

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Jonathan Weiss (CN=Jonathan Weiss/O=OVP [OVP])

CREATION DATE/TIME: 3-MAR-1998 18:29:01.00

SUBJECT: ISTEА Renewal

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

CC: Elizabeth J. Potter (CN=Elizabeth J. Potter/O=OVP @ OVP [OVP])
READ:UNKNOWN

TEXT:

Lynn, we don't have time to track this closely but please let us know, as

the ISTEА battle heats up, whether we might have a particular opportunity

to use the VP on this issue. This is a very important issue for us on the

urban side and making sure money continues to go to urban reinvestment.

Thanks

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Douglas Tsao (CN=Douglas Tsao/OU=DC/O=USEPA/C=US [UNKNOWN])

CREATION DATE/TIME: 5-MAR-1998 16:41:40.00

SUBJECT: EPA Weekly Report

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

READ:UNKNOWN

TO: Intern Weekly Report (Intern Weekly Report@WHO [UNKNOWN])

READ:UNKNOWN

TEXT:

MEMORANDUM FOR THE PRESIDENT

FROM: CAROL M. BROWNER

SUBJECT: Weekly Report for March 4, 1998

KEY AGENCY NEWS

Agreement Reached with Air Standards Amendment: On 3/4, the Senate adopted the Inhofe Amendment which effectively codifies the President,s implementation plan for EPA,s new public health standards for ozone and particulate matter. The Inhofe amendment was attached to the ISTEA Reauthorization bill. Most importantly, the amendment specifies that the new standards will be implemented by 2005 and that states will be provided with full funding for the purchase, operation, and maintenance of particulate matter monitors.

Inhofe,s original amendment, which was unacceptable to the Administration,

did not include the 2005 deadline. Senator Inhofe compromised on this point after negotiations with Administrator Browner.

Animal Feeding Operations Strategy: On 3/5, EPA released for public comment a draft strategy to minimize the public health and environmental impacts from animal feeding operations (AFOs). This is the first action taken under the President's Clean Water Action Plan. The strategy calls for new water pollution control requirements and immediate inspections and increased enforcement for large animal feeding operations to reduce animal waste runoff into waterways.

Animal feeding operations are livestock-raising operations, such as hog, cattle and poultry farms, that confine and concentrate animal populations and their wastes. Animal waste, if not managed properly, can run off to nearby water bodies and cause serious water pollution and public health risks. There are approximately 450,000 AFOs in the United States. About 6,600 of these operations are fall into the largest category and are referred to as Concentrated Animal Feeding Operations (CAFOs).

The draft strategy calls for aggressive enforcement of Clean Water Act permit requirements and an increase in facilities permitted. It also calls for the implementation of an expanded range of regulatory and permitting tools by EPA and the States. It is also intended to foster a dialogue with the regulated community and other members of the public on how to better protect public health and the environment around these facilities and to encourage voluntary actions.

Agricultural practices across the United States are estimated to contribute to the degradation of 60 percent of the nation's impaired rivers and streams. Feedlots alone are estimated to adversely impact 16 percent of waters that are impaired from agricultural practices. Although some concentrated animal feeding operations have been regulated under the Clean Water Act since the early 1970s, the concentration of animals at larger feeding operations and the availability of new waste management technologies and runoff controls have heightened awareness that additional controls are needed. Increasing incidences of animal waste discharges into waterways have led to drinking water contamination, fish kills, nuisance odors and other environmental problems.

Superfund: In the House, markup of House Transportation and Infrastructure Subcommittee Chair Boehlert's Superfund bill was postponed as negotiations continue between Administrator Browner, Representative Boehlert, and Representative Borski, the ranking Democrat on the subcommittee. EPA continues to have substantial differences with the Boehlert bill. Administrator Browner testified on 3/5 before the House Commerce Committee on Chairman Oxley's Superfund bill.

In the Senate, the Environment and Public Works Committee staff continue to hold stakeholder briefings to discuss the revised titles of the Majority bill. EPA and other Administration representatives are providing technical assistance. Due to Senate floor consideration of ISTEA reauthorization, the 3/3 markup of the Majority bill was indefinitely postponed.

Canola Seed Treated with Unregistered Pesticide: On 3/6, EPA plans to announce its decision to allow canola growers in North Dakota to use seeds treated with an unregistered pesticide during this planting season. The seed was imported from Canada and, because this pesticide is not registered for use in the United States, there is no established tolerance for residues of the pesticide in canola. A tolerance is required under the Federal Insecticide, Fungicide, and Rodenticide Act for the seed to be used for crops. However, there seems to be an extremely low risk to public health because FDA has not found pesticide residues in canola products over the years. Because some farmers have already bought seed, EPA will allow the treated seed to be used. However, the Agency will recommend farmers not to use the treated seed if possible.

EPA will instruct U.S. Customs that canola seed treated with unregistered pesticides should be stopped at the border after 6/1. EPA will work with Canada under the auspices of NAFTA to harmonize the two governments' policies on treated canola seed before the 1999 planting season. EPA will also clarify its policies on the importation of treated seeds. The Agency will also work with seed companies, food processors, and the agricultural community to assess current practices and volumes for treated seeds, both domestic and imported, across all commodities.

In making its decision on the canola seed, EPA worked closely with Senator Conrad (ND), the Canola Association, and FDA.

Animal Feeding Operations: On 3/5, EPA released a draft strategy to curb the water pollution from animal feeding operations. This is a key action item in the Clinton Administration's Clean Water Action Plan.

Cleaner Cars Program Goes Into Effect: On 3/2, Administrator Browner signed into effect the National Low Emission Vehicle (NLEV) program which will offer consumers across the country new cars and light trucks that are 70 percent cleaner than vehicles on the road today. Consumers will be able to purchase cleaner vehicles in the Northeast beginning later this year, and these vehicles will be available nationally by late 2000.

EPA has now received notifications from nine northeastern states and the 23 automobile manufacturers opting into the program. NLEV vehicles will meet tailpipe standards that are more stringent than EPA can mandate prior to model year 2004. The cleaner cars program allows the auto industry to avoid a patchwork of clean-car requirements that would vary from state to state while providing states with a cost-effective way to achieve air quality improvements. In fact, the emissions benefits associated with the program are the equivalent of taking 10.5 million new cars off the road. The additional cost per vehicle is estimated to be just \$95.

Of the states, only Maine, Massachusetts, New York, and Vermont have said that they will not enroll because they wish to pursue stricter emission standards (California already has its own strict standards that exceed NLEV).

Remediation Waste: EPA is actively engaged in efforts to produce legislation to replace the burdensome hazardous waste requirements of the Resource Conservation and Recovery Act, s Subtitle C. EPA staff have met with key House and Senate staffers to provide technical assistance and

general comments on the draft bill circulated by Senator Lott.

EPA has drafted legislative specifications that represent a reasonable and protective approach to write remediation waste legislation. These &specs8 are currently undergoing formal review by other federal agencies and EPA is working with these agencies to work through issues of contention.

CONGRESS

Legislative Action this Week

On 3/4, the Senate adopted the Inhofe (OK) amendment to the ISTEA Reauthorization bill, which codifies the President,s implementation plan for EPA,s new public health standards for particulate matter and ozone. The amendment also assures that states are provided with full funding from EPA for the purchase, operation and maintenance of particulate matter monitors.

On 3/5, Administrator Browner testified before the House Commerce Subcommittee on Finance and Hazardous Materials in reference to Representative Oxley,s Superfund reform bill

Administrator,s Meetings and Travel

On 3/5, Administrator Browner and Deputy Administrator Hansen met with

Representative Stokes (OH) to discuss the Agency,s FY +99 budget request.

Current Legislative Issues

Confirmation of Sallyanne Harper. This week, Senator Allard (CO) removed his hold on the confirmation of Sallyanne Harper to be EPA,s Chief Financial Officer. Senator Gramm (TX) has also indicated that he does not intend to stall Ms. Harper,s confirmation. The Environment and Public Works Committee and Senate Leadership have not indicated when a floor vote will occur.

Superfund. In the House, markup of Representative Boehlert,s Superfund bill was postponed as negotiations continue between Administrator Browner, Representative Boehlert, and Representative Borski, the ranking Democrat on the Water Resources Subcommittee. EPA continues to have substantial differences with the Boehlert bill. Administrator Carol Browner testified on 3/5 before the House Commerce Committee on Chairman Oxley,s Superfund bill.

In the Senate, the Environment and Public Works Committee staff continue to hold stakeholder briefings to discuss the revised titles of the Majority bill. EPA and other Administration representatives are providing technical assistance. Due to Senate floor consideration of ISTEA reauthorization, the 3/3 markup of the Majority bill has been indefinitely postponed.

RCRA. Senator Lott,s stakeholder meetings continue to be on hold until

3/10 to allow Environment and Public Works Committee staff to focus on ISTEA reauthorization. EPA continues to work with other Administration stakeholders to develop legislative specifications on RCRA remediation waste legislation.

Regulatory Reform. The Senate Governmental Affairs Committee markup has been rescheduled to 3/10 from 3/5. EPA continues to work with the Administration on developing an Administration position on the revised Levin-Thompson regulatory reform bill.

Air Quality Standards. The Inhofe amendment, as approved by the Senate, effectively codifies the President,s implementation plan for the Agency,s new air quality standards for particulate matter and ozone. The amendment also assures that states are provided with full funding from EPA for the purchase, operation and maintenance of particulate matter monitors.

Budget. On 3/10, Administrator Browner will testify before the House Appropriations HUD, VA and Independent Agencies subcommittee about the President,s FY99 budget request for environmental and public health protection.

Upcoming Hearings & Mark-ups

Date	Committee	Subject	Testifying
3/10	Senate Governmental Affairs Comm.	S 981, Regulatory Reform Bill	Mark-up

(Thompson, TN)

3/10 & House Appropriations Subc. on VA/HUD EPA,s FY +99

Budget Request Administrator

3/11 and Independent Agencies (Lewis,

CA) Browner

3/12 House Science Subc. on Energy and Overview of EPA,s FY +

99 budget Acting Asst.

Environment (Calvert, CA) request for research

and Admin.

for

research &

development,

Henry Longest

STATE AND LOCAL

Intergovernmental Activities this Week

On 3/2, Administrator Browner participated in a Sustainable Communities

panel at the National Association of Counties (NACo) Legislative

Conference. HUD Secretary Cuomo also participated.

Upcoming Conferences and Meetings

On 3/6, Administrator Browner is expected to travel to Nashua, NH to participate in a conference with Vice-President Gore entitled & Implementing an Action Plan for a Sustainable New England.⁸ This conference will focus on environmental technology, climate change, urban sprawl, sustainable development and air quality.

Current State and Local Issues

National Association of Counties Legislative Conference. During this week, s legislative conference, the National Association of Counties (NACo) ratified a resolution in opposition to the Gallegly (CA) takings bill currently being considered in the Senate. The Gallegly bill was passed by the House last year and was approved by the Senate Judiciary Committee last week. The Administration has threatened to veto the bill.

Proposed Rule to Reduce Nitrogen Oxide Emissions. A number of Midwestern governors are expected to send a letter to the President this week requesting the extension of the comment period for EPA,s proposed rule to reduce nitrogen oxide emissions. The comment period is scheduled to close on 3/9.

The proposed rule requires 22 states and the District of Columbia to reduce their nitrogen oxide emissions because they are contributing to air pollution problems in downwind states. The proposed rule is based on the analysis and recommendation of the 37 states known as the Ozone Transport Assessment Group (OTAG).

PRESS

Animal Feeding Operations: On 3/5, EPA released a draft strategy to curb the water pollution from animal feeding operations. This is a key action item in the Clinton Administration,s Clean Water Action Plan.

Superfund: On 3/5, Administrator Browner is testifying before the House Commerce Committee on the Clinton Administration,s efforts to reform the Superfund toxic waste cleanup law and the Administration,s position on Congressman Oxley,s Superfund reform legislation.

Environmental Technology/New Hampshire: On 3/6, Administrator Browner will join the Vice President and Governor Shaheen in Nashua, NH at an environmental technology conference.

Diane Rehm Show: On 3/9, Administrator Browner will be a guest on NPR,s Diane Rehm Show to discuss the President,s Clean Water Initiative.

Gore/Chernomyrdin: On 3/11, Administrator Browner will join the Vice President at a press conference to discuss environmental issues related to Gore/Chernomyrdin.

National Public Radio: On 3/12, Administrator Browner will appear on NPR,s Public Interest radio talk show to discuss the Clinton Administration,s Clean Water Action Plan and efforts to clean up the environment and revitalize communities across the nation.

Cleveland Radio (WMJI): On 3/12, Administrator Browner will appear on
WMJI's Lanigan and Malone morning talk show with Congressman Sherrod Brown
(OH) to discuss the Clinton Administration's environmental agenda.

ADMINISTRATOR'S SCHEDULE

3/5 House Commerce Committee Superfund Hearing;
Meeting w/ Representative Stokes
3/6 Travel: Nashua, NH. Environmental Technology Conference with
the Vice President;
Satellite Uplink to National Pork Producers Conference;
Interview with Self Magazine
3/10 House Appropriations Hearings;
Gore-Chernomyrdin Commission Meetings and Dinner
3/11 House Appropriations Hearings;
Gore-Chernomyrdin Commission Press Conference
3/12 Talk Radio Show w/ Representative Sherrod Brown (OH)
3/12 Interview with NPR, Diane Rehm Show
3/13 Travel: New York, NY
3/18 Lunch with Representative Gephardt and Freshman Democrats
3/19 Speech to Consumer Federation of America

DEPUTY ADMINISTRATOR'S SCHEDULE

3/5 Meeting w/Congressman Stokes (w/Administrator Browner)
3/10 EPA's FY 99 House Appropriations Hearings
3/11 EPA's FY 99 House Appropriations Hearings

3/11 NEC Deputies Meeting (chaired by Sally Katzen)

REGULATORY ACTIONS

No major regulatory action occurred this week.

