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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release May 30, 1997

REMARKS BY THE VICE PRESIDENT,
SECRETARY OF TREASURY BOB RUBIN,
NATIONAL ECONOMIC DIRECTOR COUNCIL GENE SPERLING,
COUNCIL OF ECONOMIC ADVISORS CHAIR JANET YELLIN,
AND OMB DIRECTOR FRANK RAINES

The Briefing Room

2:10 P.M. EDT

THE VICE PRESIDENT: Thank you very much. I'm going to lead off with some opening remarks and announcement of some new figures. And then I'm going to turn it over to Secretary Bob Rubin. He, in turn, will hand it off to Frank Raines, the Director of Office of Management and Budget. Then you'll hear from Gene Sperling, who heads, of course, the National Economic Council. And then Janet Yellin will be our clean-up hitter, Chairman of the Council of

Economic Advisors.

Four years ago, Bill Clinton and I inherited an economy that was sluggish, weak and drained of hope. We had been experiencing what some economists called a triple-dip recession. Every time private businesses felt there was some new strength in the economy and had the urge to expand or hire new employees, they went out to borrow money and ran head-long into the very heavy government borrowing necessitated by the record high deficits. And that pushed interest rates up. And then the recovery sputtered out and the economy slipped back into recession.

Unemployment was very high all across the nation. The private sector was hardly generating any new jobs at all. Wages were flat for most Americans in real terms and were dropping for many. And, of course, as I mentioned, the federal budget deficit had climbed to record levels -- $290 billion per year, the highest in American history -- and was headed even higher. The projections for the years to come were just unbelievably high.

Well, the President-elect at that time and I met with the economic team in Little Rock and went through the process of analyzing exactly what was wrong and exactly what the right solutions were. The plan that we came up with wasn't very popular. It broke with the past, it upset the status quo, it shred the orthodoxies of the Industrial Age and substituted the new realities of the Information Age.

Our plan combined three ingredients never before tried in collaboration: number one, really reducing the deficit -- not just talking about it, but really reducing it steadily; second, investing in our people; and, third, aggressively opening new markets for American goods.

Well, today, we've received further evidence that this new strategy has been a rousing success. This morning, the Commerce Department reported that in the first three months of 1997, the American economy grew at a rate of 5.8 percent, without generating inflationary pressures.

This is really extraordinary. The fastest rate of growth since 1987. This 5.8 percent growth rate is even higher than our economists originally calculated. And it comes on the heels of the news earlier this week that consumer confidence has just risen to a 28-year high.

The good news just won't quit. The American economy has now generated 12.1 million new jobs in the last four years. record numbers of new businesses, more new small businesses created in each of the last four years than in any other year in the history of America. incomes now climbing at every wage level, the gap between rich and poor closing up after widening for so many years. low inflation and, as you can see, an unemployment rate that has fallen all the way down to 4.9 percent.

These facts and figures tell a story of an historic success in turning around the American economy and moving it in the right direction. This unemployment rate is the lowest it has been in 24 years. So the evidence is in. The American economy is now the healthiest it has been in a generation. America today has a Tiger Woods economy, breaking new records every week and showing strong potential for the future. I knew you would like that phrase. (Laughter.) We had a little debate about that one. (Laughter.)

Today's numbers are also further proof that the economic strategy President Clinton and I put into effect four years ago is working extremely well. That's also why we can't turn back. We must continue on this steady, prosperous course, by reducing the deficit, investing in education, the environment, and technology, and by seizing the benefits of open, free, and fair reciprocal trade.

We've already reduced the budget deficit by 77 percent. As a portion of the economy, America now has the lowest deficit of any industrial nation in the entire world. Now we're going to finish that job. Our bipartisan balanced budget plan will bring the deficit to zero by the year 2002, and eliminate the deficit altogether, all the while, continuing to increase investments in our priority areas.

Our plan balances the budget while continuing investments in those areas that continue to fuel economic growth. Our budget includes the largest federal investment in education in a generation. It invests in environmental protection and it invests n science and technology to preserve America's innovative edge.

Last week Congress left for its Memorial Day holiday before completing action on the budget. On behalf of the President, I want to call on Congress to keep growth alive and pass our balanced budget plan when members return to Washington. We have an historic opportunity to keep America's new prosperity on track. Now is not the time to even consider abandoning an economic strategy that has plainly worked wonders for the American people.

Now I want to turn it over to the Secretary of Treasury. And we have some other charts for you, too, so stay tuned. (Laughter.)

SECRETARY RUBIN: Thank you, Mr. Vice President. You get a very similar perspective when you look at this economy from abroad. In the last two months I've been at meetings with finance ministers from the G-7, from the 18 nations of the APEC organization. And the refrain is the same in all of these organizations: five, six, seven years ago, we were viewed as yesterday's economy; today, we are once again viewed, without question, as the world's outstanding economy and the world's economic leader. Moreover, when you speak to the finance ministers at these meetings, while they will say that there are many factors that contribute to our economic success, it is virtually a universal view in these organizations, amongst these people, that the key and indispensable factor was the deficit reduction program of 1993.

And my own view is that, without question, when the economic history of this era is written, that '93 deficit reduction program and the follow-through each year will be viewed of historic importance in terms of reestablishing fiscal discipline in this country.

As the Vice President mentioned, federal debt quadrupled in the four years of 1988 to 1992, and I remember very well when I was last in the private sector there was enormous skepticism about whether our political system would ever deal effectively with the deficit. And, in fact, President Clinton, the Vice President came and implemented the plan the Vice President discussed, and the results -- the ones that you all know -- the deficit down something over 70 percent now.

I think the key going forward is to continue with exactly the same strategy we've been on for the last four and a half years. The logical conclusion of the return to fiscal responsibility is to go to a balanced budget, and then, within that context, to invest in the areas like education that are critical to future productivity and to continue with our program of opening markets.

And with that, let me introduce the Director of the Office of Management and Budget, Frank Raines.

MR. RAINES: Well, as the Vice President clearly stated, reducing the deficits has been a key component to the President's economic strategy. It was one of the first things he took to when he took office, and when he took office, we faced an enormous deficit, hitting a record of $290 billion. The deficit was clearly out of control. But the President worked with Congress to enact his 1993 economic program of lower deficits and more investment.

I wasn't here in 1993, but I did a little research and discovered that at that time, everyone, both supporters and opponents, argued that this plan would have a dramatic effect on the economy. And as you will recall, the opponent said that it wouldn't work, that the deficits would rise rather than fall, that the economy would fall into recession, and that jobs would be lost.

Well, the results are in and the Vice President gave you the results on the economics and others will elaborate on that. But let me simply say a word about the falling deficit. It fell from $290 billion dollars in 1992 to $107 billion last year, and to an estimated $67 billion this year -- a 77-percent drop in just five years.

And the results are even more impressive when you look over the course of 1993 to 2002, a period that covers the budget agreement recently reached. Over that period we will have reduced the accumulated budget deficit by $2.8 trillion. What that means is, but for the program the President instituted in 1993, where for the first time we actually brought deficits down as opposed to simply keeping them from taking off, but brought deficits down heading to zero -- but for that program, the outstanding federal debt in 2002 would be about 40 percent higher than it will be with his program.

And that was achieved in two ways. On the spending side, we will have reduced spending by $1.7 trillion over that 10-year period; and have reduced spending from 21.8 percent of GDP down to 19.1 percent. On the revenue side, we'll have brought in $1.1 trillion more revenue than if the President's program had not been enacted, so that revenue would rise from 17.8 percent to 19.1 percent of GDP.

The lower spending and greater revenue is a result both of policy changes and of the strong economy that was spurred by those policy changes. One goes hand in hand with the other. Also, this program, together including the bipartisan agreement, is an important down payment on dealing with the long-term demographic deficit that we still face. And that's why it's so important that we finish the job and enact the balanced budget agreement that the President has reached with Congress, and we all look forward to working with Congress to get that job done.

Now, let me introduce Gene Sperling, who is the Director of the National Economic Council.

MR. SPERLING: That was a much more bland introduction than Frank was promising outside. (Laughter.) And I thank him for saving those jokes for internal matters. Obviously, back in 1992 -- (laughter) -- in 1992, we had faced the fears of very, very slow job growth. There was only 1.4 million private sector jobs created during that period and, in fact, if you look from about January '91 until January '93, the number of jobs in the economy had just gone from 108.8 million to 109.5, only about 700,000 of growth in a two-year period.

Since then, it has gone to 121.6, which is a 12.1 million job growth over a period of time that's just a little over four years. In fact, President Clinton was the first President to have 11 million jobs -- over 11 million jobs created in a single presidential term, even if you account for the size of the economy and population, you still had average annual job growth of 2.5, which compared to .05 under President Bush and 2.0 under President Reagan -- so under any measure the job growth that we've had over the last four years surpasses by a significant amount the job growth during the Reagan administration.

It is also interesting to note how much this has taken place in the private sector. Of this growth, $11.2 million of the $12.1 million -- 93 percent of the job creation -- was in the private sector, which is historic in its percentage. It's also worth going back to '92 as to what we thought -- people thought about the future of certain industries. Manufacturing had lost 667,000 -- excuse me, construction had lost 667,000 jobs during the Bush administration. It had gone down from 5.2 million to 4.5 million. We've gone from losing 667,000 jobs to creating over 1 million -- 1.05 for a million construction jobs.

Two, as somebody being from Michigan, I don't think people ever thought automotive jobs are going to be on the way back up. There had been 35,000 auto-related jobs lost in the Bush administration. They have gone up exactly 100,000 under President Clinton -- 100,000 job growth in the auto industry, from 848,000 to 948,000. And manufacturing jobs, which had been on a constant downward slide, a full 1.3 million lost between 1989 and 1992, are up 193,000 under the Clinton administration.

The same can be seen in repeated other industries. So I think that the goal that we had had -- hopefully bringing down the deficit and investing in people -- we would lay a foundation for the private sector to have solid job growth, of which we hoped would be 8 million over four years. It's obviously been significantly better than that.

I think one of the most remarkable things about this period, though, has been the consistency of economic indicators, and while we're just going through a couple of charts here, I encourage you to look through your pack at particularly the last couple of pages, which go through from business investment to homeownership to the stock market doubling to inflation -- that this really has been a rather historic period across the board. And there's no better person to go in more detail in that than my colleague, and Chairman of the Council of Economic Advisors, Janet Yellin.

DR. YELLIN: Thanks. Well, as the Vice President noted in his opening remarks, this morning's announcement that real GDP in the first quarter of this year grew at an upward, revised 5.8 percent rate. It really confirms that our economy is enjoying a period of remarkably strong economic growth.

Just as in the advanced estimate, first quarter growth was accounted for by large increases in consumption, in exports, in business investment and also inventory building. Now, the first quarter was very special. We don't see growth rates at a 5.8 percent annual rate very often. In fact, we haven't seen growth this strong for over a decade.

Now, growth rates do fluctuate from quarter to quarter, so it's important to step back and, I think, to look at the economy over a longer horizon. Over the last four quarters, the economy has grown 4.1 percent. And over yet a longer horizon, the last four years, our economy has grown at a 2.9 percent annual rate. I think it's particularly heartening to note that it's been private, and not public demand that's been the engine of the expansion. The private component of demand has been growing about 3.5 percent annually. And investment spending has been particularly strong -- that's grown at an 8 percent annual rate over the last four years.

And I'd simply emphasize that the reduction in the federal deficit has made that possible. It's fostered this investment by releasing the private savings that are needed to fuel that investment boom. I think that by expanding industrial capacity, this investment is relieving potential bottlenecks to economic growth as we go forward. And, most important, we can look forward to the productivity pay-off of all of that investment for many years and decades to come, as our children enter workplaces that are well equipped to enable them to be most productive on the job.

As I read it, all the available evidence suggests that our economy is now on a sustainable trajectory for continued job creation and solid growth and output. The main symptom of economic overheating, if it were occurring, would be rising inflation, and we simply have not seen that. Today's report showed that the price index for gross domestic purchases increased at only a 2.2 percent annual rate in the first quarter. And that's nearly the slowest increase since the 1960s.

