCHEAR_S (SCHEAR_S @ A1 @ CD @ LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

TO: SCHWARTZ_L (SCHWARTZ_L @ A1 @ CD @ LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

TO: Julie E. Mason (CN=Julie E. Mason/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Kathleen M. McKiernan (CN=Kathleen M. McKiernan/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: April K. Mellody (CN=April K. Mellody/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Jessica B. Vogelsohn (CN=Jessica B. Vogelsohn/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Megan C. Moloney (CN=Megan C. Moloney/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: ANDERSON_L (ANDERSON_L @ A1 @ CD @ LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

TO: SILVERMAN_J (SILVERMAN_J @ A1 @ CD @ LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

TO: LEWIS_PF (LEWIS_PF @ A1 @ CD @ LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

TO: GREEN_J (GREEN_J @ A1 @ CD @ LNGTWY [UNKNOWN]) (WHO)
READ:UNKNOWN

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

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D62]MAIL45962896V.016 to ASCII,
The following is a HEX DUMP:

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

**THE WHITE HOUSE
OFFICE OF MEDIA AFFAIRS**

FOR PLANNING PURPOSES ONLY
MARCH 11, 1997

202-456-7150

PRESIDENT CLINTON ANNOUNCES ISTEA REAUTHORIZATION

WHAT: President Clinton announces the Reauthorization of ISTEA.

WHERE: OEOB
Room 450

WHEN: Wednesday, March 12
9:30am

COVERAGE: OPEN PRESS

NOTE: Interested media without White House press credentials must contact the
White House Office of Media Affairs at 202-456-7150.

#

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jake Siewert (CN=Jake Siewert/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-MAR-1997 20:22:24.00

SUBJECT: Insertions for NEXTEA Speech

TO: Eli G. Attie (CN=Eli G. Attie/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Laura K. Capps (CN=Laura K. Capps/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Suggested insertions for the section on the environment.===== ATTACHMENT 1
=====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D13]MAIL48960007J.016 to ASCII,
The following is a HEX DUMP:

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

Additions on NEXTEA -- Environment

We have made great strides in improving the quality of the air we breathe. In 1990, 140 million Americans lived in areas that violated our health standards for ozone. Today, we have cut that number in half. That's dramatic progress, but there's much more to do. That's why NEXTEA will ramp up funding for the initiative that helps communities mitigate congestion and improve air quality by 30%. That investment will help communities meet tough national standards for healthy air by letting them invest in cleaner and more efficient methods of transportation.

NEXTEA does much more than simply fund superhighways, bridges, and trains. This transportation bill also builds on our successful investments in alternatives to our highways -- recreational trails for riding a horse or taking a hike, bike paths to go to work or just out for a picnic, and pedestrian walkways. And NEXTEA will continue investments in scenic and historic byways and landscaping and planting along America's roads.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Deich (CN=Michael Deich/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:11-MAR-1997 13:34:35.00

SUBJECT: decision memo on istea credit.

TO: Ananias Blocker III (CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Daniel M. Tangherlini (CN=Daniel M. Tangherlini/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: Harry E. Moran (CN=Harry E. Moran/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: Joseph J. Minarik (CN=Joseph J. Minarik/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: MAZUR_M (MAZUR_M @ A1 @ CD @ LNGTWY [EOP]) (WHO)
READ:UNKNOWN

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Randolph M. Lyon (CN=Randolph M. Lyon/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: David J. Worzala (CN=David J. Worzala/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: Kenneth L. Schwartz (CN=Kenneth L. Schwartz/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TO: Barry B. Anderson (CN=Barry B. Anderson/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

TEXT:
pls get comments to me by 3:30. thx.

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

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D33]MAIL40753796D.016 to ASCII,
The following is a HEX DUMP:

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

DRAFT --- DECISION --- DRAFT

MEMORANDUM FOR THE PRESIDENT

FROM:

SUBJECT: Elements of the “Innovative Financing” Program
in the Administration’s ISTE A Reauthorization Bill

This memorandum seeks your decision on the nature of the ‘Innovative Financing’ program that is to be included in the Administration’s ISTE A reauthorization proposal.

As currently drafted, the Innovative Financing title has two parts. The first would provide Federal grants of \$150 million per year to State Infrastructure Banks (SIBs). SIBs would use these funds to offer credit support for State/local transportation projects (e.g., by writing down the interest that borrowers must pay). All agencies support this provision.

The second part of the Innovative Financing title would allow the Federal government to make direct loans, on favorable terms and conditions, for up to 33 percent of the cost of a State/local transportation project. The \$100 million per year in budget authority available for this purpose would support about \$400 million in loans. NEC, OMB, DOT and White House Legislative Affairs support this provision. Treasury objects. Treasury proposes instead that the \$100 million per year be used for direct grants (e.g., adding the \$100 million to the \$150 million per year already provided for SIBs).

OPTION 1 -- Direct Federal Loans with Flexible Repayment Provisions

Under this option, the Federal government would offer loans to State/local sponsors of revenue-generating (toll) transportation projects of “national economic significance.” The Federal loans could cover up to one-third of total project costs. The State/locality would cover the remaining project costs by issuing tax-exempt bonds.