FOIA

For the week of 2/26 thru 3/3, the Agency received 378 FOIA requests. Of that 378 number, 77 were received in headquarters. The year to date totals are 1,743 for Headquarters and 9,211 Agency-wide. The Agency received a request by Sheila Kaplan from PBS ,s &Frontline 8 documentary series. The request seeks correspondence written by any member of Congress, Congressional staff, or Clinton Administration officials concerning a number of large companies, labor unions, and trade associations. The request also seeks any communication sent to the Food and Drug Administration concerning all the above groups.

Weekend Contact: Peter Robertson

Chief of Staff

H: (703) 920-8428

Pager: 1-800-759-7243 PIN 471-0595

cc: Thurgood Marshall, Jr.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Michael J. Burton (CN=Michael J. Burton/O=OVP [OVP])

CREATION DATE/TIME:13-MAR-1998 11:33:29.00

SUBJECT: Iowa / Boswell

TO: Kay Casstevens (CN=Kay Casstevens/O=OVP [OVP])
READ:UNKNOWN

TO: Kimberly H Tilley (CN=Kimberly H Tilley/O=OVP [OVP])
READ:UNKNOWN

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

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

TO: Michael B. Feldman (CN=Michael B. Feldman/O=OVP [OVP])
READ:UNKNOWN

TO: Monica M. Dixon (CN=Monica M. Dixon/O=OVP [OVP])
READ:UNKNOWN

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

TEXT:

Kay and I just got off the phone with Joh Norris in Rep. Boswell's

office. He said that the House may possibly have an ISTE A vote on April

1. This is not confirmed; John and Kay are looking into it.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME:13-MAR-1998 18:32:44.00

SUBJECT: Briefing for Las Vegas, NV

TO: Jon P. Jennings (CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

MEMORANDUM TO STEVE SILVERMAN CABINET AFFAIRS

FROM: Michael Huerta

Chief of Staff

SUBJECT: Background Information - Las Vegas

DATE: March 13, 1998

The following is information on Las Vegas issues. Please contact me or Judi Gold at 366-9497 if you have any questions.

Colorado River Crossing: Heavy traffic on Hoover Dam and through Boulder City is causing concern to the local residents. These concerns have increased interest in Nevada and Arizona for a new Colorado River crossing in the vicinity of Hoover Dam. Both Senators from Arizona and Nevada and the two Governors have written Secretary Slater seeking his support for the project and for 100 percent Federal funding for this \$184 million project. The Administration's ISTEA reauthorization proposal (NEXTEA) proposes a Transportation Infrastructure Credit Program that appears to

address such high cost, nationally significant projects. However, the States are not interested in this program and are actively pursuing 100 percent Federal funding.

I-15: I-15 from Southern California to Las Vegas is considered an economic lifeline for southern Nevada. The section of this route between Barstow, California, and Las Vegas, has become extremely congested, especially on weekends and holidays. NDOT has included I-15 as one of five "Super Projects" and asked their Congressional delegation to earmark funds in the reauthorization of ISTEA. A combined Environmental Assessment and MIS is currently underway for the entire route from Barstow to Las Vegas. Because NHS funds are otherwise committed, NDOT has indicated that the project would likely be postponed if discretionary funding is not available.

Las Vegas Airport Funds: Senator Harry Reid has expressed interest in a request from Clark County for an LOI of \$43 million for North Las Vegas and \$13.4 million for Henderson Airports. FAA is currently evaluating environmental assessments for these requests. The County is requesting use of FY 1998 AIP entitlement funds for the North Las Vegas work. This request comes after FAA rejected a 1997 request from Clark County for \$212.5 million.

Air Traffic Control: Five Grand Canyon Federal Aviation Regulation (FAR) Part 135 Operators alone are expected to generate more than 76,000 additional air traffic operations at North Las Vegas. These operators bring high visibility and public interest to their operations. Air

traffic has increased significantly and it is anticipated operations will increase to 300,000 this calendar year. The current tour structure is inadequate to handle both today's administrative and operational requirements, let alone the reality of the next 20-24 months. Clark County, Nevada, Department of Airports is unable to build a new facility to Federal Aviation Administration (FAA) specifications under a reimbursable agreement. This project was submitted and approved in the FY-98 budget and site selection is nearing completion. Barring unforeseen obstacles, this facility is expected to be commissioned within three to three one-half years. There have been congressional visitations and strong support by Senator Richard Bryan (D-NV) and Congressman John Ensign (R-NV) and their staffs.

UP/SP Merger: On March 10, Secretary Slater met with the Congressional delegation for Reno and the mayor and other local officials regarding the Union Pacific/Southern Pacific Railroad merger. The Secretary commended the participants for their work and expressed our desire to partner with them. He noted that the President has had positive relations with the congressional members and the governor. FRA will provide technical assistance to Reno officials as they work for an appropriation for a loan which would be similar to the structure for the Alameda Corridor in Los Angeles. The appropriations request will be for \$7 million to cover a \$70 million loan for a \$200 million project.

Nuclear Waste Transport: Nevadans have been rallying in Sparks against a proposal to ship nuclear waste through Nevada on trains beginning in June. A rally and march was held on March 2 to protest the Department of

Energy's plans to transport w-level nuclear waste from 41 countries to a temporary repository in Idaho. The waste is from research reactors begun under the U.S. Government's "Atoms for Peace" program in the 1950s and 1960s. The rally was sponsored by a group called "Citizen Alert" and U.S. Senator Harry Reid spoke against the transportation plan at the rally.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Carrie Hyun (Carrie Hyun <Carrie.Hyun@ost.dot.gov> [UNKNOWN])

CREATION DATE/TIME:18-MAR-1998 22:39:18.00

SUBJECT: AMP.RPT W/O 3/80

TO: David S. Beaubaire (CN=David S. Beaubaire/OU=WHO/O=EOP [WHO])
READ:UNKNOWN

TO: Cynthia Coogan (Cynthia Coogan <Cynthia.Coogan@ost.dot.gov> (IPM Return requested) [UNKNOWN])
READ:UNKNOWN

TO: Suzanne Sullivan (Suzanne Sullivan <Suzanne.Sullivan@ost.dot.gov> (IPM Return requested) [UNKNOWN])
READ:UNKNOWN

CC: Steven J. Akey ("Steven J. Akey" <Steven.J.Akey@ost.dot.gov> (IPM Return requested) [UNKNOWN])
READ:UNKNOWN

CC: Tovah Ravitz (Tovah Ravitz <Tovah.Ravitz@ost.dot.gov> (IPM Return requested) [UNKNOWN])
READ:UNKNOWN

CC: William Schulz (William Schulz <William.Schulz@ost.dot.gov> (IPM Return requested) [UNKNOWN])
READ:UNKNOWN

TEXT:
WH AMPLIFICATION REPORT

ISTEA/SAFETY/BALANCED BUDGET

On March 12, Secretary Slater commended the United States Senate for swift bipartisan action on the ISTEA bill amplifying the President's commitment to a strong, balanced transportation system that fits within the Balanced Budget Agreement. National, regional media pick-up, including the Washington Post, New York Times and AP.

ISTEA/REBUILDING AMERICA/WELFARE TO WORK

On March 10, Secretary Slater issued a media statement that praised the United States Senate for its strong, bipartisan vote on investment in mass transit amplifying the President's pledge to "rebuild America"

and to move people from welfare to work. Generated regional and trade coverage.

INTERNATIONAL REACH/COMMON SENSE GOVERNMENT

On March 14, Secretary Slater participated in a ceremony with Japanese Transport Minister Takao Fujii to sign a memorandum of understanding on aviation to expand air services between the U.S. and Japan. The Secretary amplified the President's commitment to open and expand international trade. International and trade pick-up.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Douglas Tsao (CN=Douglas Tsao/OU=DC/O=USEPA/C=US [UNKNOWN])

CREATION DATE/TIME:19-MAR-1998 11:12:44.00

SUBJECT:

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

TO: Intern Weekly Report (Intern Weekly Report@WHO [UNKNOWN])
READ:UNKNOWN

TEXT:
MEMORANDUM FOR THE PRESIDENT

FROM: CAROL M. BROWNER

SUBJECT: Weekly Report for March 18, 1998

KEY AGENCY NEWS

Vice President Gore Announced Brownfields Showcase Communities: On 3/17,
Vice President Gore and Administrator Browner announced the selection of
16 Brownfields Showcase Communities. This new Administration-wide
initiative provides resources, funding, and assistance to communities
redeveloping abandoned and contaminated urban properties. These Showcase
Communities will serve as models demonstrating the benefits of federal,
state, local, and private collaboration for environmental protection and
economic revitalization. These communities were selected from 231
applications based on criteria such as the community's economic need,
potential for brownfields revitalization, the level of local commitment,
and the possibility of addressing environmental justice concerns.

The 16 communities selected were Baltimore, MD; Chicago, IL; Dallas, TX; East Palo Alto, CA; Eastward Ho! (Southeast FL); Glen Cove, NY; Kansas City, KS & MO; Los Angeles, CA; Lowell, MA; Portland, OR; the State of Rhode Island; St. Paul, MN; Salty Lake City; UT; Seattle, WA; Stamford, CT; and Trenton, NJ.

Announcement of EPA Title VI Implementation Advisory Committee: On 3/12, Administrator Browner announced the creation of a new advisory committee to assist EPA in its implementation of Title VI of the Civil Rights Act of 1964. The Advisory Committee will be headed by Elliott Laws, who served as EPA's Assistant Administrator for Solid Waste and Emergency Response from 1993-1997; Laws is now a partner at Patton, Boggs, LLP. Mr. Laws was selected because he effectively worked with a broad range of stakeholder groups to integrate environmental justice considerations into EPA decision-making.

Under Title VI, recipients of federal financial assistance are prohibited from conducting programs or activities that discriminate on the basis of race, color, or national origin. Since 1993, EPA has received an increasing number of complaints that allege violations of Title VI through the issuance of state pollution control permits. The new Advisory Committee will evaluate and recommend techniques to assess Title VI concerns and, where they exist, identify avenues to address them before they become the subject of complaints.

The new advisory committee is being established as part of EPA's existing

National Advisory Council for Environmental Policy and Technology. The Advisory Committee will be comprised of state environmental commissioners, local government officials, industry representatives, academics, and environmental justice leaders.

Superfund: In the Senate, markup of the Majority's Superfund Reauthorization bill is scheduled for 3/24. Senator Chafee is expected to release his revised mark of the majority bill by 3/20. It is unclear how the bill's language will be different from Chafee's previous mark.

On 3/11, the House Transportation and Infrastructure Subcommittee reported a Superfund Reauthorization bill to the full committee by a vote of 18-12. Two Democrats (Barcia and Taylor) voted with the Republicans to report the bill, which the Administration continues to oppose. It is unclear at this point what action the full Committee will take. In the House Commerce Committee, a second hearing on Chairman Oxley's bill has been scheduled for 3/26, in which members of industry and other interested stakeholders will testify on the bill.

Congressional Concern Over Implementation of Food Quality Protection Act: EPA has recently received over 30 letters from members of Congress expressing concern over the Agency's implementation of the Food Quality Protection Act of 1996 (FQPA). These include a letter from 45 members of the House Committee on Agriculture, delegation letters from the House and Senate, and a letter from Representative Bliley and Representative Dingell, House Committee on Commerce. A primary concern is that EPA will suddenly cancel many or all uses of organophosphate pesticides, one of the

most toxic classes of pesticides, leaving growers without sufficient tools to control pests.

FQPA requires EPA to consider the cumulative impact of pesticides that have a common mode of action. For example, rather than evaluating each organophosphate individually, EPA will examine a person's total exposure to organophosphates because they have a similar mode of action (neurotoxicity). As a result, growers are concerned that the Agency will revoke the registrations for many uses of organophosphates. No decisions have been made yet and EPA is still exploring options for how to regulate the organophosphates safely and is establishing a mechanism to receive input from USDA, growers, industry and environmental interests to develop a reasonable approach. Under FQPA, EPA must complete its reassessment of 33 percent of the pesticide tolerances (including tolerances for the organophosphates) by 1999.

Another concern expressed by some members is that EPA is using overly protective default assumptions instead of waiting for data to be received by the Agency. The Agency is using reliable and available data and, where needed, the best scientific judgement to evaluate and interpret data, including appropriate assumptions. EPA is committed to making scientifically defensible decisions through a fair and open process with stakeholders.

CONGRESS

Legislative Action this Week

On 3/17, the House Commerce Subcommittee on Oversight and Investigations held an oversight hearing on state environmental audit laws. Assistant Administrator for Enforcement Steve Herman testified.

On 3/18, the House Small Business Subcommittees on Government Programs and Oversight and Regulatory Reform and Paperwork Reduction held a joint hearing on federal agency compliance with the Small Business Regulatory Efficiency Fairness Act.

On 3/18, the House Transportation and Infrastructure Subcommittee on Coast Guard and Maritime Transportation held a hearing on ship scrapping regulations. Deputy Assistant Administrator for Enforcement Mike Stahl testified.

On 3/19, the House Government Reform and Oversight Committee is expected to mark-up the Congressional Office of Regulatory Affairs Creation Act. The bill was approved by the subcommittee on 3/17.

On 3/19, the House Government Reform and Oversight Committee is also expected to markup the Paperwork Reduction Act Amendments.

Administrator's Meetings and Travel

On 3/18, Administrator Browner spoke to the House Democratic Freshman.

Current Legislative Issues

Confirmation of Sallyanne Harper. Senator Gramm (TX) has removed his floor hold on the confirmation of Sallyanne Harper to be EPA's Chief Financial Officer. Floor consideration of Harper's confirmation is expected soon.

Superfund. Negotiations in both the Transportation and Infrastructure Committee and the Commerce Committee continue to be on hold this week. However, the Commerce Subcommittee on Finance and Hazardous Materials expects to hold a second legislative hearing on Representative Oxley's Superfund bill (H.R. 3000) on 3/26. The Administration continues to oppose the bill. In the Transportation and Infrastructure Committee, full committee action on Representative Boehlert's bill will be delayed as the committee focuses on ISTEA. Representative Boehlert's bill was approved by the subcommittee on a largely partisan vote. The Administration continues to oppose this bill.