Over the last 12 months, the rate of CPI inflation has declined to 2.5 percent. That's down from the pace in the preceding 12 months, and it's down even more from the pace in the 12 months before that. And in addition to low inflation, unemployment is 4.9 percent, a 24-year low. I will confess to you that I never really expected to again see in my own lifetime an unemployment rate beginning with a 4 as the first digit.

The combined readings on inflation and unemployment, the so-called "Misery Index," is now at the lowest level since the late 1960s. So I conclude by saying that with a falling deficit, low and stable inflation, lean inventories and strong growth, this expansion remains on a very solid footing.

Q Secretary Rubin, where is personal income now? Is it up, down, flat or --

SECRETARY RUBIN: Why doesn't Janet Yellin respond to that? You're not talking about my personal income -- (laughter.)

DR. YELLIN: I don't have a statistic right at hand, but personal income has been growing -- personal income, personal disposable income has been growing strongly over the last year, in line with GDP growth.

Q Do you expect it to continue that way, or do you expect it to level out at some point, or even drop?

DR. YELLIN: I certainly have no reason to believe that it will either level out or drop. I think we'll have continued economic growth -- maybe not up to the pace in the first quarter which was really exceptional, but we should expect solid growth and growth in personal income going forward.

Q Ms. Yellin, do you have any concerns about consumer spending? Because consumer spending was very strong in the first quarter and it's ebbed fairly substantially in the second quarter. And most economists think that's going to bring the growth rate down to 2 percent, which isn't bad, but I'm just wondering if that's the engine of growth --

DR. YELLIN: My expectation is that consumption spending will moderate as we go forward to a somewhat lower paced than we saw in the first quarter. The first quarter, as I mentioned earlier, was really very exceptional. I wouldn't forecast growth, continued growth at anything as high as a 5.8 percent rate, but certainly I expect to see strong consumption growth and investment growth should continue to be a driving force of this expansion.

Q Secretary Rubin, how would you react to the people that are saying now, yeah, there is inflation in the economy, it's in the stock market?

SECRETARY RUBIN: I don't know what that means. I mean, if people are saying the stock market is --

Q -- prices are being driven up excessively by --

SECRETARY RUBIN: Well, actually, not all -- stock prices are up, as you correctly say. Without commenting on levels of the stock market, which I never choose to do, my own view is that over long periods of time markets tend to reflect fundamentals, and fundamentals have been very good. Now, whether the market -- then you have to ask the question, what is the valuation of the market relative to fundamentals and your outlook for fundamentals, and that's a question every investor has to answer for themselves. But I don't think -- at least in my view, I don't see how that relates to the question of price inflation, particularly.

Q -- excess liquidity factor, I mean extra money in the economy, ending up there.

SECRETARY RUBIN: Well, Janet can answer better than I. It may be that the strong stock market, having given people a larger net worth may have had some effect on consumption patterns. That's a possibility. Why don't you come up here, Janet.

DR. YELLIN: Well, again, like Secretary Rubin, I don't like to comment on the appropriateness of stock prices. But I would point out that in this morning's GDP release, corporate profits were up $30 billion in annual rate, corporate profits are now up to 9.1 percent, which is the highest in many, many years as a fraction of GDP, and that may be one reason that participants in the stock market feel good about the prospects.

SECRETARY RUBIN: Could I just make one more comment? I think if your question is, does the stock market level greater concerned about inflation more generally?

Q Well, no. As I understand the comment -- it wasn't my phrase, it was somebody else's -- that if you look at sort of asset inflation or where there may be excess liquidity as the money supply and the economy, you're looking at it in the market.

SECRETARY RUBIN: Well, if that's a question or comment on the market, I'd stick with where I was before without commenting on it.

Q Can I ask you how you're doing on your tax proposals to go to the Hill, if they're about ready? If so, could you share some of that news?

SECRETARY RUBIN: Well, we have a framework, as you know, in the budget agreement. I think it's a very good framework. We have tax cuts that are affordable -- the $85 billion and the $250 billion is the nets. We have an explicit commitment not to have explosions of tax cuts in outer years, which the President feels very, very, very strongly about. We have commitment to the roughly $35 billion of tax cuts in the education area to implement the President's education program.

Beyond that, we have begun meeting with members, and they've been away for this one-week recess, but we've begun meeting with members, we've begun meeting with the staffs, and we're working on the various components of the tax bill.

We have a tax -- we have, of course, a full tax program that we submitted with our budget, and we're now working with the committees to reach -- well, to work toward a tax program that's good for the American people in the context of what I think is a very good framework.

Q Are we going to see any surprises in this proposal?

SECRETARY RUBIN: In which proposal -- in ours? Well, why don't we wait as we go along. The President will be discussing this in part tomorrow in his radio address, so you'll see some comments from him on what he thinks this tax program ought to look like.

Q Can we ask specifically about the education tax credits and the discussions about that?

SECRETARY RUBIN: Your question is, can you ask about it? (Laughter.) Under the First Amendment, I think the answer to that question, Clay, is yes.

Q Republicans, as you know, are looking at options that would devote perhaps a large share of the $35 billion that's been set aside for education in the budget deal for some kind of either education savings accounts or expanding of individual retirement accounts so that they could be used to help people save for education, and that's a principle that the administration itself has embraced from time to time.

I wonder if you could comment a little bit about the level to which that would be acceptable to the President and why education savings accounts or helping people to set money aside for prepaid state tuition programs through approaches that are favored by the Republicans are less desirable than the HOPE Scholarship credit that the President has asked for.

SECRETARY RUBIN: Clay, I think as we have begun our work with the committees and more with the staffs than the members because of the recess, the view that we have taken and have been discussing is the view in the context of the budget agreement, which is a commitment, basically to roughly $35 billion to implement, as I said a moment ago, to implement the President's tax program.

That tax program was based on the notion that families that have people involved in post-secondary school education are very often the most hard-pressed people in our economy and that they should receive the benefit of a tax cut. And that's a principle the President feels very strongly about. It's encompassed in the budget agreement and that's what we're working to accomplish.

I think I would disagree a little bit with your comment on -- there are all sorts of opinions as to what people want to have in this. But I think there is a widespread recognition of a commitment to the President's program, and that's what we're working to implement.

In terms of Kids Save or these other kinds of programs, I think that they have -- I think there are some very interesting ideas there. But I think if we're going to have those programs they need to be outside of that roughly $35 billion component, which is in the budget agreement designated for the President's education program.

Q The White House view is that those types of proposals should not come out of a $35 billion which should be set aside explicitly for the credit and the deduction as advocated by the President?

SECRETARY RUBIN: As stipulated in the budget agreement, that is correct.

Q Would the President veto a package which had --

SECRETARY RUBIN: Clay, I think you're way -- that question lies well into the future. Right now the process is one of working together to get a tax bill that's good for the American people, that the committees, the Congress and the President are happy with.

Q Secretary Rubin, excuse me, are you satisfied with the way exports are behaving and how do you see the availability of getting fast track from Congress in the near future?

SECRETARY RUBIN: Well, exports have been a driving force in the economy over the last four and a half years, as you know. Well, I think many factors are responsible for that. I don't think there's any question that part of it, clearly, has been the greatly improved competitiveness of the American industry; partly have been the lower costs of capital in this country, which I think in large measure -- deficit reduction program in '93 -- and part of it, the market opening that we've accomplished through NAFTA, through GATT, through the many trade agreements that we have.

In terms of fast track, look, I think fast track is very, very important. We live in a global economy and there are going to be all kinds of trade agreements -- sectoral, regional, bilateral. We're either going to be part of this or we're going to be the outside looking in. That's the only question. And fast track is very important to enable our country to be part of this, rather than to be on the outside looking in.

Q Mr. Secretary, in terms of the markets that so much of this good economic news counts on -- Europe seems to be struggling right now in terms of its efforts toward the Euro-dollar. I mean, you've got Germany, you've got the French election -- and certainly that has a major impact on what products are sold from the United States.

SECRETARY RUBIN: Well, are you talking about the question of the EMU now?

Q Yes.

SECRETARY RUBIN: Well, you know, there's a very strong feeling in Europe, amongst people who -- the finance ministers and the political leaders that the EMU is good for the long-term economic health and strength of Europe. And obviously we have a very strong stake in having a strong Europe. My impression is that there is a very strong commitment on the part of both political leaders and finance ministers to accomplish this.

Obviously, their challenge is they're going to have to meet, as evidenced in the news the last couple of days, or the last two or three days -- but I think that what is good for Europe is basically good for us. And if it is their view that an EMU is good for them, and therefore, in my view at least, also good for us, I think they will continue on the track to trying to put that in place on time.

Q You expect the Germans to be able to work out their differences?

SECRETARY RUBIN: I don't have a view on that. I really don't.

Q Mr. Secretary, you said that the President is looking for a tax package that's good for American people.

SECRETARY RUBIN: Yes.

Q Is it a litmus test for him when he decides whether or not to sign it that the net distributional effect will be that it benefits the middle class?

SECRETARY RUBIN: Clearly, whatever tax package we have should predominantly benefit the middle class, if that's your question, middle income people.

Q And do you feel some assurance based on the conversation you had and the --

SECRETARY RUBIN: Well, just do the arithmetic for a moment. If you have $135 billion gross tax package in the first five years, if $35 billion is the President's tax package, he had a $47-billion child tax credit proposal; S-2, the original Senate bill had $109 billion as they then scored it. I don't know whether child tax credit is ultimately going to come out, but clearly it's going to be -- I shouldn't say "clearly" -- one would certainly guess it would be something more than $47 billion and going to have to be substantially less than $109 billion. Pick any number you want, pick 60 billion, just to use a number. That means $95 billion of the $135 billion is going to be both -- the President's education program plus the child tax credit and that money -- the benefits of that will go predominately to middle income people.

Q -- capital gains and the estate tax relief is not going to skew it on the other end?

SECRETARY RUBIN: Well, in terms of the federal expenditure on tax cuts, far of the greater part of it is going to go to financing tax cuts that benefit predominantly middle income people.

Q Mr. Secretary, what are the prospects the deficit will come in under the $67 billion projection?

SECRETARY RUBIN: Let me ask Frank Raines if he'd like to comment on that.

MR. RAINES: Well, as you know, we've had a remarkable record over the last four years of over-estimating the deficit by an average of $50 billion a year. If you use that standard, the current estimates in the sub-$70 billion is about our $50 billion margin of error, and so I think that this is a pretty good number.

We will have to be monitoring spending over the next few months to see, but I think the major impact that we're likely to see from this level is likely to be on the spending side, so if spending continues to decline you could see some changes. But we don't expect dramatic change from the number that we're at now.

Q Mr. Raines, do you have a view on why you're getting so much more money than expected, where it's coming from?

MR. RAINES: Yes, I briefly alluded to that. We are getting it from two sources -- one, the impact of the 1993 agreement, the policy changes that were there are producing about half of the additional revenue; the other half is coming from an economy that's performing far better than anyone expected back in 1993, or for that matter, as recently as February. So it's coming from two things: policy changes related to taxes and from the growth in the economy.

Q In a more specific way, is it capital gains that because of what's happened in the stock market even without a cut, is it corporate profits -- I mean, how does it divide up, or do you know that yet?

MR. RAINES: Well, we don't know yet. We've done a little work there and had some indications, but we can't speak authoritatively. But let me just give you a personal view from the little bit I've seen. And that is that not only are corporations have higher earnings than any period since the 1960s and since they're taxed at a higher rate, that produces additional revenue, but also as companies have moved to paying employees from executives down to factory workers in lump sum amounts or through stock in stock options, we're getting more money in on tax day than we generally would where it's been withheld at a lower rate than the rate that will apply, and so we've got large payments in, so it's happening both on the corporate side as well as the individual income side.

But this is what you would expect in the economy where the nation is doing better; there's more income and the tax code is going to produce more revenue for the government.

Q Let me go back to economic numbers again. The Vice President said that the results are in with the results of the economy since the Clinton administration came into office. You said yourself that the GDP number for the first quarter probably won't be repeated throughout the remainder of the year.

