

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-MAY-1997 12:50:57.00

SUBJECT: NEXTEA Briefing

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

READ:UNKNOWN

TEXT:

Ben, are you interested in hosting a NEXTEA briefing (for urban Mayors and environmental groups) next Wednesday in Roosevelt Room ? Carol Browner, Rodney, and Kathie McGinty will participate, with possible VP drop by.

Maria will be out of town. It will probably be around 10

am.woniaedywedding reestede

----- Forwarded by Richard L. Hayes/WHO/EOP on 05/02/97

12:46 PM -----

Marjorie Tarmey

05/02/97 11:13:07 AM

Record Type: Record

To: Richard L. Hayes/WHO/EOP

cc:

Subject: Re: Things

When is LCCR ? Maria will be in Mexico next week

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 2-MAY-1997 09:02:00.00

SUBJECT: NEXTEA regs

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

READ:UNKNOWN

TEXT:

Andy, I talked to Nancy yesterday about the regs. As discussed, they will shoot to have them published by Friday, May 16, 1997.

p.s. I missed the CBC conference call yesterday, but is there anything you are expecting from me. If so, what and when do you need it.

-

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-MAY-1997 07:46:59.00

SUBJECT: NEXTEA BRIEFING

TO: David Freer (David Freer @ 2932887 @ fax [UNKNOWN])
READ:UNKNOWN

TO: John Hunter (John Hunter @ 17147202448 @ Fax [UNKNOWN])
READ:UNKNOWN

TO: Heather J. Rowe (Heather J. Rowe @ 17035273025 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Jeffrey F. Boothe (Jeffrey F. Boothe @ 2936200 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Douglas Howell (Douglas Howell @ 12063243366 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Leslie Wollack (Leslie Wollack @ 7379153 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Robert S. Patten (Robert S. Patten @ 3319696 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Janet Oakley (Janet Oakley @ 2969352 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Emil H. Frankel (Emil H. Frankel @ 12039777301 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Christine Burdick (Christine Burdick @ 2372161 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Elizabeth Thompson (Elizabeth Thompson @ 4627641 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Bill Wilkinson (Bill Wilkinson @ 4636625 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Sarah Campbell (Sarah Campbell @ 5472726 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Carol Wayman (Carol Wayman @ 2344510 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Laurie Actman (Laurie Actman @ 3319680 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Nancy Willis (Nancy Willis @ 4662247 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Hank Dittmar (Hank Dittmar @ 4662247 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Deborah Swarts Lipman (Deborah Swarts Lipman @ 9622466 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Martin G. Hamberger (Martin G. Hamberger @ 7835418 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Shirley DeLibero (Shirley DeLibero @ 12014917134 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Beverly Marshall (Beverly Marshall @ 3931497 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Nicholas W. Allard (Nicholas W. Allard @ 6372201 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Robert F. Willis (Robert F. Willis @ 4662247 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Tom Bolger (Tom Bolger @ 7850477 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Douglas Howell (Douglas Howell @ 6281825 @ fax [UNKNOWN])
READ:UNKNOWN

TO: David Hirsch (David Hirsch @ 7830444 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Timothy Lidiak (Timothy Lidiak @ 4630875 @ fax [UNKNOWN])
READ:UNKNOWN

TO: James W. Clarke (James W. Clarke @ 13013407905 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Bill Magavern (Bill Magavern @ 5477392 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Dan Costello (Dan Costello @ 5886038 @ fax [UNKNOWN])
READ:UNKNOWN

TO: James B. Young (James B. Young @ 2892627 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Marcia Frenz (Marcia Frenz @ 6267365 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Allen Greenberg (Allen Greenberg @ 2322617 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Thomas Shellabarger (Thomas Shellabarger @ 5413339 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Hal Hiemstra (Hal Hiemstra @ 3319680 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Roy Kienitz (Roy Kienitz @ 4662247 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Steven J. Hewitt (Steven J. Hewitt @ 15184730977 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Robert L. Healy (Robert L. Healy @ 8984049 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Denise Earley (Denise Earley @ 12155807534 @ fax [UNKNOWN])
READ:UNKNOWN

TO: Christopher Boylan (Christopher Boylan @ 12128787050 @ fax [UNKNOWN])
READ:UNKNOWN

TEXT:

----- Forwarded by Richard L. Hayes/WHO/EOP on 05/06/97
07:44 AM -----

Richard L. Hayes 05/05/97 03:46:22 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: John Horsely @ 3661524 @ fax, Steve Palmer @ 3661524 @ fax, Barbara
Leach @ 3661524 @ fax
Subject: NEXTEA BRIEFING

You are invited to attend an important briefing regarding the
Administration's NEXTEA proposal.
The briefing will be held Wednesday, May 7, 1997 in the Roosevelt Room at
the White House. The briefing will start promptly 10 a.m., but you should
plan on arriving by 9:30 a.m. at the Northwest gate so that you can be
cleared in a timely manner. Your social security numbers and
birthdates were previously supplied to us, but you will need some sort of
picture identification with you, in order to gain admittance to the White
House. If you have any questions in the mean time, I can be reached at
202-456-5074. Also, if you are unable to attend, would you please let me
know.

Thank you for taking time out of your busy scheduled to attend this
briefing and I look forward to seeing you on Wednesday.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 6-MAY-1997 13:29:16.00

SUBJECT: Proposed Transportation letter on Lautenberg .8% BAC Bill -- Comments by 5:00 P.M. Today, Please

TO: Michael A. Fitzpatrick (CN=Michael A. Fitzpatrick/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TO: Jonathan C. Ball (CN=Jonathan C. Ball/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: David E. Tornquist (CN=David E. Tornquist/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Sally Katzen (CN=Sally Katzen/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TO: Ron E Blankenship (CN=Ron E Blankenship/O=EOP [UNKNOWN])

READ:UNKNOWN

TO: Elizabeth Drye (CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Edward H. Clarke (CN=Edward H. Clarke/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

TO: Victoria Wassmer (CN=Victoria Wassmer/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Mark J. Schwartz (CN=Mark J. Schwartz/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: Daniel C. Tate (CN=Daniel C. Tate/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

TEXT:

This is DOT's proposed letter on S. 412. (Please note that while expressing considerable sympathy for the bill , the letter stops somewhat short of an outright endorsement.)

We are also distributing this via LRM. Could you provide any comments by 5:00 p.m. today, please? DOT is requesting that clearance be provided today so that the letter may be sent prior to tomorrow's hearing on ISTEA reauthorization. Thanks.

DRAFT

The Honorable Frank R. Lautenberg
United States Senate
Washington, D.C 20510-3002

Dear Frank:

Thank you for your letter requesting the Administration's support for S. 412, the "Safe and Sober Streets Act of 997," a bill you joined with Congresswoman Nita Lowey in introducing. S. 412, which is modeled on the Age-21 Minimum Drinking Age Law and the Zero Tolerance Law for underage drivers, would direct the Secretary of Transportation to withhold 5 percent of a State's Interstate Maintenance, National Highway System, and Surface Transportation funds in fiscal year 2001 if it fails to make 0.08 blood-alcohol concentration (BAC) the legal standard of driving while intoxicated (DWI). This withholding would rise to 10 percent each fiscal year after 2001 until the State adopts 0.08 as its standard for DWI.

A standard of 0.08 is highly desirable. In a 1992 report to Congress, the Department's National Highway Traffic Safety Administration (NHTSA) recommended that all States lower their legal standard for DWI to 0.08 BAC for all drivers aged 21 and above. At 0.08, virtually all drivers are substantially impaired with regard to braking, steering, lane changing, and judgment--critical driving tasks. In 1995, 17,274 people were killed in alcohol-related crashes. During that same year, over 80 percent of the drivers involved in fatal crashes who were determined to have a positive BAC level had levels exceeding 0.08.

A 0.08 BAC standard also is highly effective. Fourteen States have adopted 0.08 as their standard for DWI. A recent study of five of these States show that significant decreases in alcohol-related fatalities can be achieved by adopting 0.08 BAC as the per se standard for DWI.

As you know, the Department's ISTEA reauthorization proposal, S. 468, includes an incentive grant program directed at preventing alcohol-impaired driving. This program, which would begin in fiscal year 1998 and conclude in fiscal year 2003, contains an incentive grant designed to encourage the States to adopt 0.08 BAC laws. This incentive approach is one we believe has the greatest chance of gaining wide-spread political acceptance. Your bill, S. 412, would ensure, by fiscal year 2001, that the States adopt 0.08 laws by using the sanction of withholding a portion of a State's highway funds if it fails to enact this legal standard.

Sanctions obviously do work, and so do incentives. The fourteen States that have adopted 0.08 show there is already considerable momentum to the consideration and enactment of this standard. The Department believes that, in the case of 0.08, a strategy that combines incentives first and sanctions as a last resort may be an appropriate way to achieve our mutual goal to reduce drunk driving. I have directed my staff to work with your staff to determine if we can find a legislative way to achieve our common goal. I look forward to working with you on this matter.

The Office of Managment and Budget advises that, from the standpoint of the Administration policy, that there is no objection to the submission of this letter for your considertation.

Sincerely,

Rodney E. Slater

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Daniel Wexler (CN=Daniel Wexler/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 6-MAY-1997 09:28:25.00

SUBJECT: Briefing on May 8

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

READ:UNKNOWN

TEXT:

Are you still doing a briefing on May 8 re: NEXTEA?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 7-MAY-1997 17:25:50.00

SUBJECT: Briefing today

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

READ:UNKNOWN

TEXT:

We did a briefing on the NEXTEA legislation this morning and I wanted to tell you that I had sent the list your friend brought in of the southern California coalition to John Horsley at DOT. He followed up and invited several of them to the briefing and I gather that three or four actually came. The VP was great. Thanks for bringing in your buddy (whose name I obviously can't remember)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-MAY-1997 17:42:13.00

SUBJECT: Progress report

TO: Mark Hunker (CN=Mark Hunker/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:

Affirmative Action: Release of the Administration's proposal to reform affirmative action procurement was reported in the May 6, 1997, edition of the New York Times by John Broder. These proposed regulations will be published in the Federal Register this Friday, May 9, 1997. As a result of the New York Times article, there has been substantial media interest in our proposal. Thus far, White House and Justice officials discussed the proposal (on-background) with Reuters, Newsday, Business Week, CNBC, U.S. News, Chronicle of Higher Education, L.A. Times, CNN, Business Week, Wall Street Journal, Bloomberg Business News, Purchasing News, AP, Knight Ryder, Boston Globe, Washington Post, Headline News, Black Enterprise, and Set-Aside Alert. Most of the reporters are interested in the likely impact of this rule on existing firms. To make sure that the affected Cabinet Officials were able to respond to comments if asked, we distributed talking points to DOT, Energy, SBA, Labor, and Commerce.

Stories concerning the release of the Administration's proposal to reform affirmative action procurement were generally good. Reporters tended to provide a factually correct portrayal of the proposal. And as expected, critics of affirmative action expressed their dislike for the proposal, while minority and civil right groups indicated their support for our approach. A number of the articles foreshadowed the "winners and losers" debate that will take place when the final bench mark numbers are produced latter this year.