The Senate Environment and Public Works Committee expects to begin mark-up of the Majority's Superfund bill on 3/24.

RCRA. Sen. Lott's stakeholder meetings continue to be on hold to allow Environment and Public Works Committee staff to focus on Superfund reauthorization. EPA continues to work with other Administration stakeholders to develop legislative specifications on RCRA remediation waste legislation.

Paperwork Reduction Act Amendments. The Paperwork Reduction Act

Amendments, introduced by Representative McIntosh (IN), would grant amnesty to businesses for first-time paperwork violations.

Representatives Kucinich (OH) and Tierney (MA) have offered a substitute amendment that would require that regulatory agencies to implement a policy of amnesty for first-time violations but would give the agencies the flexibility to determine if amnesty is warranted. The Administration is opposed to the bill.

Upcoming Hearings & Mark-ups

Date Committee

Subject	Testifying
3/24 Senate Environment and Public Works	S 8,
Superfund Reform legislation	Mark-up
Committee (Chafee, RI)	
3/26 House Commerce Subc. on Finance	HR 3000,
Superfund Reform legislation	To be determined
(T) and Hazardous Materials (Oxley, OH)	
4/1 Senate Environment and Public Works	Regional
Haze	To be determined
Subc. on Clean Air, Wetlands, Private	
Property and Nuclear Safety (Inhofe, OK)	
4/2 Senate Agriculture Committee (Lugar, IN)	Animal Waste
Regulations	To be determined

STATE AND LOCAL

Intergovernmental Activities this Week

On 3/18-3/20, the U.S. Conference of Mayors , Environmental Committee and the Municipal Waste Management Association will hold a joint meeting. The members will focus on recycling and international solid waste management.

On 3/19, U.S. Conference of Mayors , Environmental Committee will meet. The Committee will focus on utility deregulation, air quality, Superfund, ISTEA, and Brownfields redevelopment.

Upcoming Conferences and Meetings

On 3/24 -3/26, the Environmental Council of the States (ECOS) will hold their Spring Meeting in New Orleans, LA. Representatives from EPA ,s program offices will attend that meeting.

Current Intergovernmental Issues

State Audit Laws. EPA continues to work with Nebraska Governor Nelson and the Nebraska State Senate to remove objectionable language from a pending audit bill which would declare all information discovered during audits as privileged.

EPA believes these types of audit laws hamper a state's ability to enforce environmental statutes. EPA has opposed the adoption of such state laws and has encouraged the states to consider different incentive-based approaches similar to the Agency's own policy, which was finalized in 1995. EPA's audit policy allows for penalties to be reduced if a facility voluntarily discovers violations, promptly discloses them to the Agency, and expeditiously corrects the violations.

PRESS

ABC News: On 3/13, Administrator Browner traveled to New York to meet with ABC News to discuss Clinton Administration environmental priorities, including global warming and clean water.

New York Times: On 3/13, Administrator Browner met with editorial writers at the New York Times to discuss Clinton Administration environmental priorities, including global warming and clean water.

Irish America Magazine: On 3/13, Administrator Browner received an award from Irish America as one of the magazine's top 100 Irish Americans for 1998.

Community Revitalization: On 3/17, Administrator Browner joined the Vice President on a conference call with 16 mayors and media to announce the first 16 communities designated as &Brownfields Showcase Communities. 8 This announcement built on five years of successful efforts by the Clinton Administration to clean up abandoned, contaminated urban properties and

revitalize them. These communities will receive coordinated assistance and funding from over 15 federal agencies to help cleanup and redevelop brownfields, creating new jobs, a new tax base and new hope. The announcement was extensively covered by newspapers and network affiliates in the 16 media markets. Clips are attached.

Consumer Federation of America: On 3/19, Administrator Browner will speak to the Consumer Federation of America about the Clinton Administration's actions to expand right-to-know programs and reinvent the nation's system of environmental protection to make it more consumer friendly.

Farm Journal: On 3/19, Administrator Browner will speak at the Farm Journal Magazine's Environmental Policy Forum about the Clinton Administration's Clean Water Action Plan and efforts to work with states, communities and farmers to address rural runoff into the nation's rivers, lakes and streams.

ADMINISTRATOR'S SCHEDULE

3/19 Speech to Consumer Federation of America;

Speech to Farm Journal Magazine -- Environmental Policy Forum

3/26 President's Environmental Youth Awards Event

3/30 3 year Reinvention Report press briefing

3/31 EPA Awards Ceremony

4/1 Testify before the Senate Environment Committee: re: Tobacco

4/2-3 Travel: Paris, France: OECD Meeting

4/4 Travel: Leeds, UK: G-8 Environment Ministers Meeting

DEPUTY ADMINISTRATOR'S SCHEDULE

3/19 Participate in Interagency Meeting on Climate Change: Tax Credit for Fuel Efficient Vehicles (hosted by Treasury Department)

3/21 Travel: California: re: South Bay International Waste Water

Treatment Plant and Imperial Beach;

San Diego: Hold roundtable discussion with local government, tribes, industry, nongovernment organizations and academicians.

3/22 Travel Mexicali, Mexico: re: Tour of a renovated pump station

Tour of the Maquiladora area and an air monitoring station

Tour of the Salton Sea Wildlife Area.

3/23 Travel: San Jose, CA: re: Editorial Board of the San Jose

Mercury News;

Meet with business executives from Silicon Valley.

REGULATORY ACTIONS

No major regulatory action occurred this week.

FOIA

For the week of 3/11 through 3/17, the Agency received a total of 447 FOIA requests of which 57 were received in headquarters. The year to date totals for FOIAs are 1,892 for headquarters and 9,642 Agency-wide. There

were no requests of interest.

Weekend Contact: Peter Robertson

Chief of Staff

H: (703) 920-8428

Pager: 1-800-759-7243 PIN 471-0595

cc: Thurgood Marshall, Jr.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Lotus Pager Gateway (Lotus Pager Gateway [UNKNOWN])

CREATION DATE/TIME:31-MAR-1998 18:28:39.00

SUBJECT:

TO: Eleanor S. Parker (CN=Eleanor S. Parker/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
To: PAUL (Pager) #BEGALA

cc:

From: Eleanor S. Parker

Date: 3/31/1998

Time: 18:26:07

Subject:

Body:

fyi:unlikely that House rule on ISTEA permit vote on Lowey .08/ Rules Comm
sched vote 8:00pm

Priority:

Message history for recipient PAUL BEGALA [Pager]

Tuesday 31 Mar 1998 18:27:42 Eastern Standard Time - Message received by
Pager Gateway

Tuesday 31 Mar 1998 18:28:20 Eastern Standard Time - Message received by
Paging Service

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME:31-MAR-1998 17:53:25.00

SUBJECT: Iowa

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

READ:UNKNOWN

TEXT:

MEMORANDUM TO STEVE SILVERMAN CABINET AFFAIRS

FROM: Michael Huerta

Chief of Staff

SUBJECT: Background Information - Iowa

DATE: March 31, 1998

The following is information on Iowa issues. Please contact me or Judi Gold at 366-9497 if you have any questions.

Radar Outage: On Sunday, March 22, the Cedar Rapids ASR-9, which is the primary radar for airport surveillance, was lost. The facility was forced to rely on beacon targets until late Saturday, March 28. The facility reported no significant delays, and separation of aircraft was never compromised. Airway Facilities Division personnel repaired one channel of the two-channel system by late Saturday, placing it back in service. The other channel still has some technical problems for which parts have been ordered.

An enhanced power back-up is due to be installed in either late summer or early fall of this year.

State Infrastructure Bank: Iowa was one of 29 additional States selected to participate in the SIB pilot program announced by Vice President Gore on June 19, 1997. An allocation of \$1.5 million was received to assist in the capitalization of the SIB. On March 16, 1998 the first drawdown was completed in the amount of \$740,000.

86th Street Extension -Des Moines: Congress directed the Corps of Engineers Rock Island District to prepare a design report and EA for the final portion of 86th St. from NW 70th Avenue to the Mile-Long bridge at the Saylorville Reservoir. The EA is being revised and updated by a consultant and will be circulated. A location public hearing has not yet been held. This project is included in the demonstration projects of reauthorization of ISTEA and if passed would likely become a FHWA project.

Lakes Project: In August of 1997, a small group of individuals in the lakes area formed a corporation to oppose a 6-mile project to improve U.S. 71 in the Iowa Great Lakes resort area, and filed suit against the U.S. Department of Transportation and Iowa DOT. The court ruled in favor of the defendants and project activities are progressing.

The proposed improvement provides various roadway sections to compliment existing and proposed development. The new roadway would generally be constructed on the existing alignment. Sidewalk and bike trails would be

provided along the length of the improvement. Local streets, storm sewers, and drainage structures would be reconstructed to accommodate the improvement.

IA-46 Bridge Replacement: Bridge replacement funds were used to build a new bridge over the Des Moines River on relocated US 65 in northern Polk County. Bridge replacement funds were used with an agreement that the Ia 46 bridge would be taken off the deficient bridge list. The Iowa DOT is now ready to remove this bridge. This bridge was used by the farming community to get across the Des Moines River to their fields. There is some controversy as how the farmers can get safely to their fields now the bridge has been closed and scheduled to be demolished soon.

Eddyville Bypass: In July 1996, Iowa DOT and the Iowa Department of Natural Resources were notified that several endangered plants and animals were located on this project which would provide a bypass on US63 between Des Moines and Burlington. In order to address these concerns, the Iowa DOT has prepared a Draft EIS which is currently available for public comment. A final EIS is expected in late April.

Note: Jodi Sakhol of the Vice Presidents Press Office has been in contact with the Department regarding rural air service. The Department has sent over to her some background information on this issue. This is not a significant issue for this briefing, but we wanted you to be aware of the request.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Tracie Valleley (Tracie Valleley <105staff@voicenet.com> [UNKNOWN])

CREATION DATE/TIME: 3-APR-1998 16:29:21.00

SUBJECT: ISTEА

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

READ:UNKNOWN

TEXT:

Lisa -

Your mom asked me to e-mail you to ask for your advice. She received a letter from NJ Alliance for Action. They have been active in the ISTEА Works for NJ coalition, and they would like 3 of their members invited to the President's bill signing ceremony when the transportation bill passes.

How can we help arrange this?

I know that the House passed a version of the bill earlier this week, but we were not sure how long it would take to get through the entire process (?).

Please let me know what you think.

Thanks,

Tracie

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME: 3-APR-1998 12:46:25.00

SUBJECT: Chicago

TO: Jon P. Jennings (CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

MEMORANDUM TO STEVE SILVERMAN CABINET AFFAIRS

FROM: Michael Huerta

Chief of Staff

SUBJECT: Background Information - Chicago

DATE: April 3, 1998

The following is information on Chicago issues. Please contact me or Judi Gold at 366-9497 if you have any questions.

Airport Issues: Controversy continues around expansion of OHare or building a new airport in Peotone (south Chicago suburbs). Mayor Daley remains adamantly opposed. Congressmen Hyde and Jackson have come out in support of a new airport, claiming it will provide new jobs. The Governor also supports a new airport.

Monroe Harbor Turning Basin: Every day, 161 million gallons of water leak through the Chicago locks and breakwaters into the Chicago River from Lake

Michigan. The closure of the turning basin has caused great concern from the International Ship Masters' Association. The Association has written to the Illinois governor, Members of Congress, and other officials to make them aware of the importance of the turning basin for commercial navigation, tour boat operators, and search and rescue operations. The closure would cause a great hardship on these operations and create navigational hazards.

Chicago River Water Levels: In addition to the Monroe Harbor Turning Basin redesign, the State of Illinois Department of Natural Resources and the Chicago Sanitary District are considering water-control features that would increase the levels of the Chicago and Cal-Sag Rivers by one foot. This plan has met with considerable opposition from the inland waterway towing industry.

The higher water would reduce "air draft" for towboats and barges, preventing them from clearing bridges on some river segments. This scheme would have serious impact on lake-to-river traffic between Chicago, Milwaukee, WI, or Burns Harbor, IN, as well as several steel mills in northern Indiana.

ISTEA Reauthorization: Illinois transportation officials are supportive of reauthorization that is very similar to ISTEA, but are concerned with two issues: (1) The overall level of funding for Illinois; and (2) A large discretionary Interstate and bridge program that is not included in the Administrations NEXTEA proposal for reauthorization. Without knowing the amount of Federal funds available in upcoming years, IDOT has deferred

\$260 million in highway work during the 1998 construction season, adversely impacting the construction industry and contributing to the States growing backlog of needs.

One example of the funding concerns is the Stevenson Expressway, a \$567 million project which is IDOTs top priority for the Chicago area. The project has been delayed for a year due to inaction on reauthorization of ISTEA. This facility currently carries in excess of 150,000 vehicle per day and is among the heaviest truck-traffic routes in the nation. IDOTs proposed construction schedule was contingent upon receipt of \$175 million of special Federal funding over and above regular Federal formula funds. If the special funding is not secured, it is estimated that mainline traffic disruptions are expected to occur over four, rather than two, years.

Illinois State Tollway: The Illinois State Highway Toll Authority (ISHTA) has been under attack from the media and in the courts. In May 1997, Cook County Circuit Court Judge Stephen Schiller found that the ISHTA spending practices violated the Illinois constitution, and ordered the State legislature to assume budget oversight of the Authority by December 15, 1997. The Illinois Supreme Court has recently overruled the circuit court order, but there are several potential legislative efforts aimed at increasing the accountability of the toll authority. IDOT officials have made it clear that they are not interested in assuming responsibility for Illinois toll facilities.

Extension of North -South Tollway (I-355): ISTHA is proposing to extend

the existing North-South Tollway on both ends. The completed facility would run from I-57 in Will County in the south to I-94 in the north near Waukegan in Lake County.