Other analysts I've talked to today agree with that position, so with GDP moderating for the rest of the year, more analysts saying that the stock market is due for a correction, both of these things could affect the other economic indicators, so are the results really in, that the state of the economy --

DR. YELLIN: Well, it's always hard to know exactly what the future holds in store, but while I've said that a 5.8 percent real GDP growth rate is unlikely to be sustained over years, the long-term record has been excellent. We have an economy where unemployment has come down remarkably, inflation has remained low and even fallen as I pointed out, investment is very strong; we've had an investment boom and there's every reason to believe that that's going to continue. So as I look forward and I think about what are the factors that can bring an economic expansion to an end, I don't see any of the likely factors. They might be such things as rising inflation, which we don't see; inventory overhangs, which we certainly don't see; any of the normal factors that could lead to an end of an expansion.

MR. RAINES: You might want to mention how this compares to our assumptions in the going forward --

DR. YELLIN: -- I mean, relative to the assumptions that we have made in putting together the budget, we're seeing essentially the economy really out-perform almost everything that we assumed in putting together the budget. To meet our real growth forecast this year, in fact, we would meet it even if there were no further economic growth over the next three quarters.

Q Dr. Yellin, has the GDP growth rate over the last couple of years materially or the long-term sustainable growth rate of the economy materially increased from where it might have been a couple of years ago, and if so, why?

DR. YELLIN: I think we haven't seen yet decisive evidence of a pick-up in the growth rate of potential output. But I at the same time would say that all of the policies that have been put in place starting with the reduction in the deficit, which has led to this enormous investment boom, as well as all of the investments that this administration is making in education, in technology, in children's health, that these are the fundamentals that we need to see an improvement in that long-term growth rate of the economy, and there is definitely going to be a payoff there; we have to be a little bit patient to see it. When you think about things like Head Start, which are very important to that, well, it takes until a Head Start child enters the labor force in order to see the product that you've produced in the numbers we look at. But we're putting in place all of the growth promoting strategies that are necessary to get a pickup in that pace of potential output growth.

Q Might we miss it when it shows up? I mean, how do we know when we have changed the potential output?

DR. YELLIN: I believe we will see it in the statistics that we normally monitor. There are some problems there, but I think we'll see it.

THE PRESS: Thank you.

END 2:49 P.M. EDT

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

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SUBJECT: 1997-05-31 President's Radio Address to the Nation

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TO: Jason S. Goldberg (GOLDBERG_JS) Autoforward to: Remote Addressee (Jason S. Goldberg@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Ricardo M. Gonzales (GONZALES_R) Autoforward to: Remote Addressee (Ricardo M.

Gonzales@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Wendy E. Gray (GRAY_W) (NSC)
READ:NOT READ

TO: John Gribben (GRIBBEN_J) (OMB)
READ:30-MAY-1997 17:16:57.16

TO: Donald Goldberg (Goldberg_D) Autoforward to: Remote Addressee (Donald Goldberg@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: LAWRENCE J. HAAS (HAAS_L) (OMB)
READ: 2-JUN-1997 11:58:25.27

TO: Richard Hayes (HAYES_R) Autoforward to: Remote Addressee (Richard Hayes@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Russell W. Horwitz (HORWITZ_R) Autoforward to: Remote Addressee (Russell W. Horwitz@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Thomas D. Janenda (JANENDA_T) Autoforward to: Remote Addressee (Thomas D. Janenda@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Brian J. Johnson (JOHNSON_BJ) Autoforward to: Remote Addressee (Brian J. Johnson@eop@lngtwy@eopmrx) (CEQ)
READ:NOT READ

TO: David T. Johnson (JOHNSON_DT) Autoforward to: Remote Addressee (david t. johnson@eop@lngtwy@eopmrx) (NSC)
READ:NOT READ

TO: Wayne C. Johnson (JOHNSON_WC) (OA)
READ: 2-JUN-1997 09:38:02.13

TO: Michele Jolin (JOLIN_M) Autoforward to: Remote Addressee (Michele Jolin@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: James M. Teague (James M. Teague@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: David E. Kalbaugh (KALBAUGH_D) Autoforward to: Remote Addressee (David E. Kalbaugh@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: William R. Kincaid (KINCAID_W) Autoforward to: Remote Addressee (William R. Kincaid@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Angus S. King (KING_A) Autoforward to: Remote Addressee (Angus S. King@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Joshua A. King (KING_J) Autoforward to: Remote Addressee (Joshua A. King@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Nick B. Kirkhorn (KIRKHORN_N) Autoforward to: Remote Addressee (Nicholas B. Kirkhorn@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Catherine T. Kitchen (KITCHEN_C) Autoforward to: Remote Addressee (Catherine T. Kitchen@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: James Kohlenberger (KOHLEN_J) Autoforward to: Remote Addressee (Jim Kohlenberger@OVP@EOP@LNGTWY@EOPMRX (VPO)
READ:NOT READ

TO: Heidi Kukis (KUKIS_H) Autoforward to: Remote Addressee (Heidi Kukis@OVP@EOP@LNGTWY@EOPMRX) (VPO)
READ:NOT READ

TO: Sara Latham (LATHAM_S) Autoforward to: Remote Addressee (Sara M. Latham@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: G. N. Lattimore (LATTIMORE_G) Autoforward to: Remote Addressee (G N. Lattimore@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Christopher J. Lavery (LAVERY_C) Autoforward to: Remote Addressee (Christopher J. Lavery@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Anne H. Lewis (LEWIS_AH) Autoforward to: Remote Addressee (Anne H. Lewis@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Patricia F. Lewis (LEWIS_PF) Autoforward to: Remote Addressee (Patricia F. Lewis@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Cynthia J. Lizik (LIZIK_C) (OA)
READ: 2-JUN-1997 08:43:06.70

TO: Michael D. Malone (MALONE_M) Autoforward to: Remote Addressee (Michael D. Malone@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Laura S. Marcus (MARCUS_LS) Autoforward to: Remote Addressee (Laura S. Marcus@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Doris O. Matsui (MATSUI_D) Autoforward to: Remote Addressee (Doris O. Matsui@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Andrew Mayock (MAYOCK_A) Autoforward to: Remote Addressee (Andrew J. Mayock@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Anne E. McGuire (MCGUIRE_A) Autoforward to: Remote Addressee (Anne E. McGuire@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Cheryl D. Mills (MILLS_C) Autoforward to: Remote Addressee (Cheryl D. Mills@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Julia Moffett (MOFFETT_J) (WHO)
READ:NOT READ

TO: Megan C. Moloney (MOLONEY_M) Autoforward to: Remote Addressee (Megan C. Moloney@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Kevin Moran (MORAN_K1) Autoforward to: Remote Addressee (Kevin Moran@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jonathan Murchinson (MURCHINSON_J) Autoforward to: Remote Addressee (Jonathan Murchinson@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Steven J. Naplan (NAPLAN_S) (NSC)
READ:30-MAY-1997 17:03:45.21

TO: Elizabeth R. Newman (NEWMAN_E) Autoforward to: Remote Addressee (Elizabeth R. Newman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Peter Orszag (ORSZAG_P) Autoforward to: Remote Addressee (Peter R. Orszag@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Carol Parmelee (PARMELEE_C) Autoforward to: Remote Addressee (Carole A. Parmelee@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Sally P. Paxton (PAXTON_S) Autoforward to: Remote Addressee (Sally P. Paxton@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jonathan M. Prince (PRINCE_J) Autoforward to: Remote Addressee (Jonathan Prince@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Peter O'Keefe (Peter O'Keefe@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Brian A. Reich (REICH_B) Autoforward to: Remote Addressee (Brian A. Reich@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Renee C. Riley (RILEY_R) (OA)
READ:NOT READ

TO: Charles Ruff (RUFF_C) Autoforward to: Remote Addressee (Charles F. Ruff@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Virginia N. Rustique (RUSTIQUE_V) Autoforward to: Remote Addressee (Virginia N. Rustique@eop@lngtwy@eopmrx (WHO)
READ:NOT READ

TO: Evan Ryan (RYAN_E) Autoforward to: Remote Addressee (Evan Ryan@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Thomas B. Samburg (SAMBURG_T) (OA)
READ:30-MAY-1997 18:18:11.63

TO: Stuart Schear (SCHEAR_S) Autoforward to: Remote Addressee (Stuart Schear@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jill A. Schuker (SCHUKER_J) Autoforward to: Steven J. Naplan (NAPLAN_S) (NSC)
READ:30-MAY-1997 17:03:45.21

TO: Douglas S. Sheorn (SHEORN_D) Autoforward to: Remote Addressee (Douglas S. Sheorn@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: David Shipley (SHIPLEY_D) Autoforward to: Remote Addressee (David Shipley@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Jake Siewert (SIEWERT_J) Autoforward to: Remote Addressee (Jake Siewert@eop@lngtwy@eopmrx) (OPD)
READ:NOT READ

TO: Joshua Silverman (SILVERMAN_J) Autoforward to: Remote Addressee (Joshua Silverman@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Brian D. Smith (SMITH_B2) Autoforward to: Remote Addressee (Brian D. Smith@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Brian D. Smith (SMITH_BD) (OMB)

READ:NOT READ

TO: Craig T. Smith (SMITH_CT) Autoforward to: Remote Addressee (Craig T. Smith@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Richard Socarides (SOCARIDES_R) Autoforward to: Remote Addressee (Richard Socarides@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Douglas B. Sosnik (SOSNIK_D) Autoforward to: Remote Addressee (Douglas B. Sosnik@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Todd Stern (STERN_T) Autoforward to: Remote Addressee (Todd Stern@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Diane A. Stumpf (STUMPF_D) (DON)
READ: 2-JUN-1997 09:56:50.44

TO: Mike Sullivan (SULLIVAN_M) Autoforward to: Remote Addressee (Michael J. Sullivan@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Jonathan Schnur (Schnur_J) Autoforward to: Remote Addressee (Jonathan H. Schnur@LNGATE@EOPMRX) (VPO)
READ:NOT READ

TO: Sylvia M. Mathews (Sylvia M. Mathews@eop@LNGTWY@EOPMRX)
READ:NOT READ

TO: Lisa Jordan Tamagni (TAMAGNI_L) Autoforward to: Remote Addressee (Lisa Tamagni@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Virginia M. Terzano (TERZAN_V) Autoforward to: Remote Addressee (Virginia M. Terzano@ovp@eop@lngtwy@eopm (VPO)
READ:NOT READ

TO: Terri I. Tingen (TINGEN_T) Autoforward to: Remote Addressee (terri tingen@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Barry J. Toiv (TOIV_B) Autoforward to: Remote Addressee (Barry J. Toiv@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Jodie R. Torkelson (TORKELSON_J) Autoforward to: Remote Addressee (Jodie R. Torkelson@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Serena C. Torrey (TORREY_S) Autoforward to: Remote Addressee (Serena C. Torrey@eop@lngtwy@eopmrx) (WHO)

READ:NOT READ

TO: June G. Turner (TURNER_J) Autoforward to: Remote Addressee (June G. Turner@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Dag Vega (VEGA_D) (WHO)
READ:NOT READ

TO: Lorraine A. Voles (VOLES_L) Autoforward to: Remote Addressee (Lorraine A. Voles@ovp@eop@lngtwy@eopmrx (VPO)
READ:NOT READ

TO: Michael Waldman (WALDMAN_M) Autoforward to: Remote Addressee (Michael Waldman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Angelina Walker (WALKER_L) Autoforward to: Remote Addressee (Angelina Walker@ovp@eop@lngtwy@eopmrx) (VPO)
READ:NOT READ

TO: Robert S. Weiner (WEINER_R) (DON)
READ:NOT READ

TO: Teresa Wildman (WILDMAN_T) Autoforward to: Remote Addressee (Teresa Wildman@eop@lngtwy@eopmrx) (WHO)
READ:NOT READ

TO: Natalie S. Wozniak (WOZNIAK_N) (NSC)
READ:30-MAY-1997 17:04:06.48

TO: Remote Addressee (usia01@access.digex.com@INET)
READ:NOT READ

TO: Remote Addressee (1=US@2=WESTERN UNION@3=@5=ATT.COM@*ELN\62955104@MRX@EOPMRX)
READ:NOT READ

TO: Remote Addressee (62955104@eln.attmail.com@INET)
READ:NOT READ

TO: Remote Addressee (73030.21@compuserve.com@INET)
READ:NOT READ

TO: Manager Infomgt (INFOMGT) (SYS)
READ:NOT READ

TO: Remote Addressee (newsdesk@usnewswire.com@INET)
READ:NOT READ

TO: Remote Addressee (usnwire@access.digex.com@INET)
READ:NOT READ

TEXT:

PRINTER FONT 10_POINT_COURIER
BOTTOM ODD
MORE

PRINTER FONT 12_POINT_COURIER
THE WHITE HOUSE

Office of the Press Secretary

Embargoed For Release
Until 10:06 A.M. EDT
Saturday, May 31, 1997
RADIO ADDRESS
BY THE PRESIDENT
TO THE NATION

The Map Room

THE PRESIDENT: Good morning. I've just returned from Europe where I commemorated the 50th Anniversary of the Marshall Plan, which joined America's investment to Europe's commitment to rebuild, and in so doing, helped to spark 50 years of prosperity, not only for Europe, but for America as well.