NEXTEA: This week we sponsored to briefings regarding the Administration's NEXTEA bill. The first involved more than environmental groups and city and county officials. The Vice-President spoke at this event, as did Kathleen McGinty (CEQ), David Gardiner (EPA), Jane Garvey (DOT), Hank Ditmarr (Surface Transportation Policy Project), and Kurt Schmoke (Mayor of Baltimore). The second briefing was for Building and Construction Trades and Transportation unions. Peggy Taylor from the AFL-CIO as well as senior officials from the White House, and Departments of Transportation and Labor participated in the briefing.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 8-MAY-1997 18:22:20.00

SUBJECT: Re: Additional CBC Question

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

READ:UNKNOWN

CC: Angus S. King (CN=Angus S. King/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Andy, I have to leave, but if you did not get Steve Kellman to do the other response, leave me a note and I will craft something for you the first thing in the morning Richard

p.s. Don't forget the labor NEXTEA briefing is tomorrow in Room 180 at 1 p.m.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:13-MAY-1997 12:51:55.00

SUBJECT: Re: NEXTEA Welfare-to-Work Briefing

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

READ:UNKNOWN

TEXT:

Ben, we are setting up a separate briefing for either the 21 or 22 for Blacks and other minorities, although I think some of them will be interested in this briefing as well.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:13-MAY-1997 12:13:51.00

SUBJECT: VP Ceremonial Office

TO: Elisabeth S. Steele (CN=Elisabeth S. Steele/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

Hi. Will you please check and see if it is ok for us to use the VP's ceremonial office on Monday, May 19, from about 3-4:15? With Kumiki's departure, I had no one else to turn to. I need it for a briefing that Secretary Slater and Bruce Reed are having with various outside organizations regarding our NEXTEA welfare to work initiative. This meeting is a "set-up" for a meeting the POTUS is doing on the 20th with corporate executives on the same topic. We were going to do in the Roosevelt Room, but were bumped. Could you please let me know today. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:13-MAY-1997 12:50:19.00

SUBJECT: Re: NEXTEA Welfare-to-Work Briefing

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

READ:UNKNOWN

TEXT:

I have a copy, and will use that. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cheryl M. Carter (CN=Cheryl M. Carter/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:13-MAY-1997 12:35:48.00

SUBJECT: NEXTEA Welfare-to-Work Briefing

TO: Peter O'Keefe (CN=Peter O'Keefe/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Would you work on a list for this briefing please? Also include Kate or someone from WTWPartnership. Thanks.

----- Forwarded by Cheryl M. Carter/WHO/EOP on 05/13/97
12:33 PM -----

Richard L. Hayes 05/13/97 12:27:47 PM

Record Type: Record

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

cc: Richard L. Hayes/WHO/EOP, Robert B. Johnson/WHO/EOP, Maria Echaveste/WHO/EOP

Subject: NEXTEA Welfare-to-Work Briefing

Please provide me with the names and faxes of any groups you want invited to a NEXTEA welfare to work briefing that is being planned for Monday, May 19, 1997, probably from 3 -4:30 p.m. If at all possible, could I please have by Wednesday Noon, May 14, 1997. Secretary Slater and Bruce Reed, along with DOT and White House legislative people will be presenting. Besides informing the groups about the welfare to work aspects of the bill, we want to provide an update on the status of the NEXTEA legislation, explain what impact the budget deal has on the legislation, and provide an overview of the other key administrative priorities with respect to the bill. As always, thanks in advance for your help and call if you have questions.

Message Sent

To:

Barbara D. Woolley/WHO/EOP

Ann T. Eder/WHO/EOP

Doris O. Matsui/WHO/EOP

William H. White Jr./WHO/EOP

Cheryl M. Carter/WHO/EOP

Marilyn DiGiacobbe/WHO/EOP

Richard Socarides/WHO/EOP

Jay K. Footlik/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:13-MAY-1997 12:29:13.00

SUBJECT: NEXTEA Welfare-to-Work Briefing

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Maria Echaveste (CN=Maria Echaveste/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:

Please provide me with the names and faxes of any groups you want invited to a NEXTEA welfare to work briefing that is being planned for Monday, May 19, 1997, probably from 3 -4:30 p.m. If at all possible, could I please have by Wednesday Noon, May 14, 1997. Secretary Slater and Bruce Reed, along with DOT and White House legislative people will be presenting. Besides informing the groups about the welfare to work aspects of the bill, we want to provide an update on the status of the NEXTEA legislation, explain what impact the budget deal has on the legislation, and provide an overview of the other key administrative priorities with respect to the bill. As always, thanks in advance for your help and call if you have questions.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:13-MAY-1997 08:00:14.00

SUBJECT: Staff Meeting

TO: Mark Hunker (CN=Mark Hunker/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: 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:

Mark, I will not be at the staff meeting this am -- I have a meeting out of the building. I am also speaking at the Chief of Staff's breakfast. With respect to the OPL calendar, none of my projects are currently listed. However, I have the following events coming up:

1. May 19 -- NEXTEA welfare-to-work briefing with Rodney Slater and Bruce Reed
2. May 21 -- Affirmative Action procurement briefing - agency OSBU's
3. May 22 - NEXTEA DBE briefing -- minority businesses, etc.

In terms of my future activities, I will be focusing on the following:

1. Working to have DOT's DBE regs published -- hopefully by the end of the Month
2. Working to have SBA's DBE regs published -- hopefully by the end of the Month
3. Working with Commerce and others to publish the benchmarks needed for the reformed affirmative action procurement system.
4. Working on various working groups to address technical issues with respect to the new affirmative action procurement system.
5. Working with the agencies to implement the new affirmative action procurement system.
6. Working with the VP's office on the administration's empowerment contracting initiative.
7. Working on the White House race initiative.
8. Helping to build support for the President's policies with respect to

affirmative action and minority business development.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-MAY-1997 17:36:39.00

SUBJECT: VP's Ceremonial Office

TO: Elizabeth Harrington (CN=Elizabeth Harrington/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Hi. Will you please check and see if it is ok for us to use the VP's ceremonial office on Monday, May 19, from about 3-4:15? With Kumiki's departure, I had no one else to turn to. I need it for a briefing that Secretary Slater and Bruce Reed are having with various outside organizations regarding our NEXTEA welfare to work initiative. This meeting is a "set-up" for a meeting the POTUS is doing on the 20th with corporate executives on the same topic. We were going to do in the Roosevelt Room, but were bumped. Could you please let me know today as we have to send people a notice as to time and place. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:14-MAY-1997 13:25:33.00

SUBJECT: Rhodes draft

TO: Elizabeth Drye (CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Hi Elizabeth,

Here is the draft. I rewrote the last paragraph according to your suggestions. Please let me know if this is what you had in mind. Thanks for your help with this!

DRAFT:

Thank you for your thoughtful letter. I deeply appreciate your support and your work to improve passenger safety on our nation's roads.

Like you, I believe that we must do all we can to help parents fulfill their greatest responsibility -- ensuring the care and safety of their children. That is why my National Economic Crossroads Transportation Efficiency Act includes a provision stating that states which have not reached the goal of 85 percent seat belt use by the year 2002, or have not passed a primary seat belt law, will have 1.5 percent of their federal highway funds redirected to existing safety programs. I believe that this is important as we seek to strengthen law enforcement efforts across America to increase compliance with safety laws.

Thank you for your leadership in proposing legislation to implement primary enforcement of seat belt laws in Minnesota. Your efforts are important as we seek to improve law enforcement efforts across America to increase compliance with safety laws. I have shared your letter and the copy of your bill with my staff in the Domestic Policy Council, and I look forward to continuing our work together.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:15-MAY-1997 19:29:34.00

SUBJECT: Re: NEXTEA WTW Briefing

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

READ:UNKNOWN

TEXT:

Thanks; I'll send her an e-mail. I think we're in good shape without him in terms of the briefing, but it would obviously help in terms of the larger fight over the \$600M.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:15-MAY-1997 16:38:10.00

SUBJECT: Progress Report

TO: Mark Hunker (CN=Mark Hunker/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Affirmative Action: Made a presentation at the Chief of Staff's breakfast regarding the Administration's proposal to reform affirmative action procurement. These proposed regulations were published in the Federal Register Friday, May 9, 1997. Continued to answer questions from minority businessmen and representatives of the Civil Rights Community regarding these regulations. Answered additional questions raised by Black Enterprise Magazine, who is considering doing a study late this summer. Also, spent time working with SBA who is readying its proposed notice of rule making to set-up a new certification system as required by the overall affirmative action procurement proposal.

NEXTEA: Considerable effort was spent organizing a briefing in concert with the staff-level working group concerning the Administration's NEXTEA bill. This briefing, which will be held May 20, 1997, will be aimed at explaining the President's proposal to build on existing transit programs in helping people to make the transition from welfare to work. Secretary Slater and Bruce Reed, among others, will be making presentations. Some 150 guests are expected to attend this briefing.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:15-MAY-1997 19:39:10.00

SUBJECT: NEXTEA Welfare-to-Work Briefing

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

READ:UNKNOWN

CC: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

To coincide with the POTUS event on welfare-to-work, we're holding a briefing on the WTW aspects of NEXTEA on Tuesday, May 20 at 10:30 in Rm. 450. Participants include Rodney Slater and Bruce Reed. Chicago has a superb example of a system for WTW transportation and Mayor Daley will be in town for another purpose. Do you think there's any way to get him to participate in, or drop by, our briefing?

We don't need him to fill up the program but his participation could give visibility to this issue, which is probably the President's highest NEXTEA priority and one we'll have to fight like hell for.

(The other Chicago connection is that United Airlines is chairing the WTW Partnership that the President will be announcing.)

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:15-MAY-1997 19:19:13.00

SUBJECT: Re: NEXTEA WTW Briefing

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

READ:UNKNOWN

TEXT:

You really need to ask Marcia to reach out to him. He's here for a conference he's chairing, and it could be hard. She will be able to judge better than I what is appropriate here.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:15-MAY-1997 08:04:35.00

SUBJECT: Re: intern assignments/rooms

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

READ:UNKNOWN

TEXT:

D eb, do you have an intern that can help me today and possibly tomorrow to get ready for my NEXTEA Welfare-to-work briefing on Monday? Also, please go ahead and book 474 (Indian Treaty Room) for Monday's briefing -- The VP's ceremonial office is being used and I w as not able to get it. I will let you know tomorrow how many chairs we need in it as we will want the tables taken out. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:16-MAY-1997 15:16:19.00

SUBJECT: Congressional invites to NEXTEA welfare-to-work briefing

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Are you all taking care of congressional staff invites to the briefing on Tuesday? Except for the following offices, I have not: Susan Rosenblum (Rep. Bobby Rush); Jennifer Saraceno (Rep. Tim Holden); Vickie Waling (Rep. John Tanner); Sara Travis (Rep. Dooley); Lois Auer (Rep. Stenholm); Pete Rouse (Sen. Daschle); William Anderson (Sen. Liberman); and Gray Maxwell (Sen. Moynihan). At this point, we have plenty of room.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elizabeth Drye (CN=Elizabeth Drye/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:19-MAY-1997 19:14:06.00

SUBJECT: Letter to union

TO: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

We need to wrap up response to the Amalgamated Transit Union's letter to POTUS re. NEXTEA. Do you still have a copy? Any thoughts on what to say re. welfare to work? Just trying to get this off my and Leanne's desk.

THanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:19-MAY-1997 12:02:44.00

SUBJECT: NEXTEA Welfare to work briefing

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

READ:UNKNOWN

TO: Marjorie Tarmey (CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Jay K. Footlik (CN=Jay K. Footlik/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: Peter O'Keefe (CN=Peter O'Keefe/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Mark Hunker (CN=Mark Hunker/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

TO: William H. White Jr. (CN=William H. White Jr./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: Robert B. Johnson (CN=Robert B. Johnson/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Maria Echaveste (CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

There will be a briefing on NEXTEA and welfare to work tomorrow which you are invited to attend. It will be held in Room 450, starting at 10:30

a.m. The speakers are Rodney Slater, Bruce Reed, John Lieber (Deputy Assistant Secretary for Transportation Policy at DOT), and Clarence Harmon, Mayor of St. Louis. I have included names you have previously provided, but if you have anyone else that you want to attend, please let me know today.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-MAY-1997 11:13:36.00

SUBJECT: Re: Rooms

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

READ:UNKNOWN

TEXT:

Please cancel my reservations for 450 on the 21st and 22nd. However, will you please check and see if the Indian Treaty Room and 450 are available (I'm not sure yet what size event this will be) on Thursday, May 29, 1997. I need for two hours; the time does not matter. The subject is NEXTEA and minority procurement.

p.s. Thanks for the help this am; we will try and make the next one run a little smoother.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elizabeth Drye (CN=Elizabeth Drye/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:20-MAY-1997 10:31:47.00

SUBJECT: Re: Letter to union

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

READ:UNKNOWN

TEXT:

We're o.k. with your draft response to Amalgamated Transit Union re.
NEXTEA.

----- Forwarded by Elizabeth Drye/OPD/EOP on 05/20/97
10:34 AM -----

Cynthia A. Rice
05/19/97 10:53:50 PM
Record Type: Record

To: Elizabeth Drye/OPD/EOP
cc:
bcc:
Subject: Re: Letter to union

I put in on your chair. Since there's so little mention of welfare to
work in the original letter, I don't think it needs to be in the
response. Sorry I let this get lost in the shuffle.