A suit was filed against DOT, IDOT, and ISTHA by the Sierra Club, Environmental Law and Policy Center, South Corridor Against the Tollway, Inc., and the Business and Professional People for the Public Interest alleging that the defendants failed to comply with the National NEPA, Section 4(f) of the Transportation Act, and the Clean Air Act for the South Extension (a 12-mile toll segment in Cook, DuPage, and Will Counties).

On January 16, 1997, the District Court for the Northern District of Illinois ruled in favor of the plaintiffs. IDOT and ISTHA have filed appealed the decision to the 7th Court of Appeals in Chicago. FHWA along with other Federal defendants have decided not to appeal the Courts decision. The Courts ruling on the appeal is expected in the Spring of 1998.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME:15-APR-1998 18:14:06.00

SUBJECT: Weekly report from DOT

TO: Helen Veit (CN=Helen Veit/OU=WHO/O=GOV @ WHO [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

MEMORANDUM FOR ERSKINE BOWLES, THE WHITE HOUSE April 15, 1998

FROM: Secretary Slater

SUBJECT: DOT Weekly Report -- Week of April 20, 1998

The following is the Department of Transportation Weekly Report:

KEY DEPARTMENT NEWS

Vice President Gore Unveils New Safety Program: Safer Skies--A Focused

Agenda: On April 14, Secretary Slater and Jane Garvey joined the Vice

President to announce a concentrated attack on the most prevalent causes

of aircraft accidents. Last fall, FAA made a commitment to develop a

5-year plan to concentrate FAA resources on the accident prevention steps

that hold the most potential. The Safety Skies Agenda spotlights the

leading causes of accidents or incidents in three areas--commercial

airlines, general aviation, and cabin safety. We will use the latest

technology to help analyze U.S. and global data to find the root causes of

accidents and determine the best actions to break the chain of events that lead to accidents.

Secretary Joins Vice President at Black Mayors Conference: Secretary Slater will join the Vice President on April 16 at the Conference of Black Mayors in New Orleans.

Secretary Joins Vice President for Delta Initiative: The Secretary will participate with the Vice President for the satellite roundtable discussion with urban and rural mayors and satellite Delta Initiative MOA signing.

Vice President Gore Participates in World Runway Groundbreaking: On April 17, Secretary Slater and Jane Garvey will join the Vice President in the groundbreaking for the World Runway at Memphis International Airport.

Vice President Announces Airport Grants: The Vice President, the Secretary and Administrator Garvey announced on April 15 approximately \$74 million in airport improvement grants to a variety of airports around the country, including \$9.6 million for Buffalo; \$10 million for Logan airport in Boston and \$9.3 million for Milwaukee. The announcements were made on a conference call hosted by the Vice President with mayors and other elected officials from 15 cities around the country.

Secretary Completes Southeast Intermodal Tour: From April 6-10 Secretary Slater visited 11 cities in 6 southeastern states (NC, VA, GA, SC, FL, TN) to amplify the administrations message on reauthorization of ISTEA. The

Secretary met with Congressional, state and local officials in twenty separate events.

Secretary, Commandant Announce Drug Initiative: On April 9, Secretary Slater, Admiral Kramek, and Atlantic Area commander Vice Admiral Rufe announced the initial success of Operation FRONTIER LANCE in deterring drug trafficking around the island of Hispanola. The Secretary stated that, Reducing the flow of illegal drugs into the U. S. is a priority goal. Secretary Slater also inspected a former Coast Guard 82 foot patrol boat being delivered to St Lucia, (the first of 10 boats promised by President Clinton to Caribbean nations in Barbados in May 1997), and a Haitian patrol boat being refurbished by the U. S. Coast Guard.

California State Route 710: On April 13, upon authorization by Secretary Slater, FHWA issued a Record of Decision (ROD) allowing Caltrans to proceed with the final design of California State Route 710. This project is one of the most controversial projects under review by DOT. The decision was made prior to the April 20 trial date set for a lawsuit filed by the City of Alhambra (a proponent of the project) to force a timely decision and before the State of Californias air quality conformity determination expired on April 14.

It appears that the City of South Pasadena, which opposes the project, may now file suit against USDOT based on the ROD. The City of South Pasadena appears to be the only locality vehemently opposed to the 710 project.

Over the past five years the Department has provided significant

mitigation in order to minimize the impact on the community including innovative features that represent a prototype on how to build highways in dense urban areas. After the completion of the mitigation committee report, FHWA and Caltrans officials held a number of public hearings and meetings and coordinated extensively with other State and Federal agencies and historic preservation interests. The proposal now includes a provision for further community input into that final design, primarily through A Design Advisory Groups@ to be established in each affected community.

Once completed, the final design must be the focus of supplemental EIS before construction can begin. This follows a memo from the President to the Secretary urging a supplemental EIS. The Advisory Council on Historic Preservation, wrote the President on March 13 to register the sense of the Council that the request by Caltrans should not be approved.

Deputy Secretary travels to New York: On April 15, Deputy Secretary Downey gave the keynote address to the Air Finance Journals Annual New York Airfinance Conference. The Deputy's remarks addressed the future of air transport --in the area of safety under the leadership of the Vice President and the Secretary as well as the impact that open skies agreements have had on the U.S. economy and abroad. In addition, the Deputy Secretary visited the United States Coast Guards Activities New York where he toured the station as well as observed the operation of the vessel traffic system.

Union Pacific Lifts Embargo: On April 9, UP lifted its embargo on export traffic to Mexico moving through Laredo, TX after having worked its

backlog of cars down from 5,500 to just over 3,000.

Amtrak Train Strikes Derailed Cars In Conrail Yard: On April 13, an eastbound Amtrak train derailed six of its 16 cars after striking the 70th car in a westbound Conrail train in the Conway yard (approximately 25 miles northwest of Pittsburgh, PA). There were 111 passengers and 7 crew members on board at the time of the incident. One Amtrak crew member and 15 passengers were reportedly injured. All were minor, non-life threatening injuries.

Airline Near Miss: On Sunday, April 12 at 4:20 pm, Delta Airlines #1759 was inbound on approach to Ronald Reagan Washington National Airport. An unidentified visual flight rule aircraft was noted by a controller on the radar display flying in the opposite direction. That aircraft was operating without authorization in what is called regulated Class B airspace. The Delta flight was advised by the controller that there was an aircraft nearby that had not been anticipated. Delta responded that it was climbing and was then assigned a new heading and it landed uneventfully. Preliminary analysis shows the closest proximity between the two aircraft to be 1/4 mile and 200 feet. Standard separation in approach space is 500 vertical feet or 3 miles lateral/horizontal. The other aircraft was never identified; the FAA is continuing its investigation.

Pratt and Whitney Recall: After determining that some engine fan blades may have suffered microscopic cracks while being cleaned, Pratt and Whitney pulled eight engines from commercial service and recalled

thousands of spare parts. FAA, working with Pratt and Whitney, said that none of the suspect parts caused any safety problems, although both believed the cracks could cause an in-flight engine shutdown. FAA immediately set out across the country to inspect other cleaning machines for similar calibration problems (which caused the above problem), but found none.

National Aviation Safety Inspection Program Report on ValuJet Airlines, Inc. (d.b.a. AirTran Airlines): Congressman Peter DeFazio requested that the OIG perform a review of the FAA's 1997 National Aviation Safety Inspection Program (NASIP) report on ValuJet Airlines, Inc. (d.b.a. AirTran Airlines) as it relates to previous inspections of ValuJet and the NASIP inspection process. OIG will conduct this requested review.

SEPTA Labor Negotiations: SEPTA and the TWU continue to negotiate a contract for the City Division which represents the bulk of Philadelphia's bus, trolley and rapid transit service. The contract expired on March 15 and the TWU continues to threaten to strike if the talks break down. They have assured the transit passengers that there will be advance warning if there is to be a strike.

Court Sets Date for Promulgation of Over-the-Road-Bus Accessibility Regulations: On April 7, after hearing oral arguments, a federal district court in Arizona ordered that by September 15 DOT must promulgate regulations required by the Americans with Disabilities Act (ADA) on the accessibility of over-the-road-buses. Disability groups had asked the court to impose a May 30, deadline for the implementation of the final

rule.

Alexandria Files Amended Complaint in Woodrow Wilson Bridge Case: On April 3, the City of Alexandria filed an amended complaint adding a Clean Air Act count to its original suit that challenges the FHWA's decision to approve the construction of a new Woodrow Wilson Bridge. DOT's answer to the amended complaint is due April 22. Alexandria alleges that the project will adversely alter the historic residential and commercial character of Alexandria and that its approval violates various federal statutes including the Administrative Procedure Act, the National Environmental Policy Act, the National Historic Preservation Act and now the Clean Air Act.

Court to Hear Arguments in Minnesota DBE Litigation: Oral argument on pending motions for summary judgment in three consolidated cases challenging Minnesota's DBE program has now been scheduled for April 17. The United States and Minnesota filed motions to dismiss or for summary judgment in the cases arguing that the DBE program is constitutional since Congress had a compelling interest in remedying discrimination in the construction industry, and the program is narrowly tailored to address that interest.

General Motors Brake Recall: During the week of April 6, General Motors notified the agency that it will recall 55,154 MY 1997-98 Pontiac Transport, Chevrolet Venture, and Oldsmobile Silhouette minivans because of potential brake line damage. Due to improper clearance, the windshield wiper linkage arm can contact a brake line, resulting in abrasion of the

brake line and brake failure. Dealers will install a brake line clip to ensure proper clearance. Dealers will also inspect and replace damaged brake lines.

John Horsley Sworn in as USDOT Associate Deputy Secretary: John C. Horsley, former Deputy Assistant Secretary for Governmental Affairs, was sworn in on April 13 as the Departments Associate Deputy Secretary and Director, Office of Intermodalism.

Greek Freighter Breaks Loose on Mississippi River: On April 10, the freighter MAYOR, with 6 barges tied alongside, broke its moorings on the Lower Mississippi River. Six tugs stopped the ship which anchored itself within 100 feet of a wharf area. The Coast Guard closed the river temporarily during the incident, and the vessels owners were able to safely move the ship to another pier facility.

Coast Guard Migrant Interdiction: On April 6, the Coast Guard was notified that 10 Haitian migrants were found by a pleasure craft. The migrants were transferred to the Cutter THUNDERBOLT, and later taken to the Bahamas for repatriation by that government. On April 8, the Coast Guard received 5 Cuban migrants who were found by a fishing boat off the Florida Keys. The Cutter SITKINAK returned the migrants to Cuba on April 11. On April 9, the Coast Guard located a raft with 4 Cuban migrants near Key West. It retrieved 2 of the migrants, but the remaining 2 swam ashore, where they were taken into custody by the U. S. Border Patrol. The 2 migrants in Coast Guard custody were repatriated to Cuba on April 11.

Air Quality Conformity Lapses: Air quality conformity of the Southern California Association of Governments (SCAG) 1994 Regional Transportation Plan (RTP) (the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura) lapsed on April 14. Under a conformity lapse, only certain types of highway and transit projects can proceed. This could delay almost \$1 million in projects in the near future -- if they continue to be out of conformity, more projects could be delayed. A conformity determination on the 1998 RTP is not expected until early June, 1998.

Title XI Loan Guarantee: On April 8, a guarantee closing took place whereby \$10,000,000 in Title XI bonds were issued relating to financing the construction of one Small Waterplane Area Twin Hull crewboat/ferry for Trico Marine International, Inc. The vessel is expected to be delivered in April 1998 and will be chartered for use in Brazil's Campos Basin.

Aviation Bilateral Negotiations/Discussions Update

U.S.-Africa Combination Code-Share Services: On April 13, by Notice, the Department granted the application of Delta Air Lines to serve Harare, Zimbabwe via Zurich, Switzerland, under a code-share arrangement with Swissair.

International Aviation Discussions and Negotiations: a) With Russia in Washington on April 21 [Overflights]; and b) With Peru in Lima on May 5 ["Open Skies"].

Informal or Tentative Aviation Discussions And Negotiations: a) With Canada in Ottawa in May [Liberalization]; b) With Argentina in Washington in late Spring ["Open Skies"]; c) With Italy in Rome on April 29 ["Open Skies"]; d) With Mexico in Washington in the Spring [Codesharing]; and e) With Turkey in Washington on April 29 ["Open Skies"].

WORK ON PRESIDENTIAL POLICY PRIORITIES

FRAUD AWARENESS AND INVESTIGATIVE RESULTS

Final Defendant Sentenced in Aviation Crime Ring: On April 2, 1998, Thomas David Hinton, a/k/a Buddy Hinton a Miami aircraft parts broker, was sentenced for his role in the armed robberies of two FAA-certified repair stations in Miami, Florida, and the illegal sale of the stolen aviation parts following the robberies. Hinton was sentenced in the U.S. District Court in Miami to 70 months incarceration, 3 years supervised release following his release from prison, and was ordered to pay over \$900,000 in restitution to several victims.

Guilty Pleas in Theft of Copper Cable from Marad Ready Reserve Vessels: On April 6, 1998, Steven Smith, one of several individuals involved in the theft of over \$150,000 in copper cable and other items from the MARAD Reserve Fleet, Suisun Bay, California, pled guilty to two counts of conspiracy and theft of Government property. The guilty plea resulted from a comprehensive criminal investigation conducted by OIG.

EDUCATION

Garrett A. Morgan Technologies and Transportation Futures: As part of the Department's commitment to education, fifty surplus computers were donated to the Atlanta Public Schools for use in their Empowerment Zone and ten computers were donated to the Chattanooga, TN schools.

SAFETY

International Land Transportation Security Technology Conference: The Department of Transportation's Office of Intelligence and Security co-sponsored the International Land Transportation Security Technology Conference with the Department of Justice on April 7-9, 1998 in Atlanta, GA. The conference promoted recent technological advances and underscored the Secretary's national security strategic goal and priority of maintaining a safe and secure transportation system. The target audience included Federal, State and local officials, transit and rail operators, police and first responders. International participants included transportation representatives from Canada, France, Germany, Israel, Japan, Russia and the United Kingdom.