I also had the opportunity to discuss with leaders of Europe the present success of our economy and what we can do together to promote prosperity in the new democracies of Central and Eastern Europe in ways that will ensure their prosperity and ours for the next 50 years.

This morning I want to talk with you about the new economic policy we brought to America for the last four and a half years and how our balanced budget and tax cut plans can help in creating jobs, raising incomes, strengthening business and moving America forward in the years to come.

Recall for a moment what America's economy looked like four years ago: high unemployment, few new jobs, stagnant wages, exploding budget deficits. I took office determined to replace trickle

-down economics with invest

-and

-grow economics. There were
three principal elements to our strategy: Reduce the budget deficit, and invest in the education, training and security of working men and women and our children, and open new markets for American

-made goods
and services through tough trade agreements.

I believe all three were necessary to create the conditions for private sector prosperity and to ensure that all our people have the opportunity to reap the rewards of growth. We made tough, often controversial, decisions in 1993 and afterward to implement our new invest

-and

-grow economic policy. Some fine members of Congress lost their seats because they had the courage to change course and vote for the future.

But just look at the results. Today our confidence has returned and our economy leads the world. In 1992, the deficit was $290 billion. Today, we expect it to drop to $67 billion, a 77 percent reduction. In 1992, unemployment averaged 7.5 percent. Today, it's 4.9 percent -- the lowest in 24 years.

In 1992 there were few new jobs. Since then, the economy has produced 12.1 million of them, including the most ever in a single presidential term. And while the years before our plan took effect saw sluggish growth, yesterday we learned that in the first quarter of this year the economy grew at a 5.8 percent rate -- the highest in a decade. Inflation is at a 30

-year low; business
investment, a 30

-year high. Each year we've had a record number of BOTTOM EVEN
MORE
new businesses started. Wages are rising. In the last two years, over half the new jobs have paid higher than average wages, and inequality among working people has seen the biggest drop since the 1960s. Our economy is the healthiest in a generation.

TOP EVEN
- \p -

BOTTOM EVEN
MORE

All this didn't just happen. We've had better

-managed,
more

-competitive businesses, more

-productive working people; the entrepreneurial spirit of small business; a Federal Reserve committed both to low inflation and to economic growth; and continued advances in technology.

Americans' hard work and high energy, smart decisions and tough choices, and our invest

-and

-grow strategy -- all these have worked together to produce this success.

Now in the coming months, America will have to decide whether to stick with this strategy. Will we continue to engage the world economy by continuing to give normal trading status to China? Will Congress give the President the tools necessary to open new markets abroad for American products through tough new trade agreements? And, above all, will we finish the job of balancing the budget while protecting our values?

Earlier this month I reached agreement with the leaders of Congress on a bipartisan balanced budget plan that will continue our economic strategy into the next century. This is a balanced budget plan that also is in balance with our values. It will eliminate the budget deficit by 2002, honor our parents by securing the Medicare Trust Fund for a decade, preserve our environment through strong enforcement in the cleanup of 500 toxic waste sites, and protect the next generation by extending health insurance coverage to as many as 5 million uninsured children. And, most important of all, it will invest in the skills of our people through the most significant increase in higher education since the G.I. Bill half a century ago, the expansion of Head Start and an investment in higher national academic standards for our children.

Both Houses of Congress moved forward on this budget before they left town for the Memorial Day recess. I was pleased that a strong majority of both parties supported this bipartisan plan. When Congress gets back to work, it's time to finish the job of enacting the broad outlines of the budget plan. Then in the weeks to come, Congress will fill in the details and begin writing this budget and its tax cut into law. I want a tax cut that helps families raise their children and send them to college, and keeps the economy growing. That's my goal.

I look forward to continuing to work together with the Republican and Democratic members of the tax writing committees in Congress to meet this goal as we write the details of the tax cut into law. As that process begins, I want to tell you three of the things this final tax cut plan should include: First, with education our most important goal, our tax cut must help open the doors of college to every American. Our bipartisan budget plan includes $35 billion in tax relief, targeted to help families pay for higher education. Our HOPE Scholarship is a $1,500 per year tax cut to help pay for the first two years of college and open them to all Americans. I will also recommend that students who already receive Pell Grant Scholarships can still receive the HOPE Scholarship for education costs beyond those covered by their Pell Grant. With this step, we'll make sure that our tax cut reaches all those who want to take responsibility for their own lives and go on to college. Beyond ??that, I favor a tax deduction for the cost of any education after high school for people of any age.

Second, as many families as possible should have a chance to receive the dividend created by economic growth. Our plan will give families a $500 child tax credit. This is the kind of tax relief we need -- targeted to helping families raise their children and meeting the competing demands of work and family. As we craft this tax cut, I believe it's especially important that we make sure

TOP EVEN
- \p -

BOTTOM ALL
that the child tax credit is fair to working families -- especially those with lower incomes.

Third, the tax cuts must be consistent with a balanced budget and must not be written in such a way that they reopen the deficit and bust the budget in years to come. This was absolutely key when we reached a budget agreement, and I will continue to insist on it as we write the agreement into law. Fiscal responsibility helped to produced a strong economy. Fiscal irresponsibility will surely undo it. We cannot put our prosperity at risk through time bomb tax cuts that explode the deficit in five or 10 or 20 years. We must continue with discipline. We tried it the other way before and it failed.

We are now nearly five years into our economic strategy of invest and grow, and it is working -- well beyond our most optimistic expectations. We have now an historic chance to continue this growth and give the American people the dividends of expansion through a tax cut. We can protect our values as we expand our economy. The American people deserve a tax cut and they need a balanced budget. We can give them both. If we make sure that this tax cut helps all working families, that it opens wide the doors of college, and that it never, never throws the budget out of balance, we can propel our country into the 21st century even stronger than it is today.

Thanks for listening.

END

RECORD TYPE: FEDERAL (EXTERNAL MAIL)

CREATOR: SUNTUM_M@A1@CD

CREATION DATE/TIME: 2-JUN-1997 14:30:00.00

SUBJECT: 1997-6-2 McCurry Briefing

TO: Mary_E._Glynn (Mary_E._Glynn@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Julie_E._Mason (Julie_E._Mason@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: April_Mellody (April_Mellody@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Darby_E._Stott (Darby_E._Stott@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: SUNTUM_M (SUNTUM_M@A1@CD) (WHO)
READ:NOT READ

TO: COGDELL_C (COGDELL_C@A1@CD) (WHO)
READ:NOT READ

TO: Julia_R._Green (Julia_R._Green@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Lorraine_L._Wytkind (Lorraine_L._Wytkind@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Laura_D._Schwartz (Laura_D._Schwartz@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: backup (backup@wilson.ai.mit.edu@INET@EOPMRX)
READ:NOT READ

TO: wh-outbox-distr (wh-outbox-distr@clinton.ai.mit.edu@INET@EOPMRX)
READ:NOT READ

TO: Lori_E._Abrams (Lori_E._Abrams@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Lori_Anderson (Lori_Anderson@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Brenda_M._Anders (Brenda_M._Anders@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Eli_G._Attie (Eli_G._Attie@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Kris_M_Balderston (Kris_M_Balderston@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: BARBUSCHAK_K (BARBUSCHAK_K@A1@CD) (OA)
READ:NOT READ

TO: Beverly_J._Barnes (Beverly_J._Barnes@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: BARTHOLOME_M (BARTHOLOME_M@A1@CD) (OA)
READ:NOT READ

TO: BARTHOLOW_T (BARTHOLOW_T@A1@CD) (OA)
READ:NOT READ

TO: David_S._Beaubaire (David_S._Beaubaire@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Marsha_E._Berry (Marsha_E._Berry@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: BLINKEN_A (BLINKEN_A@A1@CD) (NSC)
READ:NOT READ

TO: Lanny_A._Breuer (Lanny_A._Breuer@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: CAPLAN_P (CAPLAN_P@A1@CD) (WHO)
READ:NOT READ

TO: Laura_Capps (Laura_Capps@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Joseph_W._Cerrell (Joseph_W._Cerrell@OVP@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Steven_A._Cohen (Steven_A._Cohen@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Michelle_Crisci (Michelle_Crisci@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Carolyn_Curiel (Carolyn_Curiel@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: CUTLER_L (CUTLER_L@A1@CD) ()
READ:NOT READ

TO: Suzanne_Dale (Suzanne_Dale@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Lanny_J._Davis (Lanny_J._Davis@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Marilyn_DiGiacobbe (Marilyn_DiGiacobbe@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: James_A._Dorskind (James_A._Dorskind@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Jennifer_D._Dudley (Jennifer_D._Dudley@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Christopher_A._Dwan (Christopher_A._Dwan@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Dorinda_A._Salcido (Dorinda_A._Salcido@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: James_T._Edmonds (James_T._Edmonds@EOP@LNGTWY@EOPMRX) (WHO)
READ:NOT READ

TO: Anne_M._Edwards (Anne_M._Edwards@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Rahm_Emanuel (Rahm_Emanuel@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Karen_E._Finney (Karen_E._Finney@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Jay_K._Footlik (Jay_K._Footlik@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Ben_A._Freeland (Ben_A._Freeland@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: FULLER_W (FULLER_W@A1@CD) (OA)
READ:NOT READ

TO: Jeremy_M._Gaines (Jeremy_M._Gaines@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: GILLESPIE_C (GILLESPIE_C@A1@CD) (WHO)
READ:NOT READ

TO: Michael_A._Gill (Michael_A._Gill@OVP@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Adam_W._Goldberg (Adam_W._Goldberg@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Jason_S._Goldberg (Jason_S._Goldberg@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: Ricardo_M._Gonzales (Ricardo_M._Gonzales@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: GRAY_W (GRAY_W@A1@CD) (NSC)
READ:NOT READ

TO: GRIBBEN_J (GRIBBEN_J@A1@CD) (OMB)
READ:NOT READ

TO: Donald_Goldberg (Donald_Goldberg@EOP@LNGTWY@EOPMRX)
READ:NOT READ

TO: HAAS_L (HAAS_L@A1@CD) (OMB)
READ:NOT READ

TO: Richard_Hayes (Richard_Hayes@EOP@LNGTWY@EOPMRX)
READ:NOT READ

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TEXT:

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 2, 1997

PRESS BRIEFING BY
MIKE MCCURRY

The Briefing Room

1:10 P.M. EDT

MR. MCCURRY: All right. Let's start the daily briefing. Ladies and gentlemen, can I start with what I meant to say this morning when I incorrectly led you on the health bill question? I said this morning incorrectly that the President gets comped for his health care service out at Bethesda National Naval Medical Center. That is not correct. He pays what is called the regular DOD flat rate, which is the same rate that they extend to other dignitaries and members of Congress.

Q Is that $1.25 a day? (Laughter.)

MR. MCCURRY: It's a good deal. My understanding is he's probably got, I think, bills for his knee surgery approaching $7,000. They've been submitted to his health insurer and the President does have a 20 percent co-pay under his health insurance policy. He has a health insurance policy similar to those that are extended to other federal employees.

Q You're talking about doctor's bills now? Because the hospital doesn't get covered by the flat rate payment, right?

MR. MCCURRY: They think they pay the hospital bills, and I guess -- I don't know what the portion of the additional bill represents. DOD can tell you more about their billing rate for Bethesda. And he is designated for that kind of treatment by the Secretary of Defense.* (* The Secretary of Navy authorizes care at Bethesda.)