Elizabeth Drye
05/19/97 07:12:44 PM
Record Type: Record

To: Cynthia A. Rice/OPD/EOP
cc: Leanne I. Johnson/WHO/EOP
Subject: Letter to union

We need to wrap up response to the Amalgamated Transit Union's letter to
POTUS re. NEXTEA. Do you still have a copy? Any thoughts on what to say
re. welfare to work? Just trying to get this off my and Leanne's desk.
THanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-MAY-1997 13:33:43.00

SUBJECT: Progress report

TO: Mark Hunker (CN=Mark Hunker/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

NEXTEA: Organized a briefing concerning the Administration's NEXTEA bill and its provisions dealing with welfare to work. More than 220 people attended, representing a wide array of social welfare agencies, unions, interest groups, state and local officials, and activists concerned about this issue. Secretary Slater, Jane Gary, Bruce Reed, and Clarence Harmon (Mayor of St. Louis, MO.) were presenters. Planning was started on another briefing to be held May 29 dealing with the disadvantaged business enterprise (DBE) provisions of the NEXTEA bill and the Administration's post Adarand rules concerning DOT's DBE provisions.

Other activities:

- * prepared talking points on the administration's accomplishments for the President's meeting with the Congressional Black Caucus.

- *Met with Senator Kerry's staff along with staff from SBA and the Office of Federal Procurement Policy regarding the Administration's empowerment contracting executive order and proposed regulations.

- *Met with OMB and Office of Federal Procurement Policy staff regarding the department the Department of Commerce's progress in estimating the benchmarks required for the affirmative action procurement reform proposal and other technical issues.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:22-MAY-1997 14:25:20.00

SUBJECT: Re: More Rooms

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

READ:UNKNOWN

TEXT:

It's a "play" on the Intermodal Surface Transportation Efficiency Act (ISTEA), which provides funds for highway and airport construction. Our bill will provide states and localities with \$185 billion over a five year period of time.

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:27-MAY-1997 10:46:31.00

SUBJECT: FYI -- dbe BRIEFING

TO: Peter O'Keefe (CN=Peter O'Keefe/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: Sondra L. Seba (CN=Sondra L. Seba/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TO: Sandra L. Bublick Max (CN=Sandra L. Bublick Max/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

We invite your constituents to an important White House briefing on President Clinton's efforts to mend affirmative action in Federal program procurement and in Department of Transportation's grant programs. Secretary of Transportation Rodney Slater, as well as senior officials from the White House, Department of Justice and Small Business Administration, will be participating in this briefing.

The first half of the briefing will address the Department of Transportation's Supplemental Notice of Proposed Rulemaking to revise its Disadvantaged Business Enterprise (DBE) program to respond to the Supreme Court's Adarand decision and the President's directive to mend affirmative action programs. The DBE program sets a nationwide goal that at least 10% of the amounts appropriated for highway, transit and airport assistance programs are expended with small business concerns owned and

controlled by socially and economically disadvantaged individuals. We will also be explaining the Administration's NEXTEA proposal, which we recently submitted to Congress. This legislation would reauthorize the Intermodal Surface Transportation Efficiency Act (ISTEA), which expires this year. The Administration's NEXTEA proposal retains the current legislative language for its DBE program.

The second half of the briefing will be devoted to answering questions about the Administration's overall proposal for mending affirmative action procurement. These amendments conform to a Department of Justice proposal to reform affirmative action in Federal procurement. They are designed to ensure compliance with the constitutional standards established by the Supreme Court in *Adarand* and to ensure that the programs are fair, effective and balanced. A notice of Proposed Rulemaking was issued May 9, 1997. Written comments on the proposed rule are due on or before July 8, 1997 in order to be considered in the formulation of a final rule.

We will hold the briefing Thursday, May 29, 1997 in room 450, of the OEOB, starting at 2:00 p.m. People will need to arrive by 1:30 p.m. at the Pennsylvania Avenue entrance of the OEOB and have some sort of picture I.D. with you. If you have people you want to attend this important meeting, please have them fill out the attached form and return it to the attention of Richard L. Hayes. Questions can be directed to Richard at (202) 456-5074. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:27-MAY-1997 12:14:45.00

SUBJECT: Re: NEXTEA Briefing --May 29, 1997

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

CC: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

we will ask all three--although I have Stroger coming in here for some other meetings soon. I had Curry--Hightower is also coming in for other meetings.

I do the statewide fiscal officers, so if you are planning a briefing with banking officials, comptrollers, treasurers, let me know.

Also, we should do the inviting of the mayors for the urban piece--also urban county execs.

Can we have a quick meeting and talk about this stuff?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:27-MAY-1997 11:39:45.00

SUBJECT: NEXTEA Briefing --May 29, 1997

TO: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

S-- Please add Wayne Curry, Michael Hightower, and John Strozier to your invite list. If you have more than 25, that is fine. Just give me a read at the end of the day as to where you are. Also, give me what information you have by that time as well. You can add to the list, but we don't want to wait until the last minute to enter names, etc. Thanks.

p.s. the dates for the other events are:

6/3 - Room 450 -- Technogists and ITS and NEXTEA.

6/5 - Room not known now ; will involve POTUS or VP -- State infrastructure Bank and State Officials

6/12 - Room 450 -- Urban event. Mayor Linnear and others.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:27-MAY-1997 13:35:23.00

SUBJECT: FYI -- dbf BRIEFING

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

DOT is going to invite Congressional people to this, as well as offer to do a hill briefing on the morning of this evet. Are we leaving anyone out or is there anyone you want to extend a special briefing to?

----- Forwarded by Richard L. Hayes/WHO/EOP on 05/27/97
01:33 PM -----

Richard L. Hayes 05/27/97 10:41:07 AM

Record Type: Record

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

cc:

Subject: FYI -- dbf BRIEFING

We invite your constituents to an important White House briefing on President Clinton's efforts to mend affirmative action in Federal program procurement and in Department of Transportation's grant programs. Secretary of Transportation Rodney Slater, as well as senior officials from the White House, Department of Justice and Small Business Administration, will be participating in this briefing.

The first half of the briefing will address the Department of Transportation's Supplemental Notice of Proposed Rulemaking to revise its Disadvantaged Business Enterprise (DBE) program to respond to the Supreme Court's Adarand decision and the President's directive to mend affirmative action programs. The DBE program sets a nationwide goal that at least 10% of the amounts appropriated for highway, transit and airport assistance programs are expended with small business concerns owned and controlled by socially and economically disadvantaged individuals. We will also be explaining the Administration's NEXTEA proposal, which we recently submitted to Congress. This legislation would reauthorize the Intermodal Surface Transportation Efficiency Act (ISTEA), which expires this year. The Administration's NEXTEA proposal retains the current legislative language for its DBE program.

The second half of the briefing will be devoted to answering questions about the Administration's overall proposal for mending affirmative

action procurement. These amendments conform to a Department of Justice proposal to reform affirmative action in Federal procurement. They are designed to ensure compliance with the constitutional standards established by the Supreme Court in Adarand and to ensure that the programs are fair, effective and balanced. A notice of Proposed Rulemaking was issued May 9, 1997. Written comments on the proposed rule are due on or before July 8, 1997 in order to be considered in the formulation of a final rule.

We will hold the briefing Thursday, May 29, 1997 in room 450, of the OEOP, starting at 2:00 p.m. People will need to arrive by 1:30 p.m. at the Pennsylvania Avenue entrance of the OEOP and have some sort of picture I.D. with you. If you have people you want to attend this important meeting, please have them fill out the attached form and return it to the attention of Richard L. Hayes. Questions can be directed to Richard at (202) 456-5074. Thanks.

Message Sent

To:

William H. White Jr./WHO/EOP
Marilyn DiGiacobbe/WHO/EOP
Jay K. Footlik/WHO/EOP
Sandra L. Bublick Max/OPD/EOP
Ann T. Eder/WHO/EOP
Sondra L. Seba/WHO/EOP
Richard Socarides/WHO/EOP
Doris O. Matsui/WHO/EOP
Cheryl M. Carter/WHO/EOP
Peter O'Keefe/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diane R. Montgomery (CN=Diane R. Montgomery/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME:28-MAY-1997 13:29:45.00

SUBJECT: Calculation of Oblim.

TO: barnes (barnes @ apogee-us.com @ inet [WHO])

READ:UNKNOWN

TEXT:

I talked to the FHWA Budget Officer. She said that they do do the break-out of the oblim (i.e., CMAQ share) based on percentages of CA dedicated to each program in FY97 and in prior ISTEA years.

In FY98, as I mentioned, we did not have the CA levels established by the time the budget had to be to the Hill. Thus, in FY98 (and in the outyears since they are straightlined off of FY98), this logic doesn't quite hold.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sondra L. Seba (CN=Sondra L. Seba/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:29-MAY-1997 12:01:58.00

SUBJECT: FYI -- dbf BRIEFING

TO: Robyn Leeds (CN=Robyn Leeds/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

----- Forwarded by Sondra L. Seba/WHO/EOP on 05/29/97
12:01 PM -----

Richard L. Hayes 05/27/97 10:41:07 AM

Record Type: Record

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

cc:

Subject: FYI -- dbf BRIEFING

We invite your constituents to an important White House briefing on President Clinton's efforts to mend affirmative action in Federal program procurement and in Department of Transportation's grant programs. Secretary of Transportation Rodney Slater, as well as senior officials from the White House, Department of Justice and Small Business Administration, will be participating in this briefing.

The first half of the briefing will address the Department of Transportation's Supplemental Notice of Proposed Rulemaking to revise its Disadvantaged Business Enterprise (DBE) program to respond to the Supreme Court's Adarand decision and the President's directive to mend affirmative action programs. The DBE program sets a nationwide goal that at least 10% of the amounts appropriated for highway, transit and airport assistance programs are expended with small business concerns owned and controlled by socially and economically disadvantaged individuals. We will also be explaining the Administration's NEXTEA proposal, which we recently submitted to Congress. This legislation would reauthorize the Intermodal Surface Transportation Efficiency Act (ISTEA), which expires this year. The Administration's NEXTEA proposal retains the current legislative language for its DBE program.

The second half of the briefing will be devoted to answering questions about the Administration's overall proposal for mending affirmative action procurement. These amendments conform to a Department of Justice proposal to reform affirmative action in Federal procurement. They are designed to ensure compliance with the constitutional standards established by the Supreme Court in Adarand and to ensure that the programs are fair, effective and balanced. A notice of Proposed Rulemaking was issued May 9, 1997. Written comments on the proposed rule are due on

or before July 8, 1997 in order to be considered in the formulation of a final rule.

We will hold the briefing Thursday, May 29, 1997 in room 450, of the OEOP, starting at 2:00 p.m. People will need to arrive by 1:30 p.m. at the Pennsylvania Avenue entrance of the OEOP and have some sort of picture I.D. with you. If you have people you want to attend this important meeting, please have them fill out the attached form and return it to the attention of Richard L. Hayes. Questions can be directed to Richard at (202) 456-5074. Thanks.

Message Sent

To:

William H. White Jr./WHO/EOP
Marilyn DiGiacobbe/WHO/EOP
Jay K. Footlik/WHO/EOP
Sandra L. Bublick Max/OPD/EOP
Ann T. Eder/WHO/EOP
Sondra L. Seba/WHO/EOP
Richard Socarides/WHO/EOP
Doris O. Matsui/WHO/EOP
Cheryl M. Carter/WHO/EOP
Peter O'Keefe/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:30-MAY-1997 08:14:37.00

SUBJECT: NEXTEA

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Dan, from what I understand, the Chairman's mark will not include the DBE provision in the house. Do you agree? If this is true, please let me know how you want to proceed with turning this around. Thanks. Richard.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kris M Balderston (CN=Kris M Balderston/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 5-JUN-1997 16:22:38.00

SUBJECT: Re: two items

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

READ:UNKNOWN

TEXT:

thnx for the compliment

enjoyed the lunch yesterday - a very NYC thing to do.