Africa Initiative: SABRE Technology Solutions has offered South African Airways (SAA) the use of its AIRSAFE events tracking system to identify their safety issues and reduce airline operating costs. This system will be developed during a cooperative effort with the FAA and it will model safety analysis and information sharing processes for the Global Analysis and Information Network (GAIN) concept. SAA has agreed to establish an event reporting repository for African airlines who wish to participate.

This effort will assist the Secretary's "Safe Skies for Africa Initiative."

National Organization of Black Law Enforcement Executives (NOBLE) Joins Buckle Up America: NOBLE has agreed to support Buckle Up America (BUA) and to participate in the mobilization during BUA Week in May. In addition, NOBLE will prepare a resolution of support for its general membership and publish articles in its newsletter.

NOTABLE CONGRESSIONAL ACTIVITY

ISTEA Reauthorization: During the first week of the spring recess, House and Senate staff met repeatedly to review their ISTEA reauthorization bills page by page. Congressional staff discussions will continue this week, in preparation for the return of Members next week. Committee staff continue to make frequent requests for technical assistance from the Department. While it appears a conference agreement will not be reached before the May 1 deadline, many believe agreement will be reached by the beginning of the Memorial Day recess.

On April 9, the Congressional Budget Office transmitted a cost estimate for the Senate ISTEA II bill, S. 1173, to Senate Budget Committee Chairman Pete Domenici. In total, CBO estimates outlays at \$205.6 billion for 1998-2003. For the House bill over the same period of time, the CBO estimate is \$204.4 billion, or \$1.2 billion lower.

Inspector General Oversight Hearings to Begin April 21: The IG, in his capacity as Chair of the Presidents Council on Integrity and Efficiency's Legislation Committee, met with staff from the House Government Reform and Oversight Committee and Chairman Horn's Government Management Subcommittee. IG Act issues were discussed in preparation for a series of IG Oversight hearings to be held by Mr. Horn. The IG also met with staff from Senator Collins' Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, regarding draft proposals for changes to the IG Act.

Floor Action

Ocean Shipping Reform: On April 21, the Senate has scheduled a vote on an amendment offered by Senator Gorton to the Ocean Shipping Reform Act, S. 414. The amendment would allow non-vessel-operating common carriers (NVOCCs) to enter confidential service contracts with shippers. Floor debate on S.414 began on April 3, just prior to the spring recess. The amendment is expected to have the support of roughly 35 Senators: If the amendment is defeated, the Senate will immediately proceed to final passage of the legislation.

Medical Equipment Aboard Aircraft: The Senate adopted the House-passed bill H.R. 2843 on April 3, before adjourning for recess, thereby clearing the measure for the President's signature. H.R. 2843 requires the FAA to reevaluate current regulations regarding medical kits and training of

flight personnel, and issue a notice of proposed rulemaking modifying those regulations if the FAA determines changes are necessary. Also, the FAA is to study and make a decision whether to require passenger-carrying air carriers to install defibrillators on their aircraft and to require installation of defibrillators at airports.

Hearings

Aviation Security: On May 14, the House Transportation and Infrastructure Subcommittee on Aviation will hold a hearing on aviation security. The FAA and Inspector General Mead will testify. The hearing is expected to include an open session and a closed session.

DOT Discretionary Spending: On April 23, Assistant Inspector General for Auditing Weintrob will testify before the Senate Commerce, Science, and Transportation Committee on DOTs Discretionary Spending.

Secretarys Schedule

April 16

The Secretary will join the Vice President at the Conference of Black Mayors in New Orleans.

He will also join the Vice President for the satellite roundtable discussion with urban and rural mayors and satellite Delta Initiative MOA signing.

April 22

The Secretary is scheduled to address the Building and Construction Trades Union in DC.

The Secretary is scheduled to make an Earth Day announcement in Lowell, MA. The Secretary will announce a change in Departmental policy to encourage redevelopment of contaminated land. This Brownfields announcement will tie in with the theme of Saving our Great Places.

April 23

The Secretary will join the Vice President in addressing the National Academy of Public Administrators in DC. The Secretary's remarks will be on GPRA.

The Secretary will also address the National Press Club on ISTEA reauthorization in DC.

The Deputy Secretary's Schedule

April 15

The Deputy Secretary will deliver the keynote address at the 1998 New York Air Finance Conference in New York City.

May 5

The Deputy Secretary will participate in the ITS /98 Annual Meeting and Exposition in Detroit, MI.

May 19

The Deputy Secretary will participate in the Northeast Association of

State Transportation Officials (NASTO) annual meeting Atlantic City, NJ.

May 22

The Deputy Secretary will participate in the SAME/98 National Conferences
Urban Infrastructure Workshop New York City, NY.

May 27

The Deputy Secretary will participate in the NSTA/NGA Outreach Conference
on Developmental Dialogue on National Transportation Science and
Technology Strategy Chicago, IL.

Modal Administrators/Assistant Secretaries

April 16

RSPA Acting Administrator Kelley S. Coyner will participate in a
transportation Round table discussion with MIT at the Volpe National
Transportation Systems Center in Cambridge, MA.

USCG Admiral Kramek will give the State of the Coast Guard Address in
Washington.

OST Inspector General Mead will speak at the City of Phoenix 7th Annual
Aviation Symposium in Phoenix, AZ, on aviation issues.

Assistant Secretary for Aviation and International Affairs Hunnicutt will
join Senator Richard Bryan in a round-table discussion of competitive

problems in domestic aviation at a field hearing in Las Vegas.

FTA Administrator Linton will deliver a speech at the Pee Dee Regional Transportation Authority in Florence, SC.

FRA Administrator Molitoris will be the keynote speaker at the BNSF Transportation Leadership meeting in Ft. Worth, TX.

NHTSA Deputy Administrator Recht will speak at a reception for the Recording Artists & Actors Against Drunk Driving (RADD) in LA, CA.

RSPA Acting Administrator Coyner will participate in the Friends of the Volpe National Transportation Systems Center Meeting in Cambridge, MA.

April 16-17

OST Inspector General Mead will speak at the City of Phoenix's 7th Annual Aviation Symposium in Phoenix, AZ on aviation issues.

General Counsel Nancy E. McFadden will participate as a speaker at the American Bar Association, Section of Public Utility, Communications and Transportation Law's 4th Annual Spring Meeting, in Washington, DC.

April 17

FAA Administrator Garvey will speak at Bay Path College Women's Professional Development Conference in Longmeadow, MA.

FTA Administrator Linton will tour the South Carolina Innovative Finance

Project in Sumter, SC.

NHTSA Deputy Administrator Recht will speak as a surrogate for the Secretary at Transportation 2000, conference sponsored by the LA County Chapter of Consulting Engineers and Land Surveyors of California.

BTS Deputy Director Knisely will be a keynote speaker at the 1998 Geoengineering Summit in Keystone, CO. The summit demonstrates how organizations, municipalities, state and local governments can optimize their return on investments through information technology.

April 18

FTA Administrator Linton will address South Carolina State University on the Garret A. Morgan Technology and Transportation Futures Program.

April 19-20

MARAD Acting Deputy Administrator Bondareff will attend the Marine Transportation Systems Meeting hosted by the Port of Portland in Portland, OR

April 19-21

FHWA Deputy Administrator Jeff will speak at the APEC Intermodal Task Force meeting in Mexico City.

April 20

FAA Administrator Garvey will speak at Experimental Aircraft Association Conference in Lakeland, FL.

MARAD Acting Administrator Graykowski will attend the National Defense Transportation Association meeting in San Francisco, CA.

FRA Administrator Molitoris will participate in the FRA Multi-Regional Conference in Atlanta, GA.

FHWA Administrator Wykle will speak at the AASHTO conference in Baltimore, MD.

April 20-21

FRA Deputy Administrator Itzkoff will participate in the United Transportation Union's General Chairman's Association meeting in Las Vegas, NV.

FTA Administrator Linton will address BART Joint Development Symposium in San Francisco.

April 20-22

FAA Acting Deputy Administrator Belger will attend the Professional Women Controllers Conference in San Diego, CA.

April 20-23

FTA Deputy Administrator Fernandez will address Provia (Transportation Conference of South America) in Rosario, Argentina.

April 21

Assistant Secretary for Aviation and International Affairs Hunnicutt will address the International Aviation Club on current issues in international aviation in Washington, DC.

NHTSA Administrator Martinez will speak at the University of Alabamas Injury Control Research Center on Safe Communities in Birmingham, AL.

FAA Administrator Garvey will speak at Trade Development Agency's African Conference in Los Angeles, CA.

FHWA Administrator Wykle will speak at the Asphalt Institute Conference in St Louis, MO.

RSPA Acting Administrator Coyner will participate in the Response 98 National Exercise at FEMA.

April 21-22

MARAD Acting Deputy Administrator Bondareff will attend the Marine Transportation Systems Meeting hosted by the Port Authority of New York/New Jersey in NY, NY.

SLSDC Acting Administrator Sanders will participate in the 1998 Port of Detroit opening ceremonies.

April 22

USCG Admiral Kramek will speak at the U.S. Naval Institute Seminar and Meeting.

FAA Administrator Garvey will speak at Professional Women Controllers' Conference in San Diego, CA.

April 22-23

RSPA Acting Administrator Kelley S. Coyner will participate in the 1998 COHMED Conference in Atlanta, GA.

April 23-24

FHWA Deputy Administrator Jeff will speak on ISTEA reauthorization at Kansas State University transportation conference in Manhattan, KS.

April 24

RSPA Acting Administrator Kelley S. Coyner will participate in the Response 98 National Exercise at FEMA.

FRA Administrator Molitoris will chair the meeting of the DOT Safety Council.

April 27

USCG Admiral Kramek will attend the ABS Board of Directors dinner in NYC.

April 28

USCG Admiral Kramek will attend the ABS Annual Meeting in NYC, and the Propeller Club Salute to Congress dinner.

FHWA Administrator Wykle will speak at the Traffic World symposium on transportation in Washington, DC.

FAA Administrator Garvey will visit the FAA New York Air Route Traffic Control Center in Ronkonkoma, NY.

April 28-29

MARAD Acting Administrator Graykowski will attend regional meetings in Cleveland, OH.

April 29

USCG Vice Admiral Herr will co-chair the Navy-Coast Guard Board at the Pentagon.

MARAD Acting Deputy Administrator Bondareff will attend the Annual Meeting of the Maritime Law Association in New York, NY.

FRA Administrator Molitoris will be the keynote speaker at the Ninth Annual Convention of the Rail Labor Attorneys in Washington, DC.

April 29-30

SLSDC Acting Administrator Sanders will participate in a regional Marine Navigation Review meeting in Cleveland, OH.

April 30

USCG Admiral Kramek will co-chair the J-3/USIC quarterly planning conference.

USCG Vice Admiral Herr will review the Corps of Cadets at the Coast Guard

Academy in New London, CT.

FHWA Administrator Wykle will attend the Red Light Running event in Washington, DC.

FHWA Deputy Administrator Jeff will speak at the Women in Transportation Seminar in Detroit, MI.

NHTSA Administrator Martinez will attend the National Fire and Emergency Services Dinner sponsored by the Congressional Fire Institute in Washington, DC.

FRA Administrator Molitoris will be the keynote speaker at the High Speed Ground Transportation conference in Chicago, IL.

May 1

NHTSA Administrator Martinez will speak at the American Trauma Society's 25th National Trauma Conference and Educational Symposium in Arlington, VA.

May 4

MARAD Acting Administrator Graykowski will speak at the North Jersey Council Meeting in Paterson, NJ.

FRA Administrator Molitoris will address a group of high school students in Washington, DC as part of the Up Close Foundation Program.

May 5

NHTSA Administrator Martinez will participate in the GM Medical Committee for Automotive Safety in Detroit, MI.

USCG Admiral Kramek will address the Interagency Group at the Brookings Institution in Washington, DC.

May 5-6

MARAD Acting Administrator Graykowski will attend regional meetings in St. Louis, MO.

May 6

NHTSA Deputy Administrator Recht will speak at the Intelligent Transportation Society of America's Eighth Annual Meeting and Exposition in Detroit, MI.

May 7

USCG Admiral Kramek will meet with Mr. O'Neil, Secretary of the International Maritime Organization.

FAA Administrator Garvey will participate in a public forum on aircraft noise in Providence, RI.

May 8

USCG Admiral Kramek will officiate at the OCS Graduation in Yorktown, VA.

May 11

USCG Admiral Kramek will speak to new flag and general officers in the CAPSTONE program.

NHTSA Deputy Administrator Recht will speak at the California Transportation Conference in LA, CA.

May 12

USCG Admiral Kramek will attend the ribbon cutting ceremony at the Leadership Development Center in New London, CT.

May 13-14

MARAD Acting Deputy Administrator Bondareff will attend the Marine Transportation System Meeting hosted by the Port of Charleston in Charleston, NC.

May 14-15

USCG Vice Admiral Herr will attend the Executive Board meeting and dinner with the Coast Guard Foundation in San Francisco, CA.

May 15

USCG Admiral Kramek will attend the Coast Guard Foundation dinner in San Francisco, CA.

RSPA Acting Administrator Kelley S. Coyner will speak at the Hazardous Materials Advisory Council Luncheon in Washington, DC.

May 18

NHTSA Deputy Administrator Recht will speak at the Brain Injury Association of Wisconsin Conference in Madison, WI.

May 19

RSPA Acting Administrator Kelley S. Coyner will speak at the American Gas Association Conference in Seattle, WA.

FTA Administrator Linton will participate in and host a Bus Rapid Transit Meeting at the APTA Bus Operations Conference in Phoenix, AZ.

May 19-20

MARAD Acting Deputy Administrator Bondareff will attend the Marine Transportation Systems Meeting hosted by the Port of Portland in Portland, OR.

May 20

USCG Admiral Kramek will participate in the Graduation Ceremony at the Coast Guard Academy, in New London, CT.