Q What is the $7,000 figure refer to? Is that the doctor's fee -- you're not sure?

MR. MCCURRY: I'm not sure exactly what that --what component costs that is.

Q Thanks for clearing it up. (Laughter.)

MR. MCCURRY: It ain't free, in other words. But it's next to.

Q -- round the clock therapist and the orthopedic surgeon that went along on trips --

MR. MCCURRY: That's out-patient care which is extended as part of the service they provide and there is no charge for that, I am told. And that physical therapy is provided as part of the service rendered by the White House Medical Unit.

Q So the 20 percent co-pay, does that mean that he owes $1,400 on something?

MR. MCCURRY: Whatever the bills are that are submitted, you get up to probably some annual deductible with a co-payment requirement.

Q It seems to me the open question here is if he's getting the DOD flat rate, what's the $7,000 for, and it's probably for the surgery, but could you clear it up?

MR. MCCURRY: If you really need me to, I will. Or I can try calling Public Affairs out at Bethesda, which maybe you would like to try, too.

Q Mike, there was some talk on the Hill this morning about a letter from Janet Reno to the President recommending that he veto the supplemental appropriations bill because of a provision that would authorize individuals to sue the government -- something along those lines. Do you know anything about that letter?

MR. MCCURRY: I have not heard anything. Have you heard anything about that, a Reno letter? There are a lot of objectionable features to the supplemental, several of which we've talked about here, that would trigger the strongest possible opposition from the President. But most of our attention is focused on the automatic CR provision, which you know about already. I'll look into that; I hadn't heard that.

Q The Times Magazine reported over the weekend in a lengthy article about Kenneth Starr that Kenneth Starr had sent a letter to the President urging him to urge Susan McDougal to cooperate. Do you know anything about that? Is this true?

MR. MCCURRY: Well, there was an awful lot of things said anonymously by various prosecutors in that article, but you may want to talk to Mr. Kendall; he would be the appropriate person to respond.

Q At the meeting tomorrow, do you have more details yet on this meeting with the House Ways and Means Health Subcommittee on --

MR. MCCURRY: We expect that at 11:45 a.m., it will be chairs and ranking members of the two authorizing committees and the subcommittees that deal with health related provisions of the balanced budget agreement. So we've got Archer and Rangel, Thomas and Stark from the Health subcommittee; Bliley and Dingell from the Commerce side; and from the Health Environment subcommittee, the ranking and chair there, too.

Q At this meeting will the President ask Mr. Thomas not to include MSAs for the Medicare population in his bill, or tell him that he would veto it if he does include them?

MR. MCCURRY: Well, we have not extended a specific veto threat with respect to medical savings accounts. We have raised our concerns in the past about that and even just recently, Chris Jennings, the President's health care advisor, met with members of Congress and staff and detailed once again what our concerns are. We just think that that is going to lead to inadvertent negative consequences in the health insurance market. For all the reasons that we've described in the past, we've got strong objections to it, and we'll reiterate that. But we are still at the front end of writing that legislation, and we'll approach the meeting tomorrow in a positive spirit.

Q Mike, last year you were amenable to some kind of demonstration plan. Is that still the same position?

MR. MCCURRY: We were -- when pushed right up against it last year, suggested if they want to explore that idea before you mandate a savings account approach for all consumers, it would make sense to try it and see what the utilities and efficiencies are. And I guess we would still take that view that we don't want to see any wholesale changes made in the provision of health insurance along those lines, but we do want to see if we can't -- if the Republican majority in Congress wants to press the idea, we at the very least would want to see it confined to a set population for a set period of time so it can be properly evaluated.

Q Is that the main purpose of the meeting tomorrow, to talk about MSAs?

MR. MCCURRY: They've got Medicare provisions, Medicaid provisions. They've got all the stuff related to covering uninsured children, which will be part of the discussion tomorrow. So they've got a lot of work to do, and this is one of the first of what we anticipate being several working sessions as we now craft the legislation that implements the balanced budget agreement.

And as I said, and as we've said in the past, there will be moments along the way where we go through, back and forth with Congress and flesh out the details. We know that that won't always be a smooth process, but we think it will ultimately be an effective one and codify the contours of the budget resolution which we expect to be approved this week by Congress.

Q This health insurance idea for children is not part of the budget resolution now. Are you expecting a lot of difficulty with that?

MR. MCCURRY: No, the coverage of the 5 million uninsured kids is part of the balanced budget agreement. You mean the specifics of how you do it and how you accomplish that? There are some different ideas on how you would approach the central question of extending that coverage, but that's the kind of thing they will talk about tomorrow.

Q What is he doing today, what's he preoccupied with?

MR. MCCURRY: He had a day off because he was busy on Saturday. He's doing some paperwork and checked in with Mr. Bowles and Mr. Berger, and I think was catching up on some loose ends that are still left over from last week when he was traveling out of the country.

Q When is he going to veto the late-term abortion procedure bill?

MR. MCCURRY: Has it even arrived here yet? We'll have to check and see. I'm not even sure that we've received it yet. We'll have to keep you posted.

Q What's the status of your attempts to try and meet our needs on Friday at the Sidwell Friends --

MR. MCCURRY: Ongoing, and we'll report to you when I have something definitive.

Q Mike, would the U.S. support the Nigeria-led operation to put down the coup in Sierra Leone? And there are reports that some 20 people have been killed there in Freetown today. Are you concerned about that?

MR. MCCURRY: Well, there is continuing violence there and we are interested in diminishing the violence and seeing if this fragile cease-fire that they've been working on can't be fully implemented. We are concerned for the safety of those who remain in the capital city. We are monitoring very carefully the situation on the ground, particularly around the hotel from which 300-plus American citizens were evacuated over the weekend, along with hundreds of third-country nationals. We continue to monitor the efforts related
to remaining citizens who are innocently trapped in and around the fighting.

Q What about the operation, what about Nigeria and neighboring African countries --

MR. MCCURRY: Well, we have been watching and consulting closely with the so-called ECOMOG group, which is the consortium of African countries that have offered to be of some assistance. We are supporting efforts to deal directly with the parties -- both factions, rebel factions -- to encourage the institution of a cease-fire.

Q Has the President expressed his sympathy to the family of Betth Shabazz?

MR. MCCURRY: One of our staffers in the Political Affairs division who personally knows the Shabazz family has been in contact with the family and expressed our concern, yes.

Q This meeting tomorrow, the Ways and Means Committee is also scheduled to mark up the tax portion of its balanced budget obligations next week, and Archer may unveil his mark sometime later this week. Will that also be on the table, or is this strictly a Medicare-Medicaid meeting tomorrow?

MR. MCCURRY: I think they are dealing with the health related aspects of the legislation tomorrow, not the health financing aspects. We will have other opportunities to be in contact with the tax writing committees and look forward to doing that. I'm not aware of anything tomorrow but --

Q Do you expect another session later this week on --

MR. MCCURRY: I expect that we will have discussions from time to time and I wouldn't rule out the idea that at some point the President might be dealing more directly with the tax writing committees. But, as you know, they've got a number of very difficult issues that they will have to address. The President, for that reason, but some of his starting principles on the table in the radio address on Saturday, as you probably noticed. So we'll continue that work, but I'm not aware that they're to the point where we're moving into that kind of meeting format at this point.

Q Mike, what's the state of play and White House involvement in the tobacco negotiations?

MR. MCCURRY: No change.

Q Do you have any meetings scheduled this week?

MR. MCCURRY: I'd have to check. Last time I checked with him was during the trip because we had some -- a flurry of rumors that there was going to be some meeting at the end of last week. As far as I know, Mr. Lindsey remains in telephone contact with the parties. They are at a point where you've seen a lot of public discussion in and amongst the attorneys general from the states involved and some of the other plaintiff representatives. And we're monitoring actively the discussions that they're having. But I'm not aware of -- in the meetings that have been scheduled, I haven't heard of any.

Q Donna Shalala was quoted today as saying -- quoted as telling the negotiators not to expect immediate White House approval of any deal that's reached. Is the administration putting daylight between itself and these negotiations?

MR. MCCURRY: No, it's only as we have consistently said. We have very clear public health objectives here. We want to formulate as quickly as possible a program that leads to the health outcome the President seeks -- a reduction in the number of children who start smoking. And we are continuing to pursue our regulatory mechanisms to that effect, and we will, as we have said in the past, evaluate any proposed settlement with exactly that criteria. That's going to require very careful review, and I think Secretary Shalala is probably reflecting the President's determination to make sure we achieve the best possible public health outcome, irrespective of how they deal with other issues that are on the table. But at the moment, as near as we can tell publicly, judging from the comments of the parties themselves, we are a long way from having that question before us in any event.

Q Mike, yesterday Mr. Bennett said he might be willing to consider giving $600,000 to $700,000 to charity in the

Paula Jones case. Where would that money come from? Would that come from the personal funds or insurance?

MR. MCCURRY: I don't have anything to add to what Mr. Bennett had to say yesterday.

Q Does the President have the money to come out of the personal funds?

MR. MCCURRY: Mr. Bennett will be in a position to address that, addressed most of those questions yesterday.

Q How frequently are they talking?

MR. MCCURRY: Mr. Bennett addressed that yesterday.

Q Do you have anything to add to what Mr. Bennett said? (Laughter.)

MR. MCCURRY: As you correctly gather, I have nothing to add to what Mr. Bennett said. He was quite available and quite responsive to those questions yesterday.

Q How much time does the President spend on all of these cases?

MR. MCCURRY: A fractional amount.

Q Like what?

Q By definition --

MR. MCCURRY: Like a small fraction. (Laughter.)

Q Charlene Barshefsky will be on the Hill tomorrow --

Q Fifteen minutes?

Q -- to testify before the Senate Finance Committee. Is there any chance that she'll will unveil any administration position on fast track that many in Congress have been waiting for, or is she going to delay again?

MR. MCCURRY: It's a very strong possibility she will discuss that and talk about the broad parameters that the President would seek in obtaining the fast track authority he would need to advance our commitment to free trade in this hemisphere and throughout the world. But I doubt that she would unveil any specific legislation at this point.

Our view, as we've told you before, is that the best time for that debate will be likely early this fall. I think that's the point at which we would be best positioned to make a very strong push for fast track authority.

Q At what point does Gephardt's opposition to the President's policies make it impossible for the President to continue working with him?

MR. MCCURRY: Well, probably never, because given the large volume of things that they agree upon and given the fondness the President expressed for the Minority Leader last week and the fondness the Minority Leader expressed for the President last week, they're going to be working together in most instances and disagreeing on a few cases. So I don't think that day will ever arrive. At least not until 2000.

Q Are they going to bury the hatchet?

Q As the House begins work on the tax bill, does the President have any warnings to them about what he might or might not --

MR. MCCURRY: Just be very mindful of the agreements that were reached and the specific promise that was extended by the Speaker and by the Majority Leader as to the out-year size of any proposed tax cuts. We are not at this point going to take any steps that compound deficit problems in the future in how you structure tax cuts and what the out-year effect of those tax cuts are something that we will watch very carefully.

Q Is that the criteria, rather than some kind of distributional analysis?

MR. MCCURRY: Well, as to distribution of effects, the single most important thing is to ensure that the $35 billion that's earmarked for post-secondary education go for the type of education tax relief that the President has talked about, which will disproportionately help middle-income taxpayers. In fact, even now with the change that we made in our HOPE Scholarship proposal over the weekend will help lower income people.

Q Mike, how go the efforts of the White House to get Congress to pay up arrears to United Nations?

MR. MCCURRY: Ambassador Richardson has been making, I think, a series of rounds on the Hill to press that case. We think the work that we have done in New York to encourage administrative reform at the United Nations has put us in a better position to make the argument for paying up our bills. We think, as a matter of our obligation in the world that we lead, we need to make good on our promise to pay what we owe the United Nations.

But we also, simultaneously, have wanted to see changes made there and the reform program that's underway now at the United Nations looks promising, it has been briefed to relevant committee chairs on the Hill and we think that adds to the argument. As more and more people understand the role the United Nations productively plays in many places around the world, the issues that it deals with, the progress that we're seeing in making it a more effective tool for the post-Cold War world, we think the support will be there both in Congress and amongst the American people.