Let's bring the bo-bster next week

Was originally telling you that Jackie and the NEC were really pushing the
Nextea event with potus or vpotus.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diane R. Montgomery (CN=Diane R. Montgomery/OU=OMB/O=EOP [OMB])

CREATION DATE/TIME: 5-JUN-1997 15:43:52.00

SUBJECT: Comparison of Reauthorization Proposals -- Attachment

TO: noland.bob (noland.bob @ epamail.epa.gov @ inet [UNKNOWN])

READ:UNKNOWN

TO: barnes (barnes @ apogee-us.com @ inet [WHO])

READ:UNKNOWN

TO: adler.ken (adler.ken @ epamail.epa.gov @ inet [UNKNOWN])

READ:UNKNOWN

CC: margaret.alkon (margaret.alkon @ ost.dot.gov @ inet [UNKNOWN])

READ:UNKNOWN

CC: michael.savonis (michael.savonis @ fhwa.dot.gov @ inet [UNKNOWN])

READ:UNKNOWN

CC: tom.merlo (tom.merlo @ fhwa.dot.gov @ inet [UNKNOWN])

READ:UNKNOWN

CC: camille.mittelholtz (camille.mittelholtz @ ost.dot.gov @ inet [UNKNOWN])

READ:UNKNOWN

TEXT:

David Tornquist forwarded this to me. He pulled it from the FHWA NEXTEA webpage (www.fhwa.dot.gov/reauthorization). Thought you might like a copy.

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

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

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D82]MAIL45519655M.116 to ASCII,
The following is a HEX DUMP:

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

Comparison of Various Surface Transportation Reauthorization Proposals

May 29, 1997

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)	ISTEA Reauthorization Act (ISTEA Works) S. 586 (Moynihan)	Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)	ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)	Transportation Empowerment Act S. 667 (Mack)
Funding				
Total Funding: \$29.0 billion annual average over the period 1998-2003 for highways, transit, safety, research, Amtrak, and miscellaneous programs.	Total Funding: \$26.4 billion per year for 1998-2003 for traditional highway programs. Includes \$402 and \$403 safety programs. No revenue title included.	Total Funding: \$27.1 billion per year for 1998-2003, with provisions for additional authorizations beginning in FY 1998 if projected average annual income to the Highway Account of the Trust Fund exceeds \$27 billion. Addresses traditional highway and highway safety construction programs. Does not address transit, motor carrier safety, or NHTSA programs. No revenue title included.	Total Funding: \$27.0 billion annual average for 1998-2002 for traditional highway and highway safety programs. Does not address transit, motor carrier safety, or NHTSA programs. No revenue title included.	Total Funding: \$18.2 billion annual average for 1998-2002. Funding levels vary significantly from year to year. Provides an average of \$7.3 billion per year for 1998-2002 for the following categorical highway programs: Interstate maintenance, Interstate and Indian reservation bridges, Federal lands highways, section 402 and 403 safety programs, and motor carrier safety grants. Provides block grants for 1998-2001 ranging from \$3.0 billion in 1998 to \$18.4 billion in 2001 (FHWA estimates). Transit program funded from general fund at average of \$0.89 billion per year. Beginning in 2002: Only the categorical highway programs listed above and the transit programs are funded. The excise taxes on gasoline and diesel are reduced to 6.3 cents per gallon with 2 cents dedicated to the Highway Trust Fund.
Apportioned to States for Highways: \$20.1 billion per year	Apportioned to States for Highways: \$24.3 billion per year	Apportioned to States for Highways: \$25.9 billion per year or more (see above)	Apportioned to States for Highways: \$25.7 billion per year	Apportioned to States for Highways: \$6.2 billion per year for highway programs, plus an additional estimated average of \$12.2 billion per year in block grants for 1998-2001 only.
Obligation Limitation: The minimum allocation, 90-percent of apportionments and emergency relief are exempt from any obligation limitation on the Federal-aid Highway Program.	Obligation Limitation: Emergency relief is exempt from any obligation limitation on the Federal-aid Highway Program.	Obligation Limitation: Emergency relief, Federal lands highways and recreational trails program are exempt from any obligation limitation on the Federal-aid Highway Program.	Obligation Limitation: Emergency relief is exempt from any obligation limitation on the Federal-aid Highway Program.	Obligation Limitation: Not addressed.

[Automated Records Management System Hex-Dump Conversation]

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)	ISTEA Reauthorization Act (ISTEA Works) S 586 (Moynihan)	Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)	ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)	Transportation Empowerment Act S. 667 (Mack)
Highway Program Structure				
Core Programs: Retains virtually all ISTEA programs, including Interstate Maintenance (IM), National Highway System (NHS), Surface Transportation Program (STP), Bridge, Congestion Mitigation and Air Quality Improvement (CMAQ), Interstate Reimbursement, and highway infrastructure safety. No demonstration projects.	Core Programs: Retains basic ISTEA program structure for highways, including, NHS, IM, STP, Bridge, CMAQ, and Interstate reimbursement.. No demonstration projects. NHS - retains I-4R discretionary. IM - No change. STP - Retains setasides for transportation enhancements and safety and suballocation to sub-State entities. Bridge - retains bridge and timber bridge discretionary programs. CMAQ - Includes PM-10 nonattainment areas. Requires formula review, recommendation, adoption to account for new nonattainment areas and changing air quality standards by 9/30/2000.	Core Programs: Retains NHS and STP programs. No demonstration projects. NHS - Incorporates ISTEA IM program Retains current law requirement for State certification of maintenance of the Interstate System. STP - Provides setaside for transportation enhancements at approximately the ISTEA dollar level with setaside of 5% of substantially larger STP apportionment. Retains suballocation to sub-State entities. ISTEA STP safety setaside replaced by new requirement that each State must set aside an amount equivalent to 10% of its FY 1997 STP apportionments for rail-highway grade crossings and hazard elimination. Bridge - Separate bridge program eliminated, but States must reserve an amount equal to their FY 1997 bridge program apportionment to fund bridge projects, including those on off-system bridges. Bridge discretionary program retained and funded by takedowns on NHS and STP. CMAQ - Separate program eliminated, but States receiving STP funds under the air quality apportionment factor must use them for CMAQ activities.	Core Programs: Restructures ISTEA programs into two elements--NHS and Streamlined Surface Transportation Program (SSTP). No demonstration projects. NHS - Incorporates ISTEA NHS, IM and portion of bridge program. SSTP - Incorporates ISTEA STP, CMAQ program and bridge program (including off-system bridges) eligibilities. Setaside for transportation enhancements at same percentage of total highway apportionments as FY 1995. Suballocation to urbanized areas over 200,000 population at same percentage of total highway apportionments for FY 1997. No safety setaside.	Core Programs: Establishes a reduced set of categorical programs consisting of IM and Interstate and Indian Reservation Bridge Program. Most existing categorical highway programs are replaced with block grants for FY 1998-2001, then devolved to the States beginning with FY 2002. IM - No change Interstate and Indian Reservation Bridge Program - Same as current bridge program except limited to Interstate System and Indian reservation bridges. No bridge discretionary setaside.
Highway Program Structure (continued)				

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)	ISTEA Reauthorization Act (ISTEA Works) S. 586 (Moynihan)	Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)	ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)	Transportation Empowerment Act S. 667 (Mack)
New Programs: ITI deployment incentives, border gateway pilot program, transportation infrastructure credit enhancements, FTA access to jobs. Appalachian highways and Amtrak added as Highway Account funded programs.	New Programs: Transportation and land use initiative to investigate, understand, and address the relationships among transportation, land use and the environment. The initiative includes planning and policy grants as well as research. Appalachian highways added as a Highway Account funded program.	New Program: Cooperative Federal lands transportation program to fund projects on State-owned or -maintained highways that cross, are adjacent to, or lead to Federally owned lands or Indian Reservations.	New Programs: None.	New Programs: The following grants are made under provisions added to Title 26 U.S. Code. Block Grants (FY 1998-2001 only) - Financed by a specified portion of the motor fuel excise tax rate, which varies by year. May be used for any surface transportation purpose. Infrastructure Special Assistance Fund Grants - This fund is within the Highway Trust Fund. For FY 1998-2001, includes a total of \$1 billion for Transition Assistance as an incentive to States to pass legislation to increase their revenues for transportation for FY 2002 and beyond in preparation for the reduced Federal role in FY 2002. Grants may be used for any transportation-related program expenditure. Balance above the \$1 billion for Transition Assistance is available, subject to appropriation acts, for any surface transportation purpose.
Other Programs: Federal lands highways, incentive grants for integrated safety planning, motor carrier safety assistance program, value (congestion) pricing, highway use tax evasion, State infrastructure banks, transit, and surface transportation research activities, including applied research and technology, long term pavement performance, strategic planning and intermodal research, advanced research, local transportation assistance program, National Highway Institute, ITS research and support, technology implementation partnerships (formerly SHRP), and	Other Programs: Federal lands highways, highway safety (§402 and §403), strategic highway research, applied research, intelligent transportation systems, scenic byways, ferry boats and terminals, and recreational trails. Safety programs under §402 and §403 - Authorizations are shown as FHWA programs, rather than NHTSA.	Other Programs: Federal lands highways, territorial highways (funded separately instead of as a takedown on NHS), and recreational trails	Other Programs: Federal lands highways	Other Programs: Federal lands highways, highway safety (§402 and §403), motor carrier safety grants.

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)	ISTEA Reauthorization Act (ISTEA Works) S. 586 (Moynihan)	Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)	ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)	Transportation Empowerment Act S. 667 (Mack)
NHTSA's safety grants, operations and research.				
Formula Factors				
NHS - 1% takedown for territorial highways and \$45M/year for I-4R discretionary. Remainder apportioned on contributions to the Highway Account of the Highway Trust Fund (75%), commercial vehicle contributions to the Highway Account (15%), public road mileage (10%). Minimum of ½%. STP - Contributions to the Highway Account of the Highway Trust Fund (70%), total population (30%). Minimum of ½%. Interstate Maintenance (no change) - Interstate lane-miles (55%), Interstate VMT (45%). Minimum of ½%. Bridge Program (no change) - \$17M/year takedown for Truman-Hobbs bridges, \$55M/year takedown for bridge discretionary program (timber bridge setaside eliminated). Remainder apportioned on relative share of the cost to repair deficient bridges. Minimum of 1/4% and maximum of 10%. Interstate Reimbursement (no change) - Relative share of State's original cost of constructing routes which later became part of the Interstate System. Congestion Mitigation/Air Quality Improvement - Based on population and severity of pollution. Includes	NHS - 1% takedown for territorial highways and \$100M/year takedown for I-4R discretionary program. Remainder apportioned on public road lane-miles (1/3) and VMT(1/3), equal shares to each State (1/3) IM - No change from current formula. CMAQ - Current law formula (90%) and weighted PM-10 nonattainment area population (10%). Minimum of ½%. STP - Public road VMT, 1/2% minimum Bridge - Bridge Discretionary setaside of \$100M with \$10M for timber bridges. Remainder apportioned using ISTEA formula with minimum increased to 1/2% Interstate Reimbursement (no change from ISTEA formula) - Relative share of State's original cost of constructing routes which later became part of the Interstate System.	NHS - Bridge discretionary takedown of \$36.3 million. Remainder apportioned on interstate lane-miles (20%) and VMT (25%), NHS lane-miles (30%) and VMT (10%), special fuel taxed by State at the prevailing State rate (15%). STP - Bridge discretionary takedown of \$24.2 million. Remainder apportioned on Federal-aid highway lane-miles (25%) and VMT (53%), bridge deck surface area (10%), air quality (4%), population per lane-mile (2%), percent of Federally owned land area to total land area (5%), freeze-thaw cycles (1%).	NHS - 1/3% takedown for territorial highways. States with population density of 20 persons per square mile or fewer or with a population of 1,500,000 persons or fewer and a land area of 10,000 square miles or less receive the greater of a specified percentage or the result of the following formula: Apportionments based on total rural lane-miles (1/9), total rural VMT (1/9), total urban lane-miles (2/9), total urban VMT (2/9), diesel fuel used on highways in State (1/3). Remaining funds are apportioned to remaining States on the basis of the above formula. Streamlined STP - Specified percentage for States with population density of 20 persons per square mile or fewer or a population of 1,500,000 persons or fewer and a land area of 10,000 square miles or less. Other States receive apportionments on the basis of relative State contributions to the Highway Account of the Highway Trust Fund.	IM- 1% takedown for territorial highways. States with population density of 20 persons per square mile or fewer or with a population of 1,500,000 persons or fewer and a land area of 10,000 square miles or less receive the greater of a specified percentage or the result of the following formula. Apportionments based on total rural lane-miles (1/9), total rural VMT (1/9), total urban lane-miles (2/9), total urban VMT (2/9), diesel fuel used on highways in State (1/3). Remaining funds are apportioned to remaining States on the basis of the above formula. Interstate and Indian Reservation Bridge Program - Apportioned on relative share of the cost to repair deficient Interstate System bridges. Minimum of 1/4% and maximum of 10%. One percent of the apportionment for each State with an Indian reservation within its boundaries is transferred to the Secretary of the Interior for the improvement of Indian reservation bridges. Block Grants - Apportioned on relative State contributions to the Highway Trust Fund.