May 21

RSPA Acting Administrator Kelley S. Coyner will participate in the National Association of Pipeline State Representatives Annual Meeting in Breckenridge, CO.

May 22

USCG Admiral Kramek will officiate at the change of watch for the Master

Chief of the Coast Guard.

May 24

USCG Admiral Kramek will attend the National Memorial Day Concert on Capitol Hill with other service chiefs.

May 25-28

USCG Admiral Kramek will host the Flag/SES meeting in Washington.

May 27

USCG Vice Admiral Herr will attend the National Air and Space Museum Advisory Board Meeting.

May 29

Change of command for the Commandant, USCG in Washington, D.C.

June 4

RSPA Acting Administrator Coyner will speak at the Council of University Transportation Centers Summer meeting in Davis, CA.

June 5-6

RSPA Acting Administrator Coyner will participate in the Transportation Research Board 1998 Summer Executive Committee Meeting in Irvine, CA.

June 24

RSPA Acting Administrator Kelley S. Coyner will participate in a Government University Industry Research Round table Council Meeting in

Washington, DC.

June 27-July 1

USCG Vice Admiral Herr will visit Coast Guard units in Mobile, AL and attend the relief ceremony for the Ancient Albatross.

July 18-21

RSPA Acting Administrator Kelley S. Coyner will participate in the Gas Research Institute Legal Forum in Olympic Valley, CA.

July 24

USCG Vice Admiral Herr's retirement ceremony.

MEDIA INQUIRIES

USA Today preparing story, possibly appearing this week, on FAA's dangerous goods and cargo security program. Story may be accompanied by editorial. FAA provided information.

The Washington Post asked for a table comparing, on a state-by-state basis, ISTEA of 1991 with the Senate and House bills for reauthorization of ISTEA. The Post is considering it for the Federal page.

The Washington Post called for historical information on the Wilson Bridge as part of a series of stories it is preparing on the bridge's structure

and history. The publication date is not known.

ABC PrimeTime is looking into a piece on older drivers. No date mentioned.

CBS This Morning is looking into a story on kids in the back and child restraints, focusing on how well the education process is working.

Request pending for interview with NHTSA Administrator Martinez requested for week of April 22.

Dateline NBC interviewed NHTSA Administrator Martinez at the site of a Wisconsin side impact crash test for a story on this new source of crash information for consumers. The story will not run before tests results are checked and final. NHTSA also is working with the reporter on another interview of the administrator regarding the Crash Injury Research Engineering Network program. No date has been set.

NewsHour with Jim Lehrer planning story on proposed policy statement on unfair exclusionary practices in the airline industry. No interview requested yet; story expected in about two weeks.

ABC 20/20 filed FOIA request with FHWA for copies of complaints against two moving companies. Air date is not known.

Weekly Standard to interview FHWA Administrator Wykle and Deputy Administrator Jeff April 14 regarding ISTEA reauthorization. Story expected to appear next week.

An interview was held March 30 between the Wall Street Journal and representatives of the FAA Tech Center regarding tests of fire detection and suppression technology at Fire Lab.

Inside Edition is working on a possible child safety seat story involving difficulty of proper installation and on a possible segment about heavy truck underride guards. Neither date is known. Inside Edition also requested information on ejection through windshields. No request for interview.

Dateline NBC has called for background information on SUVs and crashes with other vehicles. A researcher has asked about foot injuries in frontal crashes. No interview requested and date of story is unknown.

USA Today has asked for information on .08 and the effect the legislation has had on those states adopting the .08 BAC standard. No publication date set.

NBC Nightly News is looking into a piece showing how much money was spent in recent years as a result of the 1970 Uniform Relocation Assistance Act, to move people in order to construct a bridge. Air date is not known.

Chicago Sun Times is preparing a story about personal electronic devices and whether or not they really interfere with aircraft systems. No

publication date yet.

CBS Public Eye, March 13, called the Office of Motor Carriers about safe driving. OMC advised the producer of the No Zone campaign, the driver fatigue study and other safety initiatives and referred her to NHTSA. The producer will follow up with OMC as a story develops.

The Wall Street Journal is preparing a story about service difficulty reports and Continental inflight engine problems. No publication date yet.

The New York Times has requested information on mid-year CAFE performance and NHTSA budget requests to Congress for a future article on SUVs.

CNN is working on an investigative piece concerning pilot medical problems and how they may threaten safety. This is a long-term project with no air date.

The Wall Street Journal is working on a piece regarding pilots using antidepressants and tranquilizers. A spokesman from the Office of the Federal Air Surgeon will discuss. A print date has not been set.

American Journal is working on a sport utility vehicle crash story involving size and weight. NHTSA supplied information on two-vehicle crashes involving SUVs. An interview with NHTSA Administrator Martinez was requested, but NHTSA is providing a written statement. Air date is expected soon, but a date is not set. Also, the program is researching

the use of sodium azide in current air bag designs.

AP is preparing a story on child booster seats and the problem of rear seat attachments in cars without rear shoulder belts.

FOIA REQUESTS

Results of ACSEP audit conducted at Boeing Everett, WA factory on the 747/787 production lines -- King-TV (NBC)

A copy of the February 2-13 audit of Boeing Co. 747/767 -- Wall Street Journal

Enforcement and final reports generated from the Regional Aviation Safety Inspection Program conducted at Hageland Aviation, Anchorage, Alaska -- The Bush Blade

Full report of the Performance Standards Working Group on aircraft evacuation issues -- Bloomberg News

Point of Contact: For the weekend of April 18-19, Michael Huerta will be the contact. He can be reached through the FAA Operations Center at (202) 267-3333.

WHITE HOUSE AMPLIFICATION REPORT

Mobility/Economic Opportunity/positive Consumer News

On April 6, Secretary Slater announced the Department of Transportation's proposed aviation competition policy. Generated extensive national and regional coverage, including AP, CNN, New York Times, Washington Post, USA Today, CSPAN, Wall Street Journal. Good Morning America, Atlanta Constitution Boston Herald, Chicago Sun Times and Tribune, Dallas Morning News, Tampa Tribune, National Public Radio and the London Financial Times. Editorials ran in New York Times, Detroit News, Rocky Mountain News.

ISTEA Reauthorization/Balanced Budget

Secretary Slater completed a five-day six-state tour southeastern states called "Moving America Forward," focusing on key Clinton administration transportation priorities and the President's commitment to the balanced budget agreement. The Secretary amplified the Clinton administration's record level investment in transportation programs, including:

-- safety

-- welfare to work

- disadvantaged business enterprise,
- access to transportation for the disabled community
- electric buses and transit programs that reduce emissions,
- integrated transportation systems that can efficiently move goods and people
- future jobs in transportation for our nation's kids through DOT's Garrett A. Morgan Transportation and Technology Futures Program, which will reach a million youth by the year 2000

The following list reflects media placement to date:

April 6 - NORFOLK, VA, Maritime Administration Event amplifying economic growth and trade/American jobs/safety

Virginia Pilot

Daily Press

Norfolk Standard

Richmond, VA

NATIONAL - Amplification on ISTEA reauthorization; balanced budget reflecting balanced values, education, healthcare, transportation and social security

American Urban Radio

AP radio news (New York)

AP wire news

April 6 - RALEIGH, N.C. - Federal Railroad Administration event amplifying enhanced safety and high-speed rail between Charlotte and Raleigh helping to create economic opportunity for residents and businesses in the state.

The Daily Reflector

Durham Herald Sun (AP) -- Funds to improve high-speed rail line safety

News and Observer

WITN-TV (Washington, N.C.)

WRAL-TV (Raleigh)

WSM4 (Raleigh/CBS)

WXLV (Raleigh/ABC)

WHGPT (Raleigh/FOX)

April 6 - KINSTON, N.C. -- Secretary Slater toured Global Transpark, a project designed to support the needs of business, industry and agriculture in the global market helping to create jobs.

Kinston Free Press

Goldsboro News Argus (Goldsboro)

WBCT-TV (Greenville)

WCTI-TV (New Bern)

April 6 - RALEIGH - CHARLOTTE, N.C. (AMTRAK ROUTE)-- Secretary Slater presented a grant to enhance railroad safety.

WNCN-TV (NBC) Charlotte

WRAC-TV (CBS) Charlotte

WTVD-TV ABC Charlotte

WLFL-TV (FOX) Charlotte

WPTF-AM (CBS) Raleigh

WPAL news radio

Associated Press (Raleigh)

Raleigh Business Journal

Duke Chronicle (Duke University)

April 7 - CHARLESTON, ORANGEBURG, COLUMBIA, S.C. -- Secretary Slater

participated in several events, including an event to amplify education
announcing a partnership with South Carolina State University to help
young people learn about transportation jobs and opportunities in the
industry.

The State

The Post Courier

The Coastal Times (African American publication) Chronicle (African
American pub.)

Channel 4 (ABC)

Channel 2 (NBC)

April 7 and 8 - ATLANTA, GA -- Secretary Slater participated in several
events to amplify the President's commitment to a balanced transportation

bill that will provide record level investment in key administration priorities, including welfare-to-work, disadvantaged business enterprise, education and environmental programs.

Atlanta Journal Constitution

WGNX (CBS) 7 a.m. and 6 p.m. news

WXTA (NBC) 6 a.m. news

WAGA (FOX) 6 a.m, 6 and 10 p.m. news WSB (ABC) 7 a.m. and 6 p.m. news

NATIONAL - MESSAGE: Economic Opportunity/International in Reach

On April 7, placed Secretary Slater live from CNN headquarters to announce

DOT's aviation agreement with France on April 8 at noon.

He amplified the President's commitment to economic growth and global trade helping to generate American jobs.

Also on April 7, Secretary Slater also participated in an editorial board

with the Atlanta Constitution. The Secretary covered the Clinton

Administration's commitment to record level of investment in

transportation programs within the guidelines of the balanced budget

agreement. He also address regional air quality issues and the positive

affect of the balanced funding for DOT programs advocated by the Clinton

Administration.

April 8 - CHATTANOOGA, TN: Federal Transit Administration grant helped

enhance the environment and create jobs with niche electric bus

technology.

Chattanooga Times (two stories)

Chattanooga Free Press

All three network affiliates

Specialty press/African American daily

April 9 - JACKSONVILLE, FL: Maritime Administration event - Secretary

Slater held an intermodal roundtable with local elected and transportation

officials to discuss ISTEA intermodal priorities of linking ports, rail

and trucking to create jobs and economic opportunity.

Jacksonville Times-Union

All three network affiliates and FOX network

Regional radio news

April 9 - 10 -MIAMI, FL:

Coast Guard Event - national security/drug intervention

Miami Herald (two reporters)

Sun Sentinel

Univision

WIOD-AM-4/6, 4/10

WDZL - (Warner Brothers)

WFOR (CBS)

WIOD-AM radio news (April 6 and 10)

WPLG (ABC)- Airline Competition Policy

Federal Railroad Administration event -- Miami Intermodal Center helps
create jobs and provides efficient, safe and environmentally sound
transportation

WTVJ (NBC)

WPLG (ABC)

WLTU (Univision)

Miami Herald

Sun Sentinel

WSVN-TV (FOX) (safety/side airbags)

On April 9, Secretary Slater also met with two key beat reporters at the
Miami Herald. The Secretary amplified the President's commitment to
opening markets to trade, the President's historic trip to Africa and
ISTEA principles, including discussion of the Disadvantaged Business
Enterprise, environmental and welfare-to-work programs.

NHTSA event/emergency life-saving transportation technology

WDZL-TV (WB) 10 p.m. news

WLTU-TV Univision

Associated Press

Miami Herald

WTVJ-TV (NBC) 5:30 p.m.

Airline Seatbelt Safety event: Secretary Slater promotes aviation safety
praising major airlines' new seat belt policy urging passengers to buckle
up throughout flights.

WPLG-TV (ABC) 6 p.m. and 11 p.m. news

WSVN-TV (FOX) 10 p.m. news

WTVJ-TV (NBC) 6 p.m.

Miami Herald

Associated Press (w/ national pick-up on wire photo)

WPTV-TV (NBC/West Palm Beach) 6 p.m. news

Stories also ran on April 11 amplifying the Secretary's activities in

Miami:

WSVN-TV (FOX) 7, 8, 9 a.m. news

WTVJ-TV (NBC) 5 p.m. news

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME: 4-MAY-1998 14:18:57.00

SUBJECT: Boston

TO: Jon P. Jennings (CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
MEMORANDUM TO THURGOOD MARSHALL, JR. CABINET AFFAIRS

FROM: Michael Huerta

Chief of Staff

SUBJECT: Background Information - Boston

DATE: May 5, 1998

The following is information on Boston issues. Please contact me or Judi Gold at 366-9497 if you have any questions.

ISTEA Funding: Secretary Slater met with the entire Massachusetts Congressional delegation in February to discuss funding for the state in ISTEA reauthorization. Massachusetts has fared well in past highway authorization legislation, especially in securing funding for the Central Artery project. However, in the bills currently under consideration in Congress, the funding levels for the state are well below the needs articulated by Massachusetts transportation officials. The state has been strongly urging the Congressional delegation to seek more funding. The

purpose of the meeting with Secretary Slater was to request the Administration's assistance.

Secretary Visit: On April 22 (Earth Day), Secretary Slater traveled to Lowell, MA to announce a new DOT policy on brownfields to encourage transportation uses. Lowell is a Brownfields Showcase Community. The Secretary was joined by Rep. Marty Meehan and several community leaders. While in Lowell, he toured areas of the city that are benefiting from brownfields redevelopment. He also received a briefing on the City's innovative Welfare to Work proposal to the Department of Labor.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME: 5-MAY-1998 16:22:31.00

SUBJECT: maybe this is better -- Detroit

TO: Jon P. Jennings (CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
a little more detail on safety

There is no program that cant benefit by having a community own it. --
giving it local focus -- with national support.

The Department of Transportation and all its partners in the industry, the
safety, health, and technology communities -- are working hard, working
smarter, and working together -- to address our highway safety problems --
and solve them.