Q Well, why won't they pay their bills?

MR. MCCURRY: Well, partly because Congress has not appropriated the funds in past budget years to pay.

Q But I mean, why? Why?

MR. MCCURRY: Because they had certain concerns, and some well-founded concerns about the way the United Nations was being run. And, if you recall, we took some fairly aggressive personnel action with respect to that. So we hope that has changed the climate. And the process of reform in the United Nations has moved forward and we think that that makes the environment for passing that payment of arrears more fortuitous.

Q Mike, last year -- well, Boutros-Ghali, who's no longer there -- but the representative to the U.N. and WTO and the IMF and World Bank were at the Lyon Summit. Does the President have any intention of bringing those people to the Denver Summit? Is there any reason to bring them?

MR. MCCURRY: I'm sorry, which group?

Q At the G-7 Summit last summer, the U.N. General Secretary was there, the head of the WTO; there was some discussions among the head of the IMF and the World Bank. Are these people going to be attending again this year for any part of the summit?

MR. MCCURRY: There was in Lyon a very specific discussion about global institutions that exist and the architecture of those global institutions. That's followed up on a conversation that began in Halifax the year before. I think that -- we've gone from that general discussion about the architecture of the post Cold War era down to more specific issues. And some of those same groups may be there or be present for a discussion that I anticipate about Africa and about sustaining economic development in Africa. So I think they've moved now more from a general to a very specific.

Q Mike, you kind of hinted on the fact that you're concerned an automatic CR in the supplemental provision, supplemental appropriations. Do you see any strategy for getting past that?

MR. MCCURRY: About getting past some of the disagreements we have? Well, my guess is that in the week that Congress has been gone they have heard a lot from constituents that ask, what is the deal with this emergency aid for those suffering from disasters and why did you guys leave town? We tried to turn up the heat a little bit on that question, as you know. And our hope is that Congress will come back to town looking for a way to move that very important disaster relief forward and looking to resolve some of these other issues in other ways so we don't hold up that assistance any longer.

Q How do you plan to do it?

MR. MCCURRY: Through the same kind of close consultation and occasional jawboning that we do to affect the outcome of legislative fights on the Hill.

Q Mike, does the White House have any reaction to the class action suit filed by flight attendants today in Miami against tobacco companies for second-hand smoke on airplanes?

MR. MCCURRY: Not any immediate reaction from the White House. I'm not -- I'll have to check and see if anywhere else in government there's been a comment, but not that I'm aware of.

Q Mike, what's the White House saying in reference to the price of a stamp possibly going up, especially since the economy is supposedly, "so great" right now?

MR. MCCURRY: I don't know that we have evaluated that and I don't know at what point the proposed postal rate increase is -- whether it's come from the Commission, or not.

Q In the radio address, the President said he wants to reach as many working families possible with the $500 child tax credit. Does that mean he's open to raising eligibility age from 13 to possibly as high as 18, as in the Republican --

MR. MCCURRY: Well, we have strong views about the age 13 as the eligibility date, as you know. But we will work with the tax writing committees. They've got -- I think, as Chairman Archer or someone said the other day -- a lot of wine to pour into the bottle that has been built. And right now, it looks like they may have some overflow that they have to deal with.

But we've got some pretty clear ideas on how expansive the credit should be and how it should be available. And we'll fight for our views in discussions with the tax writing committees. But they clearly want to get done a lot of tax relief, but they have the defined amount of tax relief that's available under the agreement.

Q What does the President think of Secretary Reich's memory? (Laughter.)

MR. MCCURRY: Secretary of who?

Q The former Labor Secretary.

Q The small guy.

MR. MCCURRY: What was his name again?

(Laughter.)

Q I don't know.

MR. MCCURRY: What does he think of his memory or his book or his --

Q His memory.

Q Both.

MR. MCCURRY: What did he forget? I'm missing something here.

Q There's been some questions about whether everything he recounted was accurate.

Q Or any of it. (Laughter.)

MR. MCCURRY: I wasn't aware of that. It sounded entertaining.

Q He was supposed to have made a lot of misstatements and attributed things to people who claimed it never happened.

MR. MCCURRY: Oh, boy. (Laughter.) Some of that stuff was so good. How about the thing about getting caught in the little dog door. That had to have happened. (Laughter.)

Q Did you read it?

MR. MCCURRY: No, I've read -- I've heard about it. I don't get to read books unless they are with big type and lots of nice pictures and your kids are sitting on your lap. (Laughter.)

Q Did the President read it?

MR. MCCURRY: Not to suggest that this was that kind of book, but --

Q Has the President read the book?

MR. MCCURRY: The last time I had asked him, he had not. But my guess is he probably has by now.

Q He probably has?

MR. MCCURRY: Yes.

Q But, yet, you don't --

MR. MCCURRY: I haven't had any reaction. I've never talked to him about it.

Q Is the President going to have a news conference anytime soon?

MR. MCCURRY: Well, we were trying to work on having one some time next week, like a date that we can't announce, but sort of June 10th. (Laughter.) We were talking about it. If we announce that, I'll let you know.

Q That's Tuesday.

MR. MCCURRY: It's Tuesday.

Q Is there going to be some kind of roll-out to this race initiative or he just going to go to San Diego and give a speech?

MR. MCCURRY: There will be some kind of roll-out. I don't know what kind, but it will either be big wheel barrel or a little wheelbarrow, one or the other.

Q You mean before he does the speech he'll do something else here?

MR. MCCURRY: We may talk about it or try to set it up as we customarily do when we're trying to take the good, positive, interesting ideas of the day and propel them forward into the Zeitgeist. We'll try to figure out some way to do that for you, Wolf.

Q Is Sidney Blumenthal going to be in charge of it?

MR. MCCURRY: I hope so. Who knows.

Q When does he come on board?

MR. MCCURRY: I read in The Washington Post it was six to eight weeks.

Q What's he going to do when he gets here?

MR. MCCURRY: Be profound.

Q You mean you're not profound enough?

MR. MCCURRY: Me? Absolutely not.

Q Will he announce the next ambassador to Japan?

MR. MCCURRY: Will he announce the next ambassador to Japan? No. And we're not anywhere closer to announcing that Tom Foley is an excellent guy that's going to get that job. (Laughter.)

Q Mike, any contacts with Jospin or his people and the White House?

MR. MCCURRY: Between --

Q France, the French election.

MR. MCCURRY: No, we have not, to my knowledge, unless -- I'm not even confident, Eric -- has he formally been asked now to form a government? As of earlier today, that meeting had not occurred with the President. But, as I said earlier, if he is asked by President Chirac to form a government, we would work closely with that government. We've got enduring interests that we explore through our close and warm bilateral relationship with France. And at a time when the future of Europe is very much on the minds of those of us in the United States thinking about the future of that continent, including the President, we would seek a very active, productive, warm relationship with all elements of the French government. And knowing something or two about cohabitating, we think governments can be successful when they operate in that fashion.

Q Do you expect any changes on the policy in Bosnia and the Middle East from France?

MR. MCCURRY: Well, we'll have to await any formal declarations on the part of Prime Minister Jospin, but not that we anticipate. We see some enduring elements to the ideas that have been advanced by President Chirac and by the government, and we suspect that there will be continuity more than change in the presentation of their foreign policy.

Q Do you have any indication from the Socialist Party that that's --

MR. MCCURRY: There has been some from the dialogue that occurred during the election period and then -- nothing formal yet, although through our embassy in Paris, we have ongoing contacts with representatives of the various parties, so we have some sense of their preliminary thinking.

Q Do you have any news at all today? (Laughter.)

MR. MCCURRY: It's a quiet day. Yes, I've got one valuable piece of news, which is the President is announcing today his intent to nominate Janice Lachance to serve as Deputy Director of the Office of Personnel Management. We've got a piece of paper available. And with the distribution of that piece of paper, the news that you are looking for is that that's our full lid for the day.

Q Mike, Treasury has put out an environmental and economic impact at the closing of Pennsylvania Avenue, and it shows that the closing cost the city half a million dollars a year in lost parking revenue and shifting bus routes. Is there any thought being given to reimbursing the government, D.C. government, in any way for that?

MR. MCCURRY: Well, we have, among other things, a quite substantial economic assistance package that's available to the District -- we're working to do that -- that would defray the costs of many things. There are some aspects of this assessment that I'd

rather leave for the Treasury to review, but we will work with the elected representatives of the District and those who are concerned about the District to make sure that we find acceptable solutions to questions that they care about.

But I remind you that in terms of off-setting aid, we've got an assistance package that's quite generous and has got a number of benefits available well beyond just the question of offsetting costs for traffic closures.

Q As far as the White House views it, does this more or less continues the green light to keeping this closed and changing it to a --

MR. MCCURRY: My understanding is -- Treasury can tell you more, but I think this is an initial assessment that's provided and I think they've got a ways to go before they finalize anything with respect to the various options that were studied within the assessment itself.

Q There's an ongoing attempt to get some --

MR. MCCURRY: -- which goes into a comment period now, right. So there will be an additional period for comment.

Q In an ongoing attempt to get some news, is there any reaction to the Commerce Department report today about personal spending and retail spending only being up one-tenth of a percent in April, which is widely being analyzed as the economy is starting to slow up?

MR. MCCURRY: When the Chair of the President's Council of Economic Advisors was here Friday, in an event that was considerably more newsworthy than many of you here felt -- maybe we should have saved and done that today -- but a lot of what she projected as indicators for the second quarter were that we had seen some moderation of growth and that that probably was a useful thing because we are seeing certain growth patterns even out and continuing out on a path of steady, disciplined growth in the economy, continuing job creation without seeing any spike in inflation. So that's largely good news. The fact that the economy would slow a little bit is not seen as a negative thing here, given the very strong performance that we talked about in the first quarter.

Q If the McVeigh jury should come back, do you think the President will want to comment?

MR. MCCURRY: I doubt it. We'll see where they are. Regardless of what the jury is, there will be additional steps in the litigation that I think the President would want to be careful about not impinging upon.

Q Mike, the speaker of the Cuban National Assembly, Mr. Ricardo Alarcon has been criticizing President Clinton's policy to Cuba, claiming that it's being led totally by Congress, he's playing more or less a passive role.

MR. MCCURRY: Well, his views in prior statements are well-known and he's arguing that case from the ideological premise that you would expect from someone who supports a totalitarian dictator.

Q Thank you.

END 1:39 P.M. EDT

==================== ATTACHMENT 1 ====================
ATT CREATION TIME/DATE: 2-JUN-1997 14:41:00.00

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(5.65v3.2/1.1.8.2/17Oct95-0424PM) id AA18966; Mon, 02 Jun 1997 14:38:45 -0400
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RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: daily@chronicle.com (daily@chronicle.com [UNKNOWN])

CREATION DATE/TIME: 2-JUN-1997 09:49:29.00

SUBJECT: 6/2/97 Daily Report from ACADEME TODAY

TO: daily@chronicle.com (daily@chronicle.com [UNKNOWN])
READ:UNKNOWN

TEXT:
Academe Today's DAILY REPORT
for subscribers of The Chronicle of Higher Education

Good day!

Here are news bulletins from The Chronicle of Higher Education for Monday, June 2.

* THE NATIONAL WOMEN'S LAW CENTER, an advocacy group, today will name 25 colleges that it plans to sue for violating a federal law that requires gender equity in athletics programs at institutions that receive federal money.

* PRESIDENT CLINTON proposed in his weekly radio address Saturday that students who receive Pell Grants also be eligible for the $1,500 tax credit that he wants to create to help families pay for college. The President is also dropping a proposed requirement that students who get the tax credit, which he calls the HOPE scholarship, maintain a B average, according to a White House aide.

* POLITICAL PATRONAGE in Alabama's community-college system so pervasively favors men that female employees have been illegally denied top jobs, a federal judge ruled Wednesday.

* A NEW YORK JUDGE ruled Friday that the City University of New York could not withhold diplomas from students at Hostos Community College who failed to meet the system's English-proficiency requirement. However, the battle is not over because the students' degrees could end up being revoked pending the outcome of further court hearings.

* MORE THAN THREE-QUARTERS OF A MILLION adults in the United States and Canada completed high-school-equivalency examinations last year, according to a report released today. That's the highest number in the 57-year history of the testing program.