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)	ISTEA Reauthorization Act (ISTEA Works) S. 586 (Moynihan)	Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)	ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)	Transportation Empowerment Act S. 667 (Mack)
maintenance areas and particulate matter nonattainment areas. Minimum is 1/2%.				
Formula Factors (continued)				
Apportionment Adjustments: (1) Minimum Allocation - Each State receives apportionments of at least 90% of its percentage contributions to the Highway Account of the Highway Trust Fund. (2) 90-Percent of Apportionments - Each State receives at least 90% of its prior year's dollar apportionments (special provision for Alaska). (3) State Percentage Guarantee - Each State's share of NEXTEA annual apportionment dollars received must equal at least 95% of its average ISTEA percent apportionments (special provision for Massachusetts) This is accomplished by adjusting the STP apportionment. A cap applies to the sum of the first two adjustments.	Apportionment Adjustments: (1) Minimum Allocation - 90% of the percentage share of population rather than Trust Fund contributions. DC and PR not eligible. Entire authorized amount is apportioned. (2) Density Adjustment - Adjustment to States' STP apportionments for high and low population density States and island States, with \$5M minimum adjustment; (3) Minimum Adjustment - State must receive at least 1/2% of all current year apportionments and prior year allocations or 90% of the sum of FY 1997 apportionments and FY 1996 allocations. Sum of density and minimum adjustments computed and then capped, if necessary, at the authorized amount	Apportionment Adjustments: (1) Puerto Rico allocation (2) low-density and small land area States adjustment (3) 95-percent (of percentage share of Highway Account contributions) minimum allocation (MA) (4) second low-density and small land area States adjustment (5) a "core guarantee" that guarantees that the percentage of apportionments for the core programs (NHS and STP) will be the minimum for the sum of all apportionments including MA and the first low density/small land area adjustment Such sums as necessary to fulfill the provisions are authorized.	Apportionment Adjustments: (1) Minimum share of NHS and STP apportionments specified in bill (2) Guarantee of at least 95 percent of percentage contributions to the Highway Account of the Highway Trust Fund (3) For States with large land area and low population density and for States with small land area and a small population, minimum share specified in bill for apportioned NHS and STP funds and first two apportionment adjustments. Such sums as are necessary to fulfill provisions are authorized.	Apportionment Adjustments: None
New or Expanded Program Eligibilities				
Interstate Maintenance (IM) - Expanded to include reconstruction of Interstate and infrastructure-based ITS capital improvements to the extent they improve the performance of Interstate System. National Highway System (NHS) - Expanded to intercity passenger rail capital projects, natural habitat mitigation, publicly owned intracity or intercity passenger rail or bus terminals and publicly owned intermodal surface	STP - Expanded to include capital and operational improvements, operation, and rolling stock for intercity rail passenger facilities. Maximum of 50% of year's STP apportionment may be obligated for intercity rail passenger operating expenses. CMAQ - Expanded to include capital and operational improvements, operation, and rolling stock for intercity rail passenger facilities if the project or	Freeze-Thaw Research - The Secretary of Transportation is required to initiate research to identify means of reducing the costs of constructing and maintaining asphalt pavement in areas with severe or frequent freeze-thaw cycles. Rural Issues in Transportation Research, ITS, and Technology Programs - The Secretary of Transportation shall give consideration to rural issues in these areas in his/her research program.	NHS - Incorporates ISTEA NHS, IM and portion of bridge program. STP - Incorporates existing CMAQ program and bridge program (including off-system bridges) eligibilities.	General - If funds for the basic categorical programs in Title 23 U.S. Code, e.g., IM, bridge, etc., are in excess of a State's needs for such funds, the excess funds may be used for any surface transportation purpose, including transit and rail.. Block Grants -May be used for any surface transportation purpose, including transit and rail

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)	ISTEA Reauthorization Act (ISTEA Works) S. 586 (Moynihan)	Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)	ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)	Transportation Empowerment Act S. 667 (Mack)
freight transfer facilities adjacent to NHS or NHS connections (airports and seaports excluded). Surface Transportation Program (STP) - Expanded to include publicly owned rail safety infrastructure improvements, noninfrastructure highway safety improvements, natural habitat mitigation, intercity passenger bus and rail vehicles and facilities, publicly owned intercity passenger and freight rail infrastructure.	program will have air quality benefits. Maximum of 50% of year's CMAQ apportionment may be obligated for intercity rail operating expenses. Transportation and Land Use Initiative (new program) - Research and planning grants on issues related to the relationships among transportation, land use, and the environment.			Grants from Infrastructure Special Assistance Fund - (1) Transition Assistance grants may be used for any transportation-related program expenditure. (2) Other grants from this Fund may be used for any surface transportation purpose, including transit and rail. Authorizes surface transportation interstate compacts and infrastructure banks. No funding included. Removes requirement that State and local governments that privatize infrastructure assets repay Federal grants used to purchase those assets

Average Annual Authorizations for Selected Programs
(Billions of Dollars)

National Highway System	\$4.41	National Highway	\$5.60	National Highway	\$14.1	National Highway System	\$10.17	Interstate Maintenance	\$5.28
Interstate Maintenance	4.42	System	5.25	System	6	Surface Transportation	15.26	Interstate and Indian	
Surface Transportation		Interstate Maintenance		Surface Transportation		Program	0.56	Reservation Bridge Program	1.25
Program	5.83	Surface Transportation	5.25	Program.	9.44	Federal Lands Highways		Federal Lands Highways	0.49
Bridge Program	2.66	Program	3.75	Federal Lands Highway		Apportionment Adjust-	1.00	Highway Safety (\$402)	0.17
Congestion Mitigation/Air		Bridge Program		Program	0.45	ment (est.)		Highway Safety Research	
Quality Program	1.30	Congestion	2.00	Cooperative Federal				and Development (\$403)	0.04
Equity Adjustments (est.)	0.60	Mitigation/Air	0.83	Lands	0.16			Motor Carrier Safety Grants	0.09
Interstate Reimbursement	1.00	Quality Program		Transportation				Mass Transit	0.89
Federal Lands Highways	0.53	Minimum Allocation	0.47	Program	2.82			For 1998-2001 only (4-year	
Hwy Infrastructure Safety	0.54	Apportionment Adjust-	2.05	Apportionment	0.04			averages):	
Integrated Safety Fund	0.05							Transition Assistance	0.25
Recreational Trails	0.01							Block Grants (estimated)	12.21
Appalachian Development									
Highways	0.37								
Research Programs	0.40								
Scenic Byways	0.10								

National Economic Crossroads Transportation Efficiency Act (NEXTEA)		ISTEA Reauthorization Act (ISTEA Works)		Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000)		ISTEA Integrity Restoration Act (STEP 21)		Transportation Empowerment Act	
S. 468 (Administration Bill)		S. 586 (Moynihan)		S. 532 (Baucus)		S. 335 (Warner)		S. 667 (Mack)	
University Transportation Centers (FHWA)	0.01	ment (est.)	0.53	Adjustment	0.03				
Woodrow Wilson Bridge	0.07	Interstate	0.03	Program (est.)					
State Infrastructure Banks	0.15	Reimbursement	0.01	Territorial Highways					
Border Gateway Pilot Program	0.05	Federal Lands Highways	0.03	Recreational Trails Program					
Value Pricing	0.01	Hwy. Safety (§402)							
Highway Use Tax Evasion	0.01	Hwy. Safety R&D (§	0.05						
Motor Carrier Safety	0.10	403)							
Infrastructure Credit Enhancement	0.10	Recreational Trails	0.43						
NHTSA Safety Programs	0.39	Transportation Land							
Transit Programs	5.13	Use	0.11						
Rail Passenger Programs	0.79	Planning/Policy	0.01						
		Grants	0.02						
		Appalachian							
		Development							
		Highways							
		Intelligent	20.0						
		Transportation	M						
		Systems	41.0						
		Scenic Byways	M						
		Ferry Boats and							
		Terminals	1.0 M						
		From Administration and Research Takedown:							
		Strategic Hwy.							

National Economic Crossroads Transportation Efficiency Act (NEXTEA) S. 468 (Administration Bill)		ISTEA Reauthorization Act (ISTEA Works) S. 586 (Moynihan)		Surface Transportation Authorization and Regulatory Streamlining Act (STARS 2000) S. 532 (Baucus)		ISTEA Integrity Restoration Act (STEP 21) S. 335 (Warner)		Transportation Empowerment Act S. 667 (Mack)	
		Research Applied Research Transportation Land Use Research							

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 5-JUN-1997 09:14:41.00

SUBJECT: Re: THE MINUTE WALTZ - Weekly Report

TO: Mark Hunker (CN=Mark Hunker/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

*NEXTEA -- held a briefing for more than 220 people on the subject of NEXTEA and technology. Speakers at the event included Secretary Rodney Slater, Science and Technology Advisor Jack Gibbons, Deputy Transportation secretary Mortimer Downey, Wayne Shackelford, Georgia Commissioner of Transportation, and former Rep. Norman Mineta.

* Affirmative action - held several meetings on technical issues related to the implementation of the Administration's affirmative action procurement reform proposals. Also distributed talking points and answered questions from the Congressional Black Caucus and other interested parties regarding the recent (negative) Adarand remand court decision.

Race initiative -- attended daily meetings on this subject. Also provided a heads up to several academicians and minority businessmen regarding this project.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Stephen B. Silverman (CN=Stephen B. Silverman/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 9-JUN-1997 12:30:06.00

SUBJECT: NEXTEA Announcement on the 19 of June

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

READ:UNKNOWN

TEXT:

for you.sbs

----- Forwarded by Stephen B. Silverman/WHO/EOP on
06/09/97 12:29 PM -----

Ansley Jones @ OVP

06/09/97 10:58:49 AM

Record Type: Record

To: Julia M. Payne/OVP @ OVP, Kimberly H Tilley/OVP @ OVP, Stephen B. Silverman/WHO/EOP, Steven W. Adamske/OVP @ OVP

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

Subject: NEXTEA Announcement on the 19 of June

Secretary Slater will be ready to announce the NEXTEA grant (\$150 million to 29 states) and the State infrastructure Bank Component (Designation of 29 new banks to the program) on June 19th. They want to invite state officials to D.C. for this event, and they will work with Cabinet Affairs to pull everything together (vetting and clearing in). The event would take place in the OEOB (probably room 450). The contact is John Horsely and Jack Basso (202-366-9191 or Beeper: 888-366-4174). Steve, can you call Jack to follow up on the details and please list it as TENTATIVE on the schedule for the 19th? Thanks!

Message Copied

To:

Virginia M. Terzano/OVP @ OVP

Caren L. Solomon/OVP @ OVP

Lisa A. Berg/OVP @ OVP

Katherine Hubbard/WHO/EOP

Jim Kohlenberger/OVP @ OVP

Lawrence J. Haas/OVP @ OVP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-JUN-1997 10:37:14.00

SUBJECT: NEXTEA event on the 19th with the VP

TO: Steven W. Adamske (CN=Steven W. Adamske/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TO: Ansley Jones (CN=Ansley Jones/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

CC: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

CC: Robyn G. Dickey (CN=Robyn G. Dickey/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I just got off the phone with John Horsely, DOT and he brought me up to speed on the event. My understanding is that Richard Hayes is responsible for the room and waving folks in, DOT is putting together briefing materials for the VP and Sperling and are working with Steve A. and Dorothy on this. I will stay in the loop. Let me know if I can do anything else. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elisabeth Stock (CN=Elisabeth Stock/O=OVP [UNKNOWN])

CREATION DATE/TIME:10-JUN-1997 12:07:58.00

SUBJECT: Update on NEXTEA

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Cynthia A. Rice (CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

Cynthia Rice has asked to me to find out what is happening on the hill regarding the NEXTEA bill. Is there anything we should be doing to move the Welfare to Work piece?