This Administration supports putting the brakes on drunk driving by
setting a tough national standard for blood alcohol of .08 percent. The
Senate has already taken an important step in this direction by including
a .08 BAC sanction provision in ISTEA.

Increase seat belt and child safety seat usage with goal of saving 4,200
lives an additional and preventing an additional 102,000 injuries each
year. May 18 marks the beginning of Buckle Up America Week where a
massive spring mobilization of thousands of law enforcement officers
across the U.S. will enforce child passenger safety laws and provide
education on the importance of proper use of occupant restraint systems.

Work with manufacturers to develop a smart air bag that preserves the benefits of air bags and minimizes the risk.

Make the air traffic control system a performance-based organization, run like a business.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Carrie Hyun (Carrie Hyun <Carrie.Hyun@ost.dot.gov> [UNKNOWN])

CREATION DATE/TIME: 6-MAY-1998 13:48:32.00

SUBJECT: WH AMPLIFICATION REPORT W/O APRIL 27

TO: David S. Beaubaire (CN=David S. Beaubaire/OU=WHO/O=EOP [WHO])

READ:UNKNOWN

TEXT:

DOT/WHITE HOUSE AMPLIFICATION REPORT WEEK OF APRIL 27

ISTEA/BALANCED BUDGET/ECONOMIC GROWTH

On May 1, Secretary Slater addressed ISTEA reauthorization and other transportation issues at a Construction Writers Association Conference at the National Press Club. On the sameday, the Secretary was interviewed by AP, AP, ABC network and CNN radio news about the failure

of Congress to pass the ISTEA bill, amplifying the President's commitment to record level investment in transportation, emphasizing safety programs, within the balanced budget agreement.

SAFETY/ISTEA/BALANCED BUDGET

On April 27, Secretary Slater addressed the American Automobile Association conference in Orlando. The Secretary amplified the President's commitment to record level transportation investment within the balanced budget agreement, emphasizing safety programs and the use of technology. Coverage included the Orlando Sentinel and

Associated Press.

SAFETY/PRESIDENT'S SELTBELT INITIATIVE

On April 29, Secretary Slater announced an expanded safety program to combat aggressive driving, specifically targeting drivers who run red lights at intersections. The Secretary amplified the President's commitment to record level investment in transportation safety and 'common sense' government where public/private partnerships work to better the quality and safety of the American people. Generated extensive coverage, including AP, CNN, all three networks, Front Page USA Today, Hearst broadcasting, Cox newspapers, regional and trade media. The Secretary also participated in morning drive time interviews on national and regional radio networks, including CBS, ABC, UPI and American Urban news.

ISTEA/AFFIRMATIVE ACTION/JOBS

DOT's General Counsel, Nancy McFadden participated in an interview with Black Enterprise magazine about the Disadvantaged Business Enterprise program. McFadden amplified the Secretary's leadership and the work of the Department of Transportation to provide opportunities for women and minority-owned businesses and the President's commitment to 'mending not ending' affirmative action programs.

WELFARE-TO-WORK/JOBS

On April 27, Secretary Slater participated in a Welfare to Work event in Atlanta with Eli Segal of the Welfare to Work Partnership, James Kelly, President of United Parcel Service and Atlanta Mayor Bill Campbell. The Secretary amplified the President's commitment and success moving welfare recipients to work, driving the nation's unemployment rate to a record level low. Coverage included the Atlanta Journal Constitution, National Public Radio, local television news and radio.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Lotus Pager Gateway (Lotus Pager Gateway [UNKNOWN])

CREATION DATE/TIME:16-MAY-1998 14:38:16.00

SUBJECT:

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

TEXT:

To: JOHN D. (SKY) (Pager) #PODESTA

KEVIN (Pager) #MORAN

LAWRENCE (SKY) (Pager) #STEIN

cc:

From: Jason S. Goldberg

Date: 5/16/1998

Time: 14:34:28

Subject:

Body:

fyi: ISTEAM memo back from potus w/ short note. call kevin if u want
details. 6-6798

Priority:

Message history for recipient LAWRENCE (SKY) STEIN [Pager]

Saturday 16 May 1998 14:37:26 Eastern Standard Time - Message received
by Pager Gateway

Saturday 16 May 1998 14:38:06 Eastern Standard Time - Message received
by Paging Service

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Allison Fansler (CN=Allison Fansler/O=Department of the Treasury [UNKNOWN])

CREATION DATE/TIME:29-MAY-1998 10:37:30.00

SUBJECT: weekly report

TO: Cabinet Affairs (Cabinet Affairs [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

MEMORANDUM FOR ERSKINE BOWLES, THE WHITE HOUSE

FROM: Robert E. Rubin

SUBJECT: Weekly Report for the week of June 1, 1998

HOT ISSUES

Asian Markets

APEC Finance Ministers

IRS Reform

KEY NEWS

APEC: On May 22-24, Secretary Rubin attended the APEC Finance Ministers'

meeting in Alberta, Canada. The Ministers endorsed the central role for

the IMF and other international financial institutions in helping address the Asian financial crisis. Ministers from the crisis economies reaffirmed their commitment to the sound macroeconomic policies and deep structural reforms needed to restore market confidence and economic growth. There was broad agreement, however, that if reform is to be sustained, countries must meet the social challenges imposed by the crisis, and this makes assistance from the World Bank and Asian Development Bank essential. Representatives of private financial institutions, with whom the ministers had a joint session, generally concurred with U.S. views on what is needed to restore market confidence and build sounder financial systems, and Treasury used the joint session to underscore the importance of meeting the Y2K challenge.

U.S.-China Joint Economic Committee: On May 26, Secretary Rubin chaired the eleventh meeting of the U.S. -China Joint Economic Committee, our highest-level dialogue on economic issues. Treasury agreed to explore further the possibility of providing technical assistance in support of Chinas reform program; on the importance of observing existing agreements regarding exports of goods of prison labor; on our desire to make progress on financial services negotiations (in the context of Chinas WTO accession) before the upcoming visit by the President and Secretary Rubin; and that the stability of the Chinese currency was both appropriate for Chinas economy and a constructive contribution toward restoration of confidence in the region. We discussed at length Chinas economic challenges, and its reform program. The meeting reinforced our belief that the Chinese have a very good understanding of the issues they face, but that the scope and difficulty of needed reforms are daunting.

Mid-Session Economic Review: On May 26, Secretary Rubin joined the President, Vice President, OMB Director Lew, and other Administration officials to announce the results of the mid-session economic review.

Treasury participated with OMB and CEA in developing revised economic assumptions for the budgetary outlook. Treasury also provided OMB with revised estimates of federal receipts.

EFT 99: On May 21, Treasury officials met with representatives of consumer advocate organizations and financial trade organizations to discuss options for the Electronic Transfer Account (ETA), which is the low-cost account the government will provide for the unbanked. Treasury hosted the meeting to obtain input and feedback from stakeholders concerning the most desirable characteristics and design of the ETA, prior to publishing the draft ETA notice for comment. The results of the meeting will be used by Treasury to further refine the structure of the ETA.

Fair Lending: During the week of May 26, two joint interagency comment letters, signed by Secretaries Rubin and Cuomo, Attorney General Reno, Acting Comptroller of the Currency Williams, Office of Thrift Supervision Director Seidman, and Chairman Pitofsky, on Regulation B (Equal Credit Opportunity Act) and Regulation C (Home Mortgage Disclosure Act) will be sent to the Federal Reserve Board. The letters suggest that the Board propose to permit creditors to collect, on a voluntary basis, information on the race and gender of applicants for non-mortgage credit.

WORK ON PRESIDENTIAL INITIATIVES

India: Treasurys Office of Foreign Assets Control (OFAC) continues to work on India sanctions as announced by the President in response to Indias detonation of nuclear devices on May 11 and May 13. The sanctions, mandated by the Arms Export Control Act, include the requirement that the U.S. prohibit U.S. banks from making loans or credits available to the Government of India, except for the purchase of food or other agricultural commodities. OFAC has worked with other offices at Treasury, the NSC, State, the Federal Reserve Bank, and other agencies on the Bank Loan Ban. OFAC has conducted interagency implementation meetings, a meeting with major U.S. banks, and a meeting with bank regulators.

Children's Health: Treasury staff continues to participate in the interagency process to review each state's plan for covering poor uninsured children. Treasurys main concern has been about some features of state plans that would risk crowding out existing private insurance -- thus costing federal dollars without actually reducing the number of uninsured children. Treasury has worked with HHS and OMB to craft provisions that reduced these concerns about the Massachusetts plan, and is now working to do the same in the case of Wisconsin.

Race Seminars: On May 20, Dr. Thomas Kane from the Kennedy School gave a seminar on racial and ethnic preference in college admissions as part of Treasurys Race Initiative seminar series. The paper he discussed examined the extent of racial preference in college admissions and its impact on the later careers of black and white youth. This is a particularly

important issue in light of the recent court decisions (in Texas, Mississippi, and Louisiana) dramatically narrowing colleges latitude for using race as an admissions criteria and the California referendum ending the use of such preferences at state institutions.

CONGRESSIONAL ACTIVITY

Asia/IMF: On May 21, Secretary Rubin, Secretary Glickman, Fed Chairman Greenspan and Deputy Secretary Summers testified before the House Agriculture Committee on the effects of the Asian crisis on agriculture and the need to fund the IMF. Committee Chairman Smith and Ranking Member Stenholm, as well as several of the Members present, spoke in support of the IMF funding and argued that IMF loans to the troubled Asian countries are in the economic interest of the United States. In conjunction with the House Agriculture Committee hearing, the Bretton Woods Committee released a letter of support for the IMF signed by a bipartisan group of 37 former Cabinet officials.

On May 22, JEC Chairman Saxton sent Secretary Rubin a letter regarding his testimony before the House Agriculture Committee. In the letter, they stated their disagreement with the Secretarys endorsement of the IMF and pressed again for the public release of the IMF reviews for Thailand, Korea and Indonesia and the IMF operating budget.

IRS Restructuring: Treasury continues to work with Congressional staff as the IRS restructuring legislation moves toward conference. Treasury is

drafting a letter to those Members of Congress who will serve as conferees on IRS restructuring outlining our concerns and priorities. Treasury has also completed revenue estimates for the taxpayer rights provisions and revenue offsets of the Senate version of the bill.

On May 21, Secretary Rubin and IRS Commissioner Rossotti met with House Ways and Means Committee Chairman Archer to talk about IRS reform legislation and FY99 funding. The most significant item on the meeting agenda was the legislation's impact on IRS's ability to meet Y2K conversion deadlines and the issue of additional resources IRS will need to meet its Y2K deadlines given the computer changes it will need to make under the legislation. On June 3, Deputy Secretary Summers will meet separately with Sens. Breaux and Durbin to discuss Treasurys priorities in this conference, which include the membership of the Oversight Board, taxpayer rights and Y2K issues, among others.

Real Estate Investment Trusts (REITs): In a joint statement on May 22, House Ways and Means Chairman Archer, Senate Finance Chairman Roth, and Finance ranking member Senator Moynihan introduced a bill aimed at eliminating an abusive transaction involving regulated investment companies (RICs) and real estate investment trusts (REITs) that are closely held by corporations. The bill would shut down "unwarranted tax benefits" involving the liquidation of a regulated investment company or real estate investment trust where at least 80 percent of the liquidating RIC or REIT is owned by a single corporation. Treasury became aware of the abusive transaction, which would allow the parent corporation to eliminate all corporate level tax on certain kinds of income if earned

through a closely-held RIC or REIT, brought it to the attention of the tax-writing committees, and worked closely with their staffs to develop the bill.

Community Development Financial Institutions (CDFI) Fund: The House Banking Committee's Subcommittee on Financial Institutions and Consumer Credit plans to hold a hearing on CDFI reauthorization on June 17. The Subcommittee is chaired by Rep. Marge Roukema, and Rep. Vento is the Ranking Member; both introduced the Administration's CDFI reauthorization bill by request. The hearing will likely focus on some aspects of the recently released draft of the Bachus report.

Gun Control Temporary Rule: Treasury's Bureau of Alcohol, Tobacco and Firearms (ATF) is issuing a temporary rule implementing certain provisions of the Omnibus Consolidated Appropriations Act of 1997 that make it unlawful for any person convicted of a misdemeanor crime of domestic violence to possess firearms or ammunition or to sell firearms or ammunition to any such person. Treasury will call relevant Members and committee staffs to alert them to this temporary rule.

Student Loan Rate: On May 22, the Senate passed the ISTEA reauthorization bill containing a short term fix to the loan rate problem. The fix would give students a lower rate for guaranteed student loans, while private lenders would earn a higher rate. The provision would last three months, beginning July 1, 1998, and cost \$90 million for the government to make up the difference between the rate paid by students and the rate earned by banks. The three-month fix would allow families to plan for the upcoming

school year until a permanent change is made with passage of the Higher Education Act, which has passed the House but is awaiting Senate action. The Senate will likely consider reauthorization of the Higher Education Act in the coming weeks, which will serve as the legislative vehicle for any such proposal.

In a May 20 letter to the Congressional leadership, Secretaries Rubin and Riley opposed such a proposal and expressed the Administration's commitment to seek a compromise that lowers rates for students but "maintains private lender participation, is fiscally responsible, and moves towards a market-based structure for FFEL [Federal Family Education Loan Program] in the future." In an effort to develop a long-term solution to the student loan rate issue, Treasury and OMB are meeting with staff to Sen. Kennedy, Ranking Member on the Senate Labor and Human Resources Committee, on May 27 to discuss market-based auction mechanisms currently being developed by the NEC.

Social Security: On May 21, Deputy Secretary Summers met with Reps. Kolbe and Stenholm to discuss Social Security. Reps. Stenholm and Kolbe (along with Sens. Breaux and Gregg) are the Congressional participants in the 24-member National Commission on Retirement Policy (NCRP). The Deputy Secretary will also meet with Sen. Santorum in the coming weeks to discuss the issue.