* KENTUCKY'S GOVERNOR signed legislation Friday that would transfer day-to-day management of 13 community colleges from

the University of Kentucky to a new system with its own Board of Regents.

* THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION will break its 45-year tie to the Kansas City area and move its headquarters to Indianapolis by 2000, the association announced Saturday.

* THE FORMER POLICE CHIEF on the California State University campuses in Bakersfield and Fresno, Willie L. Shell, was reportedly indicted Thursday by a state grand jury on charges of embezzlement and misappropriation of public funds.

* A FORMER PRESIDENT of Zimbabwe who is being investigated for the alleged rape of a male police aide has been fired from a teaching position at the University of Zimbabwe, according to the Associated Press.

* A CRIMINAL GANG IN ECUADOR attacked a busload of University of New Mexico students on a study-abroad program last week, killing the wife of the professor running the program. No students were injured.

* THOUSANDS OF UNIVERSITY STUDENTS demanding the resignation of South Korea's president rallied in Seoul over the weekend, chanting and hurling firebombs at police. The police responded by lobbing tear gas at the students and detaining some of them for questioning.

--> FOR MORE ON THESE STORIES, including background stories from The Chronicle, go to The Chronicle's World-Wide Web site (http://chronicle.com).

TOP STORIES IN THIS WEEK'S CHRONICLE

* GLASS CEILING? Women with strong backing from their departments have nonetheless lost recent bids for tenure at Harvard, Yale, and Stanford Universities. (The Faculty section)

* PAYING A PRICE? Many scholars who work with technology say they receive little credit in tenure reviews for their on-line activities. (Information Technology section)

* GENDER DISPARITY: Many private liberal-arts colleges are reporting that larger and larger proportions of their classes are filled by women. Some may begin affirmative-action admissions for men. (Students section)

* ANOTHER KIND OF COLLEGE: The University of Phoenix, a fast-growing proprietary institution, is gaining attention and students all over the United States. (Money & Management section)

* THE FORUM OF TRAJAN: A new three-volume set from the University of California Press presents a reconstruction by

James E. Packer, a Northwestern University classicist, of one of the architectural masterpieces of ancient Rome. (Research & Publishing section)

* REFORM IN THE BALTICS: Universities in Estonia, Latvia, and Lithuania are changing their curricula, their faculties, and how they finance their activities. (International section)

--> FOR THE FULL TEXT of those and other stories from the June 6 issue of The Chronicle of Higher Education, go to The Chronicle's World-Wide Web site (http://chronicle.com).

ALSO ON THE CHRONICLE'S WORLD-WIDE WEB SITE

INTERNET SITE OF THE DAY: A veterinary college showcases perfectly preserved animals, flowers, and food on line.

NEW GRANT COMPETITIONS: Research to prevent and treat sexually transmitted diseases.

TWO NEW QUESTIONS IN COLLOQUY: Do professors who work with technology get short shrift in the tenure-review process? May colleges practice affirmative action for male students if their enrollments become predominantly female?

You may visit Academe Today as follows:

* via the World-Wide Web, at http://chronicle.com
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RECORD TYPE: FEDERAL (EXTERNAL MAIL)

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TO: terri_tingen (terri_tingen@EOP@LNGTWY@EOPMRX)
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TO: Barry_J._Toiv (Barry_J._Toiv@EOP@LNGTWY@EOPMRX)
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TO: Jodie_R._Torkelson (Jodie_R._Torkelson@EOP@LNGTWY@EOPMRX)
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TO: Serena_C._Torrey (Serena_C._Torrey@EOP@LNGTWY@EOPMRX)
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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 7, 1997

PRESS BRIEFING BY
SECRETARY OF TREASURY BOB RUBIN AND
DIRECTOR OF THE NATIONAL ECONOMIC COUNCIL GENE SPERLING

The Briefing Room

1:58 P.M. EDT

MR. MCCURRY: Good afternoon, ladies and gentlemen. Earlier today an administration team led by Erskine Bowles, Treasury Secretary Rubin, and Gene Sperling, the President's National Economic Advisor, were on the Hill to hear from Chairman Archer of the House Ways and Means Committee further details about the tax package they have under discussion there. I guess at least Erskine and Secretary Rubin and Gene also -- no, afterwards -- had an opportunity to meet with Democrats on the House Ways and Means Committee. And I'd like Treasury Secretary Rubin to tell you about those meetings. Gene also can take any questions you might have.

Mr. Secretary.

SECRETARY RUBIN: Thank you, Mike. Let me give you a little sense of where we are, and then Gene and I would be happy to respond to questions.

What we basically -- our basic objective is to have a plan, a tax plan that is good for the American people, good for working people, good for average families, good for the economy, and that is permeated by fairness throughout. By that test, we have serious concerns with significant parts of the Chairman's mark that we have received today.

As you know, the President has focused on education, on child care, and on savings, all with the focus on middle income families, both to help middle income families directly through tax cuts and to promote behavior that is good for middle income families and good for the economy. With respect to the areas that we do have significant concerns about, we look forward to working with Congress and to ultimately winding up with a tax bill that meets the test that I mentioned a moment ago, and that is good for the American people and that we can enact into law.

With that, we would be happy to respond to questions.

Q What are your main objections?

SECRETARY RUBIN: Well, I think if you look at this there are a lot of problems that are going to need some serious attention. For example, the EITC -- this is a rather technical point, but it's an important point -- the EITC is stacked before the child tax credit, so that means that if you have an income that's in the EITC range, but we are paying taxes, you first have the EITC credit against it and then only if you have some taxable income left can you get to use the child tax credit. The basic -- the effect of it is to deny the child tax credit to what I would call the middle poor or the least well-off working people who are still paying taxes. That's because they take the tax credit first and then only if you have taxable income after that you get a child tax credit. It's called stacking.

We would do it exactly the opposite way -- we'd put the EITC after the child tax credit.

Q But your tax credit isn't --

SECRETARY RUBIN: Our child tax credit as we currently envision it would be refundable. But even leaving that issue aside, if you put the child tax credit first, even if it's nonrefundable, and you have taxable income, then you'd get the benefit of the nonrefundable tax credit. And EITC is refundable; even if you've exhausted your income, you'd get the benefit of the EITC because it's refundable. That I think is a very serious issue.

Secondly, our understanding is, although you don't see it from the sheet that you all probably have received and that we did receive, that the dependent care tax credit which people currently get is going to be adversely affected or reduced by virtue of this program. In the second five years, our understanding is that for each dollar of that credit that you get, your child tax credit is reduced by 50 cents. That's obviously bad for working mothers.

On the HOPE Scholarship, that's been changed so that instead of getting a full HOPE Scholarship for $1,500, what you get is 50 cents on the dollar up to $3,000. So if you go to a community college that has a tuition, say, of $1,200, under the President's plan you get a $1,200 tax credit; under this plan you get a $600 tax credit. Again, it will tend to disadvantage the less well-off in our society. And as you look through this program, in component after component that is what this program seems to have done. It seems to have moved the tax benefit away from the less well-off and even away from middle income people toward higher income people.

Q What do they say about that? Is that what they say they're doing?

SECRETARY RUBIN: That is what they're doing. These are obviously the kinds of issues we'll have to discuss with them.

Let me just mention one other, if I may. They totally eliminate the corporate alternative minimum tax in the second five years and they reduce the corporate alternative minimum tax in the first five years. That basically means that a lot of companies will be able to pay substantially lower taxes than they otherwise would, and some would be able to pay no taxes, even though under current tax law they would be viewed as profitable and paying significant taxes.

At the same time they do that, they have these other -- hat costs a lot of money -- I think something like $17 billion, if I remember correctly, in the first -- I do remember correctly -- $17 billion the first five years and $34 billion over 10 years. At the same time they do that, in a lot of these other areas they're moved away from helping working families and average families.

Q You always knew that once you got into the details of writing this tax bill, $135 billion gross tax cut, there would be these disputes with the Republicans in Congress, so this is not a surprise.

SECRETARY RUBIN: These aren't details, Wolf. I would say these are really --

Q But these are the nuts and bolts of what the tax cuts are going to be, right?

SECRETARY RUBIN: Well, this is their tax cut program.

Q The only thing you agreed on with them, going into the balanced budget agreement, would be $135 billion in gross tax cuts, $35 billion of which would be earmarked towards education?

SECRETARY RUBIN: Well, toward the President's tax program.

Q For education.

SECRETARY RUBIN: Toward the President's tax program for education, that is correct.

Q Have they honored their commitment to you?

SECRETARY RUBIN: Well, beyond that, however, we have to determine whether we have legislation that we believe is good for the American people, or not. And that issue --

Q You always suspected that would be the case, right?

SECRETARY RUBIN: Wolf, I think there are two tests. One, as you correctly say is, have they met the test of the agreement. And with respect to the education piece, they have $31 billion of education. The HOPE, obviously, is modeled after the President's, but nevertheless it's significantly different for the reason I just discussed. It's worth half as much to somebody who goes to a community college with a $1,200 or $1,500 tuition. And the other piece is totally unrelated to the President's program. So I would say they are not consistent with the agreement with respect to education piece.

Beyond that, the test is the test that I mentioned -- do we have a tax bill that meets the interests of average and working families, and is good for the economy. And by that test, as I said a moment ago, I think there are significant concerns.

You used the word "details," though. I was just taking exception to that because I think this is much more than a question of details. This is a question of --

Q Are they reneging on the deal?

SECRETARY RUBIN: I don't think I would say that at this point. I think I would just say that we now have the mark and we have to work with Congress and our objective is to work with Congress to get a bill that, A, meets the agreements, and, B, meets the test that I mentioned before. And that's what we look forward to doing as we go forward.

Q -- tax bill the President would sign, you're saying?

SECRETARY RUBIN: I'm saying that we have significant concerns about significant portions -- serious concerns about significant portions of this, and we need to work with Congress to work our way through that.

Q Let me go back -- you say it's not consistent to the agreement vis-a-vis education. So you're saying that as to that $35 billion, that roughly $35 billion, they aren't following it or they are?

SECRETARY RUBIN: Well, on the roughly $35 billion, they've got $22 billion for a HOPE credit, which is modeled after the President's, but nevertheless is significantly different from the President's, for the reason that I described a moment ago. Just to repeat it once more, if you have, say, a $1,200 community college bill, our way you get a $1,200 credit, their way you get a $600 credit. And then the additional $9 billion roughly that they have in education is a totally different program than the President's deduction program.

Q But isn't this sort of one of those things where you had a chance --

SECRETARY RUBIN: And, of course, we were supposed to be roughly $35 billion, and this is $31 billion.

Q -- you had a chance to hammer up the best deal that you could; the $35 billion was what you could nail down to get the rest of the budget agreement -- isn't there a sense the Republicans can say, look, you knew that this was how we would write the bill for the rest and that's the way it goes?

SECRETARY RUBIN: No, I think that where we are -- the one commitment in there -- well, there are actually three commitments, aren't there. One is the total size of the tax package first five and second five years on a net basis, right? Second commitment is that it not explode, and we have not yet had a chance -- we've just gotten this -- we have not yet had a chance to do the analysis to determine what effects this would have out beyond the first 10 years and whether this does or does not explode. I do not have a view on that; we've got to do the analysis.

And then the third is, with respect to everything else, since the specifics were not laid out, it's like every other tax bill; we have to work together and see if we can arrive at a tax bill that we are both comfortable with and think serves the interest of the American people, and that's where we are right now.

Q -- their plan on the education tax credits mitigate some of the incentives that people have said for community colleges to simply raise their prices up to the maximum in order to take advantage of a tax subsidy -- it keeps the recipient of the education with a responsibility for some of the payment.

SECRETARY RUBIN: I don't think there is a material difference. If you look at CRS, they estimated if I remember correctly that 90 percent of our program would not affect tuition, so you're talking about 10 percent to begin with. So -- if you take the CRS study. So you're talking about, at most, 10 percent. So if theirs helps a little bit on that, maybe they've solved a little piece of what is, by CRS's estimation, a small problem to begin with. I do not think that's a significant argument.

Q How much of a problem do you have with Democrats on the HOPE Scholarships? Archer -- at least according to Archer, no Democrats stepped forward to defend it in his talks.