-Elisabeth Stock

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:12-JUN-1997 11:06:04.00

SUBJECT: NEXTEA BRIEFING

TO: Mickey Ibarra (CN=Mickey Ibarra/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

FYI

----- Forwarded by Suzanne Dale/WHO/EOP on 06/12/97 11:05
AM -----

Richard L. Hayes 06/12/97 09:14:26 AM

Record Type: Record

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

cc: Maria Echaveste/WHO/EOP, Mark Hunker/WHO/EOP

Subject: NEXTEA BRIEFING

Please let me know by COB, Friday if you have people wanted included in the next NEXTEA briefing. The subject is State Infrastructure Banks and NEXTEA. The briefing will be held Thursday, June 19, from 10-Noon. The VP is participating along with Rodney Slater, Gene Sperling and others. During the event we will be announcing grants totalling \$150 million to 39 states. The event will be covered by the press and will be full, so please give the names of your people by the date requested. Thanks.

Message Sent

To: _____
Cheryl M. Carter/WHO/EOP
Marilyn DiGiacobbe/WHO/EOP
Ann T. Eder/WHO/EOP
Jay K. Footlik/WHO/EOP
Robert B. Johnson/WHO/EOP
Doris O. Matsui/WHO/EOP
Deborah B. Mohile/WHO/EOP
Peter O'Keefe/WHO/EOP
Richard Socarides/WHO/EOP
Suzanne Dale/WHO/EOP
William H. White Jr./WHO/EOP
Barbara D. Woolley/WHO/EOP
Robin Leeds/WHO/EOP
Sondra L. Seba/WHO/EOP
7D000HNT @ mail.va.gov @ inet
Christine A. Stanek/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:12-JUN-1997 09:14:46.00

SUBJECT: NEXTEA BRIEFING

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

TO: Sondra L. Seba (CN=Sondra L. Seba/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: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TO: Peter O'Keefe (CN=Peter O'Keefe/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: Jay K. Footlik (CN=Jay K. Footlik/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

TO: 7D000HNT (7D000HNT @ mail.va.gov @ inet [UNKNOWN])
READ:UNKNOWN

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

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

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

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

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

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

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

CC: Mark Hunker (CN=Mark Hunker/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Maria Echaveste (CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:

Please let me know by COB, Friday if you have people wanted included in the next NEXTEA briefing. The subject is State Infrastructure Banks and NEXTEA. The briefing will be held Thursday, June 19, from 10-Noon. The VP is participating along with Rodney Slater, Gene Sperling and others. During the event we will be announcing grants totalling \$150 million to 39 states. The event will be covered by the press and will be full, so please give the names of your people by the date requested. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mickey Ibarra (CN=Mickey Ibarra/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:12-JUN-1997 19:32:52.00

SUBJECT: Re: NEXTEA BRIEFING

TO: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Please make sure Fred, Emily, and Lynn are aware of this briefing. I will not attend.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:12-JUN-1997 09:55:57.00

SUBJECT: Re: NEXTEA - SIB event

TO: Ansley Jones (CN=Ansley Jones/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TEXT:

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Robert B. Johnson (CN=Robert B. Johnson/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:13-JUN-1997 08:48:14.00

SUBJECT: Re: NEXTEA BRIEFING

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

READ:UNKNOWN

TEXT:

Richard can you invite the people who didn't get in last time. Yvonne
Scruggs needs to be contacted.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:13-JUN-1997 16:57:18.00

SUBJECT: DOT draft CMAQ testimony

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

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

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

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

TEXT:

This is the first half of the testimony. You will also receive this via an lrm.

----- Forwarded by James A. Brown/OMB/EOP on 06/13/97
04:55 PM -----

Clare.Donelan @ ost.dot.gov
06/13/97 03:36:00 PM

Record Type: Record

To: James A. Brown, Diane R. Montgomery, David J. Worzala
cc:
Subject: DOT draft CMAQ testimony

First half of CMAQ statement:

Statement of Kevin Heanue
Director, Office of Environment and Planning, Federal Highway
Administration
U.S. Department of Transportation
Before the House Commerce Subcommittee on Health and Environment
June 18, 1997

The Congestion Mitigation and Air Quality Improvement (CMAQ) Program

I. Introduction

Mr. Chairman, and Members of the Subcommittee, thank you for the opportunity to

discuss the Congestion Mitigation and Air Quality Improvement (CMAQ) Program in our proposal to reauthorization the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991. The CMAQ program has clearly been one of ISTEA's success stories and has been a hallmark of innovation and flexibility. The CMAQ program targets transportation funding to two specific national objectives: air quality improvement and congestion relief. Reauthorization of the CMAQ program is one of the Administration's top priorities in its legislative proposal, the National Economic Crossroads Transportation Efficiency Act (NEXTEA).

II. Funding Flexibility and Innovation

The CMAQ program has proven to be ISTEA's most flexible program. Prior to passage of the ISTEA, federal surface transportation funding programs were much more restrictive. With some notable exceptions, highway funding programs were to be used for highway purposes and the same held true for transit funding programs. The ISTEA changed that with the creation of "flexible funding" which allowed the use of highway trust fund revenues for a wide variety of transportation projects and programs. The CMAQ program has been a remarkable success in this area with more than half of all CMAQ funds "flexed" for transit purposes (\$1.7 billion of \$3.0 billion) through FY 1996. These CMAQ funds have supported such diverse activities such as the purchase of clean fuel buses in Boise, Idaho; the plan development for a new busway in Miami, Florida and reduced bus fares on "ozone alert" days in Cincinnati, Ohio. Other types of alternative transportation projects that assist areas in improving air quality and relieving congestion are also receiving an increasing share of CMAQ funds. Between FY92-95, over 30% of CMAQ funds were invested in systems management, traffic flow improvement and non capital intensive projects to reduce congestion and improve air quality. For example, traffic flow improvements like the TranStar project in Houston, Texas and the regional traffic information system in Cincinnati, Ohio have helped these areas relieve congestion and better manage existing transportation assets without requiring major, new construction. One of the Nation's largest investments in high occupancy vehicle (HOV) lanes, which

is being made in Los Angeles, is funded with hundreds of millions of dollars in CMAQ funds. This is one of the essential transportation investments in the Los Angeles area to help meet the Clean Air Act (CAA) requirements, and when completed, over 400 miles of HOV lanes will substantially reduce congestion and automobile emissions in the region, which has the Nation's worst air quality.

Through 1996, over \$500 million in CMAQ funds were used to establish or expand rideshare services, promote demand management, and support bicycle and pedestrian travel in places like Miami, Florida and Cleveland and Dayton, Ohio.

Innovative projects such as the highly successful PACE vanpool program in suburban Chicago and the award winning parking management program in Glendale, California have enabled transportation agencies to increase transportation options for travelers and encourage travel using alternatives to driving alone.

The CMAQ program has also funded other non traditional transportation investments such as motor vehicle inspection and maintenance programs, alternative fuel vehicle programs, and public education and outreach programs to reduce travel during periods when ozone exceedances are anticipated.

Over \$15 million has been spent in Illinois to support the inspection and maintenance program which is vital to the State's air quality improvement efforts. In Cleveland, a new compressed natural gas fueling facility and compressed natural gas buses were purchased with CMAQ funds and in Toledo, Detroit, and Dayton, CMAQ funding has been used to lower transit fares on ozone alert days which has assisted these areas in raising awareness about the links between air pollution and motor vehicles.

III. Emissions Reduction and Congestion Relief Benefits of the CMAQ Program

Projects funded under the CMAQ program must demonstrate a reduction in emissions to be eligible for funding. As with all new programs, the Department was eager to understand the benefits of the CMAQ Program. We have tracked the emission reductions achieved under the CMAQ program since 1992. For example, analysis shows that projects funded wholly or in part under the CMAQ program in FY94 will eliminate 52,000 tons of volatile organic compounds (VOCs) and 62,000

tons of nitrogen oxides (key components of smog), and 336,000 tons of carbon monoxide annually once fully implemented. While the CMAQ program (constituting only 5 percent of the total highway federal aid program) will not solve the Nation's air pollution or congestion problems, these numbers clearly demonstrate that CMAQ is fulfilling its statutory goal of assisting in the attainment of the national air quality standards.

Many CMAQ funded projects in addition to reducing air pollution also reduce congestion by smoothing traffic flow or providing alternatives to single occupant vehicle travel. Denver's region wide synchronization of traffic signals, for example, is estimated to have reduced delays by 34,000 hours over the past 18 months, and the incident management program in the San Francisco Bay Area is estimated to have cut traffic delays by 90,000 hours since 1992. Furthermore, several States in the Northeast have indicated that CMAQ funds have led directly to a significant improvement in transit service by expanding or enhancing service. These projects serve a dual purpose by reducing congestion and reducing pollution.

IV. Funding CAAA Mandates

The CMAQ program has delivered many benefits to our Nation's air quality nonattainment and has directly provided funding to facilitate the implementation of the principal transportation provisions of the CAA. It thus serves as a funding source for these otherwise unfunded mandates. The U.S. Conference of Mayors has indicated to the Department and to Congress that the mere existence of dedicated funding under the CMAQ program shows that we are full partners with States and localities in the effort to achieve clean air.

One of the primary transportation requirements in the Clean Air Act is the need to demonstrate "conformity" of transportation plans, programs, and projects with State air quality implementation plans (or SIPs). This demonstration is a prerequisite to receiving Federal transportation funding. The CMAQ program has assisted many areas in meeting the CAA transportation conformity requirements which apply to all of the Nation's ozone, carbon monoxide and particulate matter nonattainment and maintenance areas. For example,

in Hillsborough County, Florida, the metropolitan planning

organization

(MPO) included 16 CMAQ funded projects (ranging from a "Guaranteed Ride Home"

program to bicycle improvements) in its long range plan which allowed them to

demonstrate conformity by reducing hydrocarbon emissions by 0.6 tons per day and

nitrogen oxides by 0.7 tons per day;

in Rhode Island, where the inspection and maintenance elements of their SIP

has been disapproved by EPA, CMAQ funding was essential to fund an implementation study which would lay the groundwork for a revised I/M program

and reverse the disapproval;

in Washington, DC, the MPO has indicated their 1995 2000 transportation

improvement program used 8 CMAQ funded projects from replacements of antiquated

buses to new commuter rail access in Lorton, VA to achieve conformity with

their SIP and maintain the flow of federal transportation funding. And even

more importantly, CMAQ funding has been programmed for the bulk of the cost of

the Washington, DC and Delaware I/M programs without which the conformity demonstration would be nearly impossible;

in San Bernadino, California, the Associated Governments report that, "CMAQ

funding is critical . . . to meet the air quality conformity requirements."

Regionally significant projects that have helped achieve their air quality goals

include development of the Montclair and Victorville Transcenters (intermodal

facilities), purchase of alternative fuel buses, and park and ride facilities.

Also in California's Southern California Association of Governments, Riverside

County reports that needed projects will go unfunded if the CMAQ program is not

reauthorized. These include rail improvements on the San Jacinto Rail line and

operating assistance for their trolley services; and finally

in Provo, Utah, the Mountainland Association of Governments reports that

they will fund development of 148 miles of pedestrian trails, transit improvements, signal synchronization and an incident management program using

CMAQ funding. Even so, they will just barely demonstrate conformity.

They also

note that if sufficient funding is available to fund future traffic flow improvements and demand management strategies in their long range plan, they will be able to reduce vehicle miles of travel by 3.7 percent over what it would have been without these projects.

Many of these areas have explicitly said that without CMAQ funding, projects such as these would not be funded. These are just a few of the examples where States and localities have benefited from the availability of CMAQ program resources and flexibility; and have thus been able to meet their CAAA conformity requirements while making balanced, new transportation investments through ISTEA's programs.