North American Development Bank (NADBank): Treasury continues working to develop a legislative strategy to ensure a full appropriation for the President's FY1999 \$37 million request for additional funds for the

Community Adjustment and Investment Program (CAIP) of the NADBank. The strategy will include a letter to Reps. Callahan and Pelosi, Chairman and Ranking Member of the House Foreign Operations Appropriations Subcommittee, and a speech by Secretary Rubin before the California Democratic Delegation. The President's \$37 million budget request is intended to bolster the CAIPs direct lending program, as well as to provide additional resources for technical assistance, grants, and microlending.

PRESS ACTIVITY

On May 29, Secretary Rubin is scheduled to meet with a roundtable of correspondents from CNN. On June 2, Secretary Rubin will speak live via remote with Peter Jennings, ABC News, for their annual conference of network affiliates, and on June 9, Secretary Rubin will participate in a Reuters editorial board meeting.

International: On May 22, Deputy Secretary Summers spoke with The Wall Street Journal on World Bank loans to India. Also on May 22, Deputy Secretary Summers spoke with The New York Times on the Asian financial situation and also for a profile piece on Joe Stiglitz. On May 22, General Counsel Knight spoke with Greg Rushford, who is writing an op-ed for the Wall Street Journal on Treasury's involvement in the U.S.-Canada softwood lumber trade agreement.

On May 20, Secretary Rubin participated in an editorial board meeting with

The Washington Post to discuss a variety of issues, including Indonesia.

On May 26, Secretary Rubin hosted the annual U.S.-China Joint Economic Committee meeting in Washington. Secretary Rubin and Chinese Finance Minister Xiang Huaicheng's opening statements were covered by a press pool.

On May 27, Deputy Secretary Summers plans to meet with USA Today to discuss the U.S. economy and the Asian economic situation.

Tax: On May 21, Assistant Secretary Lubick spoke with the Financial Times about Treasury's notice 98-11, which curbs the abuse of a tax loophole by multinational corporations. On May 22, Assistant Secretary Lubick released a statement about the bill which Treasury developed with Congress to close a tax loophole involving liquidating REITs, and the financial and tax press covered the story. Deputy Assistant Secretary Talisman also spoke with The New York Times, AP and Bloomberg about the bill.

Domestic Finance: On May 20, Secretary Rubin, Chairman Greenspan, Under Secretary Hawke, Secret Service Director Merletti, BEP Acting Director Ferguson and Treasurer Withrow unveiled the design of the new \$20 bill. The event was covered by National Public Radio, all major networks, local network affiliates, all major wire services, all major newspapers and local newspapers throughout the country. Local coverage also included local events announcing the new \$20 at the Federal Reserve banks and branches.

On May 20, prior to the unveiling event, Secretary Rubin appeared on NBC's Today Show and CNN and Under Secretary for Enforcement Kelly appeared on CBS This Morning. Following the event, Under Secretary Hawke spoke with

CONUS-TV, reaching over 100 local television stations and Treasurer Withrow was interviewed by First Business TV Show, the U.S. Chamber of Commerces syndicated television program. Under Secretary Hawke also interviewed with regional radio networks in Arkansas, Kansas, Louisiana and Texas reaching 348 radio stations in those states. Treasurer Withrow spoke to Philadelphia Radio and the SRS News Radio Network reaching 350 stations across the country. Deputy Assistant Secretary Roger Anderson spoke with KSL Radio in Salt Lake City, Utah and on May 21, Under Secretary Hawke appeared on C-SPANs Washington Journal.

Economic Policy: On May 21, Deputy General Counsel Wolin spoke with NPRs All Things Considered about the prospects of tobacco smuggling due to a tobacco settlement, for a story that ran the same day.

Enforcement: During the week of May 18, Treasury officials provided background interviews for several papers for follow-up stories regarding Operation Casablanca. These stories ran in the New York Times, Los Angeles Times, The Washington Post, Washington Times and Financial Times. Treasury also provided background interviews for Time, Newsweek, the Economist and U.S. News and World Report.

SECRETARYS SCHEDULE

The Week in Review

Monday, May 25

Memorial Day - Federal Holiday.

Tuesday, May 26

Hosted US-China Joint Economic Committee meetings.

Attended Mid-Session Economic Review with the President, Vice President,
and other Administration officials.

Addressed U.S. - China Business Council reception with Chinese Finance
Minister Xiang.

Wednesday, May 27

Attended NEC Principals meeting on mergers.

Attended NSC/NEC Principals meeting on India and Pakistan.

Traveled to New York for event with Senator Hollings.

Thursday, May 28

Addressed Treasurys Presidential Rank Award Recipients.

Hosted a CEO Lunch.

Met with James Wolfensohn, World Bank, to discuss Russia.

Working Group on Financial Markets Principals Meeting.

Friday, May 29

Interviewed by John Cassidy, The New Yorker.

Lunch with CNN producers and correspondents.

Met with Chairman Greenspan.

The Week Ahead

Monday, June 1

No external meetings.

Tuesday, June 2

Will address the Presidents Export Council on Asia and the IMF.

Will address ABC News annual meeting of affiliated and owned stations via satellite.

Will give the keynote address to the U.S.- China Business Council dinner.

Wednesday, June 3

Will address the Treasury CFO Retreat.

Will travel to Boston to be the Class Day Speaker at the Harvard Business School.

Thursday, June 4

Breakfast with Chairman Greenspan.

Will address the Washington International Trade Associations annual dinner with Senator Roth.

Friday, June 5

Will participate in a business mentoring event with Vice President Gore.

Will address the Savers Summit.

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME: 1-JUN-1998 15:33:23.00

SUBJECT: Boston

TO: Jon P. Jennings (CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
MEMORANDUM TO THURGOOD MARSHALL, JR. CABINET AFFAIRS

FROM: Michael Huerta

Chief of Staff

SUBJECT: Background Information - Boston

DATE: June 1, 1998

The following is information on Boston issues. Please contact me or Judi Gold at 366-9497 if you have any questions.

Central Artery: The Central Artery is an elevated, north-south freeway (I-93) through the heart of downtown Boston and is being replaced with a series of tunnels and ramps under the existing facility. Construction began in 1991 is scheduled to be completed in 2004; it is about one-third complete. The project has been controversial, due largely to concerns over the cost, project scheduling, State financing ability, and project oversight.

The total cost is \$10.8 billion. At a cost of over \$1 billion per mile, it is the nations largest and most expensive highway project. Approximately \$9.6 billion of Federal and State funds have been authorized for the project. There is no earmark for this project in the recently passed ISTEA reauthorization bill (Transportation Equity Act for the 21st Century - TEA-21), so Massachusetts needs to decide how much of its regularly apportioned federal aid highway funds it wants to commit to the project (see below). Due to the high cost, FHWA requested the State to prepare a finance plan and submit annual updates. The State has agreed that upon passage of reauthorization legislation, they provide another Finance Plan update.

ISTEA Funding: Massachusetts is expected to receive about \$488 million per year in TEA-21 and was the only state to receive less formula highway funds in reauthorization. (In ISTEA they received about \$830 million- TEA-21 is a 41% reduction). The Congressional delegation had sought the Administrations help to minimize the extent of the funding cuts. The decrease is due to previous federal expenditures for the artery project and the delegation as well as other leaders are concerned they were simply penalized for the perception that Massachusetts received more than its fair share for this project.

Harbor Maintenance Tax: On March 31, 1998, the Supreme Court, in an unanimous decision, ruled that the harbor maintenance tax was an unconstitutional tax on exports. The Court held that "the tax, which is imposed on an ad valorem basis, is not a fair approximation of services, facilities, or benefits furnished to exporters, and therefore does not

qualify as a permissible user fee." The ruling will result in refunds to exporters of the fees paid over the last two years. These refunds could total several hundred million dollars.

The American Association of Port Authorities, trade association for U.S. ports, has recently announced their proposal to replace the current harbor maintenance tax with general revenues from the Treasury with the view that keeping our ports open and well-dredged serves the public and U.S. commerce interests.

Port of Boston/Labor: The International Longshoremen's Association (ILA) labor union is in disagreement with Massport's plans to consolidate two marine-container- terminal operations, Moran and Conley, in Boston Harbor. The plan calls for the Moran terminal to serve as an automobile-only terminal and the Conley terminal to serve as a consolidated-container terminal. The consolidation and change of terminal operations was effective May 8. Massport claims the changes will foster cost savings and cargo-handling efficiency. The ILA is unhappy with the job displacements they claim will take place as a result of the terminals' consolidation. Despite the ILA displeasure with the Massport plans, they have agreed to continue working without an amended contract and a strike appears unlikely at this time.

Tolls on the Interstates: A Free the Pike group obtained enough signatures to go to the voters next Fall with a proposal to remove all tolls from the Massachusetts Turnpike, including the old Sumner/Callahan Tunnels and the new Ted Williams Tunnel between downtown Boston and Logan

Airport in East Boston. Several groups are pursuing court challenges of allowing such a proposal when there are \$1.7 billion in outstanding bonds.

Secretary to Worcester: Secretary Slater is scheduled to do events with Congressman McGovern in the Worcester area on Friday, June 5.

Amtrak: The President has recently nominated Michael Dukakis to be a member of the Amtrak Board. The Senate has not yet set a date for hearings.

(p.s. Jack Murray says hello -- he is now our WH Liaison)

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RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: David R Thomas (CN=David R Thomas/O=OVP [OVP])

CREATION DATE/TIME: 9-JUN-1998 10:38:13.00

SUBJECT: ISTEА - 2 questions

TO: Jeffrey A. Forbes (CN=Jeffrey A. Forbes/OU=WHO/O=EOP [WHO])

READ:UNKNOWN

TEXT:

1. I understand you have Caroline's info. Can I tell Jonathan that he is

on the list for the event?

2. Do you know if union labor is required to do all the construction work

that comes out of the ISTEА bill?

Thanks, DT

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Jon_Oberg (Jon_Oberg@ed.gov (Jon Oberg) [UNKNOWN])

CREATION DATE/TIME:23-JUN-1998 14:34:10.00

SUBJECT: HBCU July 1 CDR Problem

TO: Broderick Johnson (CN=Broderick Johnson/OU=WHO/O=EOP [WHO])

READ:UNKNOWN

CC: Maureen_McLaughlin (Maureen_McLaughlin@ed.gov (Maureen McLaughlin) [UNKNOWN])

READ:UNKNOWN

CC: Pauline_Abernathy (Pauline_Abernathy@ed.gov (Pauline Abernathy) [UNKNOWN])

READ:UNKNOWN

CC: Scott_Fleming (Scott_Fleming@ed.gov (Scott Fleming) [UNKNOWN])

READ:UNKNOWN

CC: Thomas_Kelley (Thomas_Kelley@ed.gov (Thomas Kelley) [UNKNOWN])

READ:UNKNOWN

TEXT:

Broderick,

The HBCU exemption from the cohort default rate kickout expires July 1.

Although nothing will happen on that date, the next rates won't come out until November, and there is an appeal process after that, it would be good to have an extension nonetheless (especially now that HEA is in doubt).

House minority staff has been looking for a vehicle and just missed getting it on ISTEAs with the other July 1 fix (interest rates). I talked to Mark about sticking it on the ISTEAs technical corrections; he said that would be a good vehicle as he has no others. ISTEAs technical corrections has passed the House but is stuck in the Senate (Rockefeller is holding it up).

Do you think you could talk to whomever in your office does transportation to see if they could talk to the Senate players to see if the HBCU

extension could be put on it?

RECORD TYPE: PRESIDENTIAL (TRP NOTES MAIL)

CREATOR: Judi Gold (CN=Judi Gold/OU=DOT/O=GOV [UNKNOWN])

CREATION DATE/TIME:12-AUG-1998 16:49:30.00

SUBJECT: Massachusetts

TO: Jon P. Jennings (CN=Jon P. Jennings/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

TEXT:
MEMORANDUM TO THURGOOD MARSHALL, JR. CABINET AFFAIRS

FROM: Jerry Malone

Deputy Chief of Staff

SUBJECT: Background Information - Massachusetts

DATE: August 13, 1998

The following is information on Massachusetts issues. Please contact me
or Judi Gold at 366-9497 if you have any questions.

Central Artery: The Office of Inspector General (OIG) recently completed a
report on the costs and funding for the CA/T Project. The OIG
acknowledged the States, and FHWA's acceptance of the total cost figure of
\$10.8 billion, but registered concerns about potential future cost
increases, management consultant staffing levels, and the viability of
future insurance program refunds. FHWA and the State believe aggressive
goals are needed to contain costs.

The project continues to be an issue in the 1998 gubernatorial race. In the Republican primary, Governor Cellucci's opponent has been critical of the Governor's radio ads that have promoted the project. The State Republican Party is running ads against two freshman Democrats (McGovern and Tierney) blaming them for the state's low funding for the project (see below).

TEA-21 Funding: Massachusetts will receive an average of \$529 million per year. This yearly average includes a total of \$221 million authorized by the Surface Transportation Extension Act (STEPA). Massachusetts is the only State to receive less funds under TEA-21 than under ISTEA.

The State Republican Party is running ads against two freshman Democrats (McGovern and Tierney) blaming them for the state's low funding in TEA-21 including lack of funding for the artery.

North-South Rail Link: The North-South Rail Link is a proposal backed by rail advocates, environmentalists, and downtown development interests to build a tunnel linking Boston's North and South Stations, unifying the MBTA commuter rail system. Amtrak is working cooperatively with MBTA, the Massachusetts Highway Department, and the Massachusetts Executive Office of Transportation and Construction on Phase 1 of the project, which includes the development of the operational analysis and necessary environmental studies. The Draft Environmental Impact Statement is to be completed September 1, 1998.

Mopeds: The citizens of Martha's Vineyard have proposed to State Legislators that they require all Moped Operators to have a Motorcycle

License in order to rent vehicles on the Island. There have been many serious crashes this summer season (at least one per day) and two fatalities.