During the first 10 years of the loan, the Secretary of Transportation could defer repayment of principal and/or interest on the Federal loan if the cash flows from the project were insufficient to cover these items. Any deferred payments would be added to the balance of the loan and would accrue interest at the Federal cost of funds. At the end of 10 years, the balance of the Federal loan would be refinanced with a 20-year Federal loan, at Treasury interest rates, with no further deferral of repayment allowed.

Since borrowers would pay interest at the Federal cost of funds, the budget cost of these loans would arise only from losses associated with default. In the case of default, the Federal government and the other project lenders would have equal standing: each could claim project assets in proportion to the amount of loans they had outstanding.

PRO:

Leveraging Federal investment in transportation. Compared to existing Federal grants, these loans would provide a much lower subsidy to any one project, thus leveraging the total amount of transportation investment stimulated by Federal assistance. Preliminary OMB estimates indicate that, in contrast to existing direct grants subsidizing 80 percent of project costs, the Federal loan would provide financial assistance equivalent to a direct subsidy of up to 8 percent of project costs.

More efficient use of the Nation's transportation infrastructure. By subsidizing the construction of transportation projects that charge user fees, the program would increase the efficiency with which the Nation's transportation infrastructure is used.

CON:

Treasury acknowledges the advantages of the proposed credit subsidies, but objects profoundly to the form in which the subsidies would be provided. Treasury argues that the DOT proposal is at odds with longstanding Federal credit policy, and would set a precedent that would be difficult to avoid with a host of other Federal subsidy programs. Treasury objections include:

Enhancement of tax-exempt debt. Treasury argues that the direct loan program would violate Federal policies prohibiting the use of Federal funds to enhance the credit-worthiness of State/local tax-exempt debt. The prohibition against enhancement is designed to discourage the use of tax-exempt debt:

- reducing tax-exempt debt reduces the associated revenue loss to the Treasury;
- making State/local tax-exempt debt less attractive increases the demand for Treasury debt, and lowers the interest rate that the Federal government must pay.

Existing Federal policy would allow a direct Federal loan covering 100 percent of the cost of a State/local transportation project. However, Treasury argues that a Federal loan for 33 percent of project costs would constitute an 'enhancement' of the State/local tax-exempt debt that covers the remaining project cost. Treasury argues that the enhancement would arise from the market's belief that the Federal government would grant the project further subsidies rather than allow the project to fail and the Federal loan to go into default. NEC, OMB and DOT argue that a market perception of enhancement could be overcome by a consistent Federal policy against forbearance.

"Subordination" of Federal debt. Treasury argues that the most problematic aspect of the DOT proposal, however, is the fact that the Federal loans would involve more risk than the tax-exempt loans: during the first 10 years of the loan, the State/local borrower would be able to defer payments on the Federal loan, but would be required to make uninterrupted payments to private lenders of the tax-exempt debt. During the first ten years of the loan, the Federal

government would take on more credit risk than the private lenders. Treasury argues that the Federal loan is therefore 'subordinate' to the tax-exempt debt.

NEC and OMB argue that the Federal loan would not be subordinate in any material sense: both the Federal loan and the tax-exempt debt would have equal claim on the project assets in the event of default; moreover, as long as OMB accurately measured the extra risk assumed by the Federal government, the Federal budget would accurately reflect the potential liability associated with that risk at the time the Federal loan was made.

Scoring uncertainty. Treasury argues that it would difficult to measure the risk associated with toll transportation projects, for such projects are infrequent, lumpy investments. (Since 1961, only \$39 billion in revenue bonds have been issued for transportation toll projects; one percent of this amount has defaulted.) NEC and OMB acknowledge the uncertainty, but note that any measurement uncertainty would be reflected in a higher OMB estimate of the credit subsidy cost of the loans; on average, the OMB credit subsidy estimate should accurately reflect the long-term budget cost of the Federal loans.

OPTION 2 -- Provide Additional Grants to State Infrastructure Banks

Under this option, the Secretary of Transportation would allocate the \$100 million per year to SIBs for specific transportation projects. The SIBs would use the funds to provide some form of credit support to the projects (e.g., an interest-rate write down).

PRO:

Consistent with Treasury interpretation of Federal credit policy. Since any direct enhancement of tax-exempt debt would be provided directly by SIBs rather than the Federal government, this option would be consistent with Federal credit policy.

Budget Certainty. By providing grants rather than loans, this option would eliminate all of the budget uncertainty associated with scoring credit programs.

CON:

Fewer transportation projects would be built. NEC, DOT and OMB believe that the Federal government would subsidize fewer projects under Option 2 than under Option 1. First, Option 1 allows States/localities to borrow at the federal cost of funds, while Option 2 requires States/localities to access the credit market at the SIB cost of funds. Second, Option 1 would provide a financial instrument not routinely offered by private capital markets (a 30 year loan with limited deferral of principal and interest during the first ten years). Purchasing a private-sector equivalent of Option 1 therefore would require a premium to compensate lenders for the unusual nature of the credit instrument that is being purchased.