V. MPO Empowerment and Public Participation

As all of these projects demonstrate, CMAQ has brought new players to the table, including bicycle and pedestrian enthusiasts, intermodal freight interests, and demand management professionals, and has strengthened coordination between State, Federal and regional transportation and air quality agencies. One of the key benefits of the CMAQ program (and a principal goal of ISTEA) has been to bring decision making closer to the local level by providing a stronger role for MPOs in transportation planning and investment decisions. CMAQ is, in many States, directly sub allocated to the MPOs in order that they may decide which investments make the most sense given local transportation and air quality conditions. Moreover, it is not surprising that the availability of CMAQ funding has helped bring new players to the table and has fostered new partnerships between public agencies, the private sector, and the public. In Chicago, for example, CMAQ funding allowed the MPO to establish an "open call" approach for CMAQ proposals that reaches all State and local governments, park and forest preserve districts, transit operators and public interest groups. Under this approach, proposals are then selected for funding by a committee of the MPO which represents county governments, the transit operator, the State DOT and air agency, and the City of Chicago. One of the principal benefits of these evolving partnerships is that awareness of the air quality impacts of travel choices is growing and thus, government's objective to ensure the attainment of the Federal health standards will be more readily achieved.

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

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

TEXT:

RFC-822-headers:

Return-path: Clare.Donelan@ost.dot.gov

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)

id <01IK14CSG728002SJF@PMDF.EOP.GOV>; Fri, 13 Jun 1997 16:43:54 -0500 (EST)

Received: from storm.eop.gov (storm.eop.gov)

by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01IK14CR6440002NFV@PMDF.EOP.GOV>; Fri,

13 Jun 1997 16:43:52 -0500 (EST)

Received: from dotmsl-nf.dot.gov ([152.120.117.84])

by STORM.EOP.GOV (PMDF V5.1-7 #6879)

with SMTP id <01IK14C71WYS00323J@STORM.EOP.GOV>; Fri,

13 Jun 1997 16:43:25 -0400 (EDT)

X400-Received: by mta MTAdot1 in /c=US/admd=ATTMAIL/prmd=gov+dot/; converted

((2)(16)(840)(1)(113694)(2)(2)(1)(3), (2)(6)(1)(12)(0)); Relayed; Fri,

13 Jun 1997 16:36:04 -0400

X400-Received: by /c=US/admd=ATTMAIL/prmd=gov+dot/; converted

((2)(16)(840)(1)(113694)(2)(2)(1)(3), (2)(6)(1)(12)(0)); Relayed; Fri,

13 Jun 1997 16:36:04 -0400

Content-identifier: 02ADB33A1AF3402A

Original-encoded-information-types: (1)(0)(10021)(7)(1)(0)(6)(1),

(1)(0)(10021)(7)(1)(0)(6)(6), (1)(0)(10021)(7)(1)(0)(6)(100)

X400-Content-type: P2-1988 (22)

X400-MTS-identifier: [/c=US/admd=ATTMAIL/prmd=gov+dot/;

02ADB33A1AF3402A-MTAdot1]

X400-Originator: Clare.Donelan@ost.dot.gov

X400-Recipients: non-disclosure;

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Beth A. Viola (CN=Beth A. Viola/OU=CEQ/O=EOP [CEQ])

CREATION DATE/TIME:13-JUN-1997 10:34:21.00

SUBJECT: Re: California

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

READ:UNKNOWN

CC: Simeona F. Pasquil (CN=Simeona F. Pasquil/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

i spoke with gary again. he was going to talk with the mayor again last night and call me this morning. our office also spoke with hank dittmar - he is the head of a transportation coalition, who was extremely helpful to us on nextea. he is from san jose and has done a lot of work with the mayors and locals on transportation/sprawl issues. he has a couple of ideas that he is putting on paper that say "sustainable development". i hope to have something from both of them by noon.

karen - fyi, i will be late for noon meeting.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jonathan A. Kaplan (CN=Jonathan A. Kaplan/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:13-JUN-1997 14:02:14.00

SUBJECT: NEXTEA

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Two things from today's staff meeting with Gene. Let's discuss.

1. Where do we stand with VP doing a NEXTEA/SIBS event next week?
2. Can we set up another NEXTEA rollout meeting, per Gene's suggestion?

Jon

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:15-JUN-1997 19:26:00.00

SUBJECT: NEXTEA BRIEFING

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

READ:UNKNOWN

TO: Emily Bromberg (CN=Emily Bromberg/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Fred Duval (CN=Fred Duval/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

CC: Mickey Ibarra (CN=Mickey Ibarra/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Are we sending anyone to this briefing? It's past OPL's deadline, but we can probably get a few electeds in if there are people that should have been invited.

----- Forwarded by Suzanne Dale/WHO/EOP on 06/15/97 07:23 PM -----

Richard L. Hayes 06/12/97 09:14:26 AM

Record Type: Record

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

cc: Maria Echaveste/WHO/EOP, Mark Hunker/WHO/EOP

Subject: NEXTEA BRIEFING

Please let me know by COB, Friday if you have people wanted included in the next NEXTEA briefing. The subject is State Infrastructure Banks and NEXTEA. The briefing will be held Thursday, June 19, from 10-Noon. The VP is participating along with Rodney Slater, Gene Sperling and others. During the event we will be announcing grants totalling \$150 million to 39 states. The event will be covered by the press and will be full, so please give the names of your people by the date requested. Thanks.

Message Sent

To: _____

Cheryl M. Carter/WHO/EOP

Marilyn DiGiacobbe/WHO/EOP

Ann T. Eder/WHO/EOP

Jay K. Footlik/WHO/EOP

Robert B. Johnson/WHO/EOP

Doris O. Matsui/WHO/EOP

Deborah B. Mohile/WHO/EOP

Peter O'Keefe/WHO/EOP

Richard Socarides/WHO/EOP

Suzanne Dale/WHO/EOP

William H. White Jr./WHO/EOP

Barbara D. Woolley/WHO/EOP

Robin Leeds/WHO/EOP

Sondra L. Seba/WHO/EOP

7D000HNT @ mail.va.gov @ inet

Christine A. Stanek/WHO/EOP

Shenna C. Blunt/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:16-JUN-1997 14:01:24.00

SUBJECT: Re: NEXTEA

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

READ:UNKNOWN

TEXT:

Thanks for the heads up. Pls. let my colleague Julie Green know about
mtgs. on the Thurs. announcement.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:16-JUN-1997 14:02:56.00

SUBJECT: NEXTEA

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

READ:UNKNOWN

TEXT:

----- Forwarded by Jonathan Murchinson/WHO/EOP on
06/16/97 02:02 PM -----

Dorothy Robyn

06/16/97 01:51:37 PM

Record Type: Record

To: Jonathan Murchinson/WHO/EOP

cc:

Subject: NEXTEA

On Thurs. at 10 am, the VP and Rodney Slater will announce \$150M in grants to 39 states under our State Infrastructure Bank program, which is included in our proposed reauthorization for ISTEA, called NEXTEA). I'm having an event mtg. tomorrow at 11:45. Cld you tell me who I shld invite from your office? Thx.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Megan C. Moloney (CN=Megan C. Moloney/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-JUN-1997 17:00:18.00

SUBJECT: Re: State Infrastructure Banks Meeting

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

READ:UNKNOWN

TEXT:

NEXTEA, ISTEa, State Infrastructure Banks....boy those were the fun days
back at DOT, weren't they?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-JUN-1997 11:15:06.00

SUBJECT: Re: NEXTEA BRIEFING

TO: Fred Duval (CN=Fred Duval/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I probably should know what this means, but I don't. Can you tell me more about what you're looking for?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:16-JUN-1997 18:28:55.00

SUBJECT: Nextea update - 6/16

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

READ:UNKNOWN

CC: Elizabeth Drye (CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Donald Hillebrand (CN=Donald Hillebrand/OU=OSTP/O=EOP @ EOP [OSTP])

READ:UNKNOWN

CC: Linda Lance (CN=Linda Lance/OU=CEQ/O=EOP @ EOP [CEQ])

READ:UNKNOWN

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

READ:UNKNOWN

CC: Charles E. Kieffer (CN=Charles E. Kieffer/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: PAK_C@AI@CD@LNGTWY (PAK_C@AI@CD@LNGTWY @ LNGTWY [UNKNOWN]) (OMB)

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Charles Konigsberg (CN=Charles Konigsberg/OU=OMB/O=EOP @ EOP [OMB])

READ:UNKNOWN

CC: Barbara Chow (CN=Barbara Chow/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

TEXT:

This is the second bi-weekly summary of NEXTEA-related information brought to you by the NEXTEA Team. The updates include highlights of recent actions and reactions from various groups concerning the bill.

TIMING OF HILL ACTION Neither House T&I or Senate EPW staff believe they will have a highway reauthorization bill ready before July 4th. Both the House and Senate are struggling with reconciling the formula issues with the funding levels in the Budget deal.

REAUTHORIZATION PERIOD OF THE BILL There was a great deal of discussion in the transportation community about a one-year authorization. Chairman Shuster and Rep. Petri have both indicated that T&I is considering a one-year authorization. The reason given for a one-year bill is to have an opportunity to increase transportation spending above that assumed in the Budget Agreement. A one-year bill could take-on a number of forms, ranging from a simple date extension, to an extension that includes formula redistribution and/or program redefinition. The Senate, according to EPW staff, is still assuming a multi-year bill. Senate staff have been quoted as saying that enacting no bill is more likely than a one-year bill.

The following are arguments against a one-year bill approach:

A one-year bill would disrupt State and local transportation planning efforts and delay improvements to the transportation systems. The ISTEA experience has shown that in the absence of Federal authorization, States become very conservative in their approach to moving forward on projects.

Conducting a reauthorization of surface transportation programs during an election year would be complicated by an abbreviated Congressional session and electoral politics would hinder policy consensus.

The Authorization Committees could simply authorize additional contract authority in the outyears and spending can be increased if the economy improves. This is identical to the Administration's approach. (The authorizers would likely view this as giving up their leverage to force higher transportation spending.)

The House is simply trying to increase the mandatory spending for Highways which is predominantly demonstration projects for Members' districts. The Administration opposes new demonstration projects.

FEDERAL HIGHWAY ADMINISTRATION

Highway Research and Development We understand that House T&I staff have completed draft language regarding highway research and development, Intelligent Transportation Systems (ITS), and Bureau of Transportation

Statistics (BTS). They assume comparable funding levels to NEXTEA, with the exception of ITS. We understand that funding levels for the ITS program have not yet been determined.

It is significant to note that all research and development is funded from contract authority. In NEXTEA, the Administration proposed that some research and development would be funded from a general operating expenses account, which in the past has been a 3 3/4% takedown from the major highway program categories. The House T&I staff are proposing to reduce the takedown and reserve the funds exclusively for administrative expenses. Essentially, the House T&I proposal limits the ability for the research and development program to grow and add new initiatives in future years because it a) fixes the funding level for research and development through contract authority and b) eliminates a general authorization provision in Title 23 to allow research and development funding to come from the general operating expenses account.

The House T&I ITS proposal is very similar to the NEXTEA proposal. One exception that we are aware of is that the House has eliminated the requirement that ITS projects funded from non-ITS Federal-aid highway program funds must conform to a standards protocol to ensure interoperability of systems (NEXTEA extends ITS eligibility to the major highway program categories). The House staff seem to have misinterpreted this provision as an unfunded mandate to force States to buy a particular set of ITS products from specific companies to be implemented in a specific manner. FHWA has briefed House T&I staff on the importance of the standards conformance provision, but FHWA does not believe that House staff have decided to include the provision.

Regarding the Automated Highway System (AHS), NEXTEA refocuses the program from the development of intelligent highway systems to the development of intelligent vehicles (e.g., emphasis on vehicle-driver interaction), including crash avoidance systems which are expected to yield near-term benefits. However, the House T&I staff have retained an emphasis on intelligent vehicle highway systems (e.g., emphasis on vehicle-highway interaction) and did not include the emphasis on crash avoidance systems. The proposal also eliminates the provision that calls for AHS research and development to be conducted in cooperation with private industry and other entities. It is not readily apparent what House T&I staff intentions are concerning the AHS program, but it appears that the House T&I staff may not accept the Administration's proposal to refocus the program from a long-term benefit-oriented intelligent vehicle highway program to a near-term benefit-oriented intelligent vehicle program.

State Infrastructure Banks (SIBs) We understand that SIBs are likely to be treated differently by the House and Senate. T&I staff have complained that the Administration's proposal to apply Federal labor laws to second generation SIB loans undercuts House support for the program. The Committee does not want to take on the labor unions on this issue. Rather than extend the labor laws, the House is likely to take a pass on SIBs. The House has also shown little interest on innovative financing. In the Senate, EPW staff indicate strong support for the SIB program, although there is some question about whether additional seed money should be provided or States simply allowed to use their own apportionments to

fund SIBs. Some rural States do not see the benefit of SIBs, so they do not want to take funding off the top for the program. We also understand that the Senate Environment and Public Works Committee's innovative finance title contains many of the elements of the infrastructure credit program that did not make it into the Administration's bill at the last minute. If reauthorization is delayed, this may be offered as a stand-alone bill.

On June 19, the Vice President and Secretary Slater will announce the approval of an additional 29 States to participate in the State Infrastructure Bank program. These States, and the 10 previously approved, will share \$150 million in 1997 seed money. The announcement will also emphasize the innovative financing provisions of NEXTEA. The Secretary proposed today to focus attention on private sector innovative financing techniques the Federal government might adopt by holding a series of DOT-led forums of experts and practitioners. A final decision on this proposal has not been made.

Sustainable Transportation Initiative The Sustainable Transportation research and development initiative, contained in the FY98 budget, is meeting criticism from Hill staff. The initiative provides \$4.25 million in FY98 (\$30 million through FY03) to conduct transportation-related land use research and development. This program was included in the FY98 budget to resolve outstanding Global Climate Change/Brownfields issues that arose during NEXTEA negotiations. It is not specifically mentioned in NEXTEA because no additional authorization is required to conduct this research. The Hill's reluctance to support the new initiative appears to be less substantive and more an issue of available resources. The Hill also seems to believe that this program is an EPA initiative and not a DOT initiative. We will talk to DOT about taking the lead, working with EPA, to educate the appropriate Hill staff on the merits of this initiative.

STPP Environmental Scorecard The Surface Transportation Policy Project (STPP) recently issued a "Mid-Term Report Card" assessing the environmental merits of the various ISTEA reauthorization proposals. The Senate version of the ISTEA Reauthorization Act, introduced by Senator Moynihan, received the highest ranking (A-) of the current bills because it increases Congestion Mitigation and Air Quality Improvement Program (CMAQ) funding to \$2 billion per year and Surface Transportation Program Enhancements funding to \$663 million per year, does not include funding for the Appalachian Regional Development Highway, and adds a land use program.

NEXTEA received a B because it does not increase funding for CMAQ and Transportation Enhancements to the level of the ISTEA Reauthorization Act, contains funding for the Appalachian Regional Development Highway, and does not include a land use provision. While a B is not a bad appraisal, it is disappointing that NEXTEA is not ranked higher and is actually ranked the same as two bills, Highway Trust Fund Fairness Act and Rural States Highway Preservation Act, which provided no increases to CMAQ and Enhancements funding.

The House version of the STEP 21 proposal received an F because it eliminates the CMAQ and Enhancements programs.

EPA to Compare ISTEA Bills EPA is developing a model which will compare the environmental merits of the various reauthorization proposals. Specifically, the model will compare the impact of the various proposals on air quality. OMB and DOT have provided EPA comments on its methodology. DOT and OMB have both raised concerns regarding the usefulness of the analysis given the small differences in CMAQ obligations under a capped spending scenario. Preliminary results of the comparison should be available within the next 1-2 weeks.

Disadvantaged Business Enterprises (DBEs) Program A further development in the Adarand v. Peña case occurred on June 2, when the Tenth Circuit District Court of Colorado ruled that DOT's DBE Bonus Program was not narrowly tailored to meet the strict scrutiny test. Moreover, the District Court ruled the DBE regulations promulgated under STURRA and ISTEA (as well as a Small Business Administration authorization), were deemed "unconstitutional as applied to highway projects in Colorado", and denied Adarand of its constitutional rights.

DOT's proposed rule to change the DBE was published in the Federal Register (5/30). DOT and DOJ lawyers believe this rulemaking will ultimately address the District Court's concerns. While it is still too early for DOT or DOJ to determine the full ramifications of the decision, they did state that the decision will only affect the program in Colorado.

NEXTEA only made minor changes to the DBE authorization because DOT preferred to address the program's needs through regulations and the District Court decision is unlikely to change this approach. However, it is likely to provide additional ammunition for those on the Hill who oppose this program, such as the Association of General Contractors and Rep. Canady (R-FL), who appears to be leading an effort to eliminate all affirmative action programs. One factor working in favor of retaining the DBE program is that virtually all the Congressional Black Caucus voted in favor of Shuster's amendment to the Budget to increase highway spending. The Caucus' influence will be increased if Shuster makes another attempt to increase transportation spending.

FEDERAL TRANSIT ADMINISTRATION

Congress made little progress on transit reauthorization over the past two weeks. House T&I Surface Transportation Subcommittee staffers report that they have put long-term bill development on hold in order to explore alternatives for a one-year reauthorization.

Rapid Rail The American Public Transit Association (APTA) held its 1997 Rapid Rail conference in Washington this week. While the conference focused primarily on technical aspects of rail transit (no sessions were held on ISTEA policy), the program did include an FTA presentation of current New Start project criteria like cost per new rider. Hill staffers are likely to expand the list of statutory criteria in any long-term bill to include measures such as population density and current ridership in their reauthorization. They would also call on FTA to take a more active role in ranking projects, and require the Department to make

recommendations on the economic value of proposed New Starts. FTA is supportive of this approach.

APTA continues to support increased funding and preserved flexibility in a six-year reauthorization. The Association designated June 12 as "Transit Lobby Day" asking members to urge Congress to increase FY 1998 appropriations for Transit, preserve the existing allocation of funding among modes, and support S. 764, Senator Specter's transit bill that calls for a \$4 billion more in transit funding than did ISTEA.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The Administration's follow on safety proposals were transmitted in April to the Congress. After much effort, the Administration convinced Congressman Dingell to introduce the Administration's proposal in the House. H.R. 1720 was introduced at the end of May. Efforts are underway to find a Senator who will submit the legislation. It is likely that Senator Bryan (D-NV) will introduce the legislation shortly. The main difficulty in finding sponsors is legislators' desires not to be associated with the Administration's proposal for sanctions (redirection of highway spending to safety programs) beginning in 2003 for failure to achieve 85% seat belt usage or for failure to pass a primary seat belt law.

Senate staff are having technical discussions with NHTSA staff on proposals for incentives for increased seat belt usage and proposals for penalties for repeat offenders who drive with a blood alcohol content level over 0.15.

The other provisions concerning reauthorization of the NHTSA and Motor Carrier safety grant programs are tied up with the broader funding questions on ISTEA reauthorization. FHWA has provided copies of their draft "Truck, Size and Weight" study to the Congress and has been briefing Congressional staff. Copies have also been circulated to interested State officials and FHWA continues to work on the study.

AMTRAK

Senator Hutchison's proposal for Amtrak reform will be marked up by the Senate Commerce Committee on June 19. This proposal includes several objectionable provisions: eliminating the prohibition against contracting out, eliminating labor protection provisions (current 6-year severance pay for workers), imposing liability limitations, and creating an Amtrak Reform Council with authority to liquidate Amtrak if specified savings are not achieved. Senator Hutchison's staff has been having tentative discussions with Senator Breaux's staff about a possible "deal" on liability limitations. These discussions have focused on Senator Hutchison's willingness to drop any limit on punitive damages in exchange for Senator Breaux's willingness to impose a "global cap" on total damage awards which freight railroads could pay. The total cap would be somewhere near \$50 or \$60 million. Other potential options are being discussed. Amendments are also likely to be agreed to on the Reform Council. Democratic staff has opined that some type of liability deal is likely before the mark-up, and that such a result might lead to near

unanimous approval of the legislation by the Committee. Senator Hutchison is close to gaining a promise from Senator Lott to allow consideration of the legislation before the July 4 recess.

Also, Shuster's Blue Ribbon panel on Amtrak is expected to issue its report the week of June 16. The majority report is likely to recommend splitting Amtrak into an operating and an infrastructure company. The infrastructure company would continue to get federal capital grants. The operating company would transition to receiving no Federal operating assistance and would compete with other railroads for the right to service specific routes.

OTHER

4.3 Cents Fuel Tax House Ways and Means Committee Chairman Archer proposed a tax reconciliation mark that includes a provision to shift the 4.3 cents per gallon deficit reduction tax on aviation and jet fuel from the General Fund to the Trust Fund. While the tax bill does not address highway taxes, Joint Tax Committee Chief of Staff Ken Kies said during questioning that the Chairman would likely consider a similar tax shift for surface transportation in ISTEA reauthorization. Such a shift would likely feed Congressional efforts to move the trust funds off-budget by adding more than \$7 billion per year to balances over the next five years.

Demonstration Projects The Transportation and Infrastructure Committee had planned to offer an amendment during its reconciliation mark-up on May 11th which would have changed the treatment of mandatory demonstration projects in the baseline. The proposal would have amended the Budget Enforcement Act (BEA) to extend demonstration projects into the baseline and direct the House and Senate Budget Committee Chairmen to increase allocations to the affected authorizing committees.

If demonstration projects were reinstated into the baseline, an additional \$6.0 billion in contract authority and \$2.3 billion in mandatory outlays above the Budget Agreement would be created from FY 1998 to 2002. In addition to violating Budget Agreement, Senate Budget Committee Staff have indicated that the amendment would violate the Byrd rule. While this amendment was not offered at the T&I markup, T&I staff are still actively exploring legislative vehicles where they can include this provision.

Upcoming Hearing On Wednesday, June 18th, EPA and DOT will testify before the House Committee on Commerce, Subcommittee on Health and the Environment, on NEXTEA. The hearing focuses on the environmental benefits of the CMAQ and Enhancements programs. By conducting the hearing, the Commerce Committee is indicating its interest in NEXTEA and placing down a marker for inclusion in future discussions regarding development of the reauthorization bill.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:16-JUN-1997 13:51:53.00

SUBJECT: NEXTEA

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

TEXT:

On Thurs. at 10 am, the VP and Rodney Slater will announce \$150M in grants to 39 states under our State Infrastructure Bank program, which is included in our proposed reauthorization for ISTEA, called NEXTEA). I'm having an event mtg. tomorrow at 11:45. Cld you tell me who I shld invite from your office? Thx.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Lynn G. Cutler (CN=Lynn G. Cutler/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-JUN-1997 11:26:58.00

SUBJECT: Re: NEXTEA BRIEFING

TO: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

We've been working on this--we have state treasurers coming in--if it's Nextea, you can be confident that Richard and I have been talking, but the heads-up is fine. I'm not sure if Mickey realizes that I've had the lead on NEXTEA.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Fred Duval (CN=Fred Duval/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-JUN-1997 11:35:28.00

SUBJECT: Re: NEXTEA BRIEFING

TO: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Sorry to be so vague.... If there will be money going to 39 states I would like to consider inviting DC reps from some of those states. The question is what states will or have been awarded the money.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:16-JUN-1997 11:38:01.00

SUBJECT: Meetings

TO: Marjorie Tarmey (CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

I don't have any public events today; the next one is thusday-- NEXTEA and state infrastructure banks. involving the VP, Rodney Slater and others. However, I do have two meetings: one at Commerce dealing with technical estimation issues surrounding the affirmative action procurement reform benchmarks and another here with our interagency working group to discuss next step legal strategies surrounding the Adarand Remand case.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mickey Ibarra (CN=Mickey Ibarra/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:16-JUN-1997 11:27:59.00

SUBJECT: Re: NEXTEA BRIEFING

TO: Suzanne Dale (CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

This is in regards to a ceremony with the VP that Lynn mentioned this morning where he along with Sec. Slatter will be announcing transportation grants to 39 states this week. Please locate the paper, perhaps there is a press brief out on this already, and share it with IGA staff. Thanks.