SECRETARY RUBIN: I think that you will find that the House Ways and Means Democrats -- I don't want to speak for other people, so I'll just -- well, let me say, I think you will find amongst House Ways and Means Democrats that there is coalescence around a HOPE Scholarship that has the principles of the President's HOPE Scholarship. That would be my judgment at this point.

Q -- is gauging their level of support is --

SECRETARY RUBIN: That is correct.

Q You may have noticed that the dollar has fallen to a six-month low. Has there been a change in policy, or do you still favor a strong dollar?

SECRETARY RUBIN: We favor a strong dollar as we always have, and I think that -- and for the reasons we always have -- helps keep inflation down, helps keep interest rates down, both of which are good for the economy.

Q Mr. Secretary, you say you do not regard this at this point as a breach of the budget agreement. Given the parliamentary mechanics, though, won't it be very difficult to fix this? And when would it become a breach?

SECRETARY RUBIN: Well, the question was, did I view this as a breach of the contract, and I said it seemed to me it was too early to be speaking in those kinds of terms. I do not think this is consistent with the agreement. (Laughter.) But I think that the attitude we should be taking, and we do take -- we want a bill that we can sign and that is good for the American people, and we look forward to working with Congress to get that sort of bill. This is the legislative process.

Q Is there anything you like in the package?

SECRETARY RUBIN: Yes, I think there are pieces that are worth nothing. That's a good -- yes.

Q What are they?

SECRETARY RUBIN: There is a substantial child tax credit. As you know, the President has always been an advocate of a substantial child tax credit. The two problems with this one are the EITC stacking problem, which sounds technical, but is not technical at all, that would adversely affect a lot of relatively poor or low-income working people.

Q How many?

SECRETARY RUBIN: I don't know how many yet, because we have to get this back and work on it.

And secondly, this dependent care issue, which is a very big issue for working mothers. And secondly, in the HOPE Scholarship program. While it is not -- it has the problem I mentioned, which is a big problem, relative to the President's program, it has elements of the President's program in it.

Q Mr. Secretary, what about the proposal to raise the inheritance tax limit to $1 million from $600,000 and to lower cap gains to 20 percent?

SECRETARY RUBIN: Well, in cap gains, they lower the top rate to 20 percent. They also have indexing, so that they're really providing a double benefit to people with respect to capital gains. We have always had very serious reservations about indexing partly because with indexing and lowering the top rates, you're providing an enormous set of benefits to people with large capital gains, partly because of complexity and in the case of the indexing because of the impacts it could have on the deficit in outer years.

Q Would you like to lower cap gains for people of lower income?

SECRETARY RUBIN: You're talking about taking the 10 percent? Well, we have never been in favor of a broad-based capital gains tax cut. On the other hand, we've always said that it's likely, since the Republicans do favor it, that there would be one in the final agreement. I think the best thing to say about a capital gains tax cut is that we're going to be working all these issues with Congress and we'll work our way through this. Indexing is the piece of capital gains that we are most troubled about.

Q And the inheritance tax?

SECRETARY RUBIN: Wolf, I don't want to get into individual provisions, but that doesn't -- it's not one that I mentioned as striking me as a serious concern, but we've got to go through this and analyze it and discuss it amongst ourselves.

MR. MCCURRY: There were two last questions back there, and then Ann.

Q The Archer proposal has the child tax credit going up to age 17.

SECRETARY RUBIN: Age 16, I think, isn't it?

Q The 17th birthday, yes. And as I recall, yours went up to age 13. Do you have a problem with the higher age, or are you willing to accept that?

SECRETARY RUBIN: Well, it's a question of how much money you want to spend on the child tax credit. And we think a child tax credit is a very good policy. The President has consistently advocated it, and it's just a question of how much you want to put in that pocket. That isn't a problem. We have to view that in the context of the overall package. But I think, taken in and of itself, I don't think we would have a problem with that.

Q Gene pointed out how hard it gets to change some of these things. What do you do now with it once you go through all this? What are you going to do?

SECRETARY RUBIN: We're going to be working with the various committees in Congress and continue working with the various committees in Congress and we'll have to see what the process are going forward.

Q Are you going to send objections up to these particular things you've highlighted today?

SECRETARY RUBIN: We just got this in the last couple of hours, so we've got to decide ourselves exactly what the best way is to progress. But we'll be working with both parties in both Houses.

MR. SPERLING: One thing I just wanted to add was, someone said, isn't this something you would expect. On the child tax credit, on arranging it so that it doesn't go to lower income working families, this was not part of their proposal in '95. The plan in '95 and '96 -- they did not do this. So this is a change in the way that even they've designed the child tax credit so that Bob -- we haven't had a chance to look at it, but the Center for Budget Priorities estimates that this would deny the child tax credit to as many as 4 million families that are in the, as the Secretary said, the lower working income families, which we think is a very questionable way to get additional savings.

And then, just on the child tax credit, on the child care tax credit, they're actually saying that on the outer years, for every dollar that you're getting on their new child tax credit, you would take away 50 cents of their child care dependent tax credits. So you have two families -- one family, they have a single person --one parent makes enough so the other parent can stay home -- they get

the full child tax cut and they get the dependent care tax credit as it exists. The family next door, both parents have to work, which is the way it is for tens of millions of working families. They're saying that for that family who then needs to use the dependent care tax credit, they would take away 50 cents on every dollar. That is a very, very puzzling proposal.

THE PRESS: Thank you.

END 2:15 P.M. EDT

=================== ATTACHMENT 1 ===================
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RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Daryl E. Chubin (CN=Daryl E. Chubin/OU=OSTP/O=EOP [OSTP])

CREATION DATE/TIME:10-JUN-1997 14:05:51.00

SUBJECT: 1997-06/10 Remarks by President on Education Standards

TO: Daniel L. Goroff (CN=Daniel L. Goroff/OU=OSTP/O=EOP @ EOP [OSTP])
READ:UNKNOWN

TEXT:
---------------------- Forwarded by Daryl E. Chubin/OSTP/EOP on 06/10/97
02:14 PM ---------------------------

William R. Kincaid
06/10/97 01:04:07 PM
Record Type: Record

To: Thomas_Corwin @ ed.gov @ inet, JSunley @ nsf.gov @ inet
cc: Daryl E. Chubin/OSTP/EOP, Judy_Wurtzel @ ed.gov @ inet
Subject: 1997-06/10 Remarks by President on Education Standards

I thought you might want to pass this along to working group members.
Thanks for being there today.

---------------------- Forwarded by William R. Kincaid/OPD/EOP on 06/10/97
12:54 PM ---------------------------

SUNTUM_M @ A1
06/10/97 11:59:00 AM
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To: See the distribution list at the bottom of this message
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Subject: 1997-06/10 Remarks by President on Education Standards

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 10, 1997

REMARKS BY THE PRESIDENT
ON EDUCATION STANDARDS

The Rose Garden

11:24 A.M. EDT

THE PRESIDENT: Thank you very much. Let me say, first of all, I'm glad to be here with Pat Forgione, the Commissioner for the National Center for Educational Statistics. I thank him for the fine work that he has done. I thank the educators who are here: Linda Vieth, Lourdes Monegudo and Sharon Simpson. I thank Secretary Riley for his excellent work. And I want to thank all of those out in the audience who have done so much to make this day come to pass -- those who were introduced, the leaders of the NEA and the AFT and the other education groups who are here. All of you, thank you very much for being here.

Today is a good day for American education. Today, we announce the new results from the Third International Mathematics and Science Study for 4th Graders, showing that America's 4th graders are performing above the national average in math and science. In fact, in science they are doing very well, indeed. According to this report, just issued today, our 4th graders rank second in the world in the Third International Math and Science Tests, just behind Korea. We are making great strides. We've built a solid foundation in our national effort to establish standards of excellence in education.

In 1989 and '90, when I was a governor, I worked with the other governors in the White House and the Department of Education to establish national education goals. I remember the night we spent staying up all night at the University of Virginia, asking ourselves whether we should have a goal in math and science and, if so, what should it be. You remember, don't you? We were up all night long and people said to me, there's no way in the world we can have a goal that we should be first in the world of math and science because we have a more diverse population, we have more poor children, we don't have uniformity of -- so I remember looking at the person who made the argument -- it was a perfectly sane and rational argument -- I said, well, what do you want me to say, we're going to be third in the world in math and science? That's our goal? We'll be fourth, we'll be eighth? So we decided we would embrace the goal that we would be first.

These 4th grade examinations proved that if our educators, our parents, our schools, the rest of us in a supporting role, if we all do the right thing, that our children can achieve if we give them the chance to do it, and if we have high expectations for them. So, again, I want to say, I thank the educators that are here. And I think that if you look at where we were -- just in 1991, there as a test similar to the TIMSS test in which our 4th graders were below average in math, above average in science, but nowhere near where they are today. So this shows you what can happen in a few short years if people are working together for the right things for our children and the future of this country.

So I just want to say again to all those who were serving with me -- the Republicans and Democrats alike who were governors back then -- I still think we did the right thing, and now we have to do what it takes to make sure we meet the goal. We have to have the conviction that every child in America can learn. And we have to know that this report proves that we don't have to settle for second class expectations or second class goals.

Now, we also have to remember that we've got a long way to go. Last November, when Secretary Riley and Commissioner Forgione released the first results from the 8th grade test, we found that we were above the international average in science, but still below the international average in mathematics. That is why I have asked us to begin not just participating in the TIMSS test with a few thousand of our students, but to voluntarily embrace national standards beginning with reading and mathematics; and begin with examinations that would embrace every child in America with 4th grade reading and 8th grade math by 1999.

Since I issued that call, six states -- education leaders or governors -- in Maryland, Michigan, North Carolina, California, West Virginia and Massachusetts, along with the Department of Defense Schools, have adopted this plan of embracing national standards and agreeing to participate in the testing program. I'm pleased to announce today that the state of Kentucky is joining the national standards movement, becoming the sixth state to agree to participate in the examinations. And I want to especially thank Governor Paul Patton, who has been a national leader in education, for joining in this endeavor.

The results today give us a road map to higher performance. In no other country in the world did performance in math drop from above average in 4th grade to below average in 8th grade. That didn't happen anywhere else -- which means that we are doing a very good job in the early grades, but we've got a lot more work to do in the later ones. We know parents have to remain involved in their children's education as they move through schools, not withdraw when their children reach adolescence. We know our curriculum will have to be more focused and more demanding. We know we'll have to hold all of our students to higher standards as they grow older and measure the schools and the students against the standards.

As the school year comes to a close, I want to thank the many thousands of parents and teachers, principals who have done the hard work necessary to achieve these positive results. They have told us over and over and over again that if we can redouble our efforts, especially now in middle school and high schools, we can meet our goals of national excellence. Bipartisan progress on education shows what we can accomplish here in Washington, too, when we reach across party lines -- to balance the budget, but to invest more in the education or our young people, as well as our adults who need more access to education.

So let me just say before I go on to make one or two more points, there are a lot of people who never believed the United States children would score in the top two in the world on any of these international tests. And now, they know that they were wrong and they underestimated our children, underestimated our teachers, underestimated our schools, underestimated our parents. But let's not kid ourselves: we are still nowhere near where we need to be in these other areas, and all this 4th grade test does is to show us that we can be the best in the word if we simply believe it and then organize ourselves to achieve it.

This ought to be a clear challenge to every single state that has not yet come forward to agree to participate in the national standards movement and the test in 1999 that they ought to do it. We don't have to hide anymore, we don't have to be afraid of the results anymore. We're not trying to punish anybody; we're trying to lift the children of this country up, and the TIMSS test proves that they will lift themselves up if we who are adults and in charge of their future do what we ought to do to give them a chance to do it. And I hope all of you will take that message out across the country now.

Let me finally say that whether we in the national government continue to do our part for education depends upon our good faith in implementing the budget agreement that overwhelming majorities of both parties have voted for, and specifically what we do with the tax portion of the agreement -- which overwhelming majorities agree would be used to help working families to pay for education, to buy and sell a home, to raise their children. That is fair to all Americans.

Yesterday, the Republican Majority on the House Ways and Means Committee released their plan to fill in the details of the tax cut agreed to