NEC, OMB and DOT argue that the absence of a private market equivalent to Option 1 may reflect a capital market imperfection due to the short time horizons of private investors; they

note that the Federal government can offer more 'patient' capital. In response, Treasury argues that no market failure exists: we observe no similar private sector loans only because the risks are high and borrowers are unwilling to pay the required premium. Treasury notes that, with perfect capital markets, States should be indifferent between a direct Federal loan and a grant equalling the OMB-estimated subsidy cost of the loan (which the State could use to write-down the cost of a private loan). Since States prefer direct Federal loans, Treasury concludes that OMB must be underestimating the true budget cost of the loan; NEC, OMB and DOT simply conclude that private capital markets may not be perfect.

RECOMMENDATIONS

NEC, OMB, DOT and White House Legislative Affairs recommend that you approve Option 1. Treasury recommends that you approve Option 2. If you are inclined to approve Option 1, Secretary Rubin would like to speak with you before you give final approval.

DECISION

- ☐ Approve Option 1
- ☐ Approve Option 2
- ☐ Discuss Further

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Doris O. Matsui (CN=Doris O. Matsui/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 16:20:25.00

SUBJECT: ISTEA Reauthorization

TO: Ann T. Eder (CN=Ann T. Eder/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Here is the memo from Richard.

----- Forwarded by Doris O. Matsui/WHO/EOP on 03/11/97

04:19 PM -----

Richard L. Hayes

03/11/97 01:05:16 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: Richard L. Hayes/WHO/EOP

Subject: ISTEA Reauthorization

Hi gang. There is a possibility the Administration will introduce it's proposal for reauthorizing the Intermodal Surface Transportation Efficiency Act (ISTEA) this week. As you probably know, this bill provides funds for highway construction among other things. In addition to providing funds for cement, the Administration wants to emphasize other things the bill will address such providing funds for welfare recipients needing transportation to get to work, use of alternative modes of transportation, minority and women-owned construction business procurement issues, and sustainability/environmental/ and quality of life issues. To help kick things off, we are planning a white house briefing involving EPA, DOT, and White House officials. Maria request that you send to me by 5:00 p.m. today, the names of your top 3-5 organizations that would be invited to such a briefing. Please send me the person's name, affiliation, and phone number. Please call if you have questions. Thanks for your help.

Message Sent

To:

Robert B. Johnson/WHO/EOP

Floydetta McAfee/WHO/EOP

Suzanna A. Valdez/WHO/EOP

William H. White Jr./WHO/EOP

Marilyn DiGiacobbe/WHO/EOP

Barbara D. Woolley/WHO/EOP

Doris O. Matsui/WHO/EOP

Cheryl M. Carter/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-MAR-1997 09:52:38.00

SUBJECT:

TO: Laura A. Graham (CN=Laura A. Graham/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Hey laura. Can you tell me if there is an ISTE A Announcement Event on the POTUS schedule for tomorrow? Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Joshua Silverman (CN=Joshua Silverman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 18:58:28.00

SUBJECT: ISTEa

TO: Jonathan Murchinson (CN=Jonathan Murchinson/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Julia R. Green (CN=Julia R. Green/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: MCHUGH_L (MCHUGH_L @ A1 @ CD @ LNGTWY [EOP]) (WHO)

READ:UNKNOWN

TEXT:

As it turns out DOT is planning to release state-by-state figures detailing highway structure dollar amounts across the country. I apologize for the late notice but as everything surrounding the event it just kind of happened.

I've spoken with DOT and they are faxing over a copy tonight -- We should take a look at it and make the determination whether the good outweighs the bad.

My initial reaction is that if these numbers are at all good we should release them tomorrow while we have Presidential support -- We won't ever get the same bang.

We might not be able to get representatives from the big winner states over to the event by tomorrow AM -- But at the least we can get them the transcript and the st-by-st release.

Let me know what you think.

Josh

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kathleen M. Wallman (CN=Kathleen M. Wallman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-MAR-1997 18:07:17.00

SUBJECT: ISTEAC/CMAC

TO: Dorothy Robyn (CN=Dorothy Robyn/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I spoke with Sally and Linda Lance after a PM/Ozone meeting with NGA and Conference of Mayors. Sally and Linda feel strongly that we need to have something in the President's remarks saying something positive about CMAC. Do you agree? Can you please reach out to Linda and work this out. Many thanks.

RECORD TYPE: PRESIDENTIAL (PAGER)

CREATOR: Mail Link Monitor (MAILMGT) (SYS)

CREATION DATE/TIME:11-MAR-1997 15:15:15.37

SUBJECT: PAGER CONFIRMATION - HALE,MARCIA L.

TO: Alison E. Bracewell (BRACEWELL_A) Autoforward to: Remote Addressee (Alison E.
Bracewell@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TEXT:

PAGE FOR HALE,MARCIA L., WAS TRANSMITTED 11-MAR-1997 15:14:36.38

TEXT TRANSMITTED WAS:

YOU CAN INVITE THE BIG 7 DIRECTORS TO ISTE--SHOULD BE HERE BY 8:45AM IN OEOB

NOTE: This message signifies only that the page was sent. If the
recipient was out of range or his/her pager was not operating, then
the message may not have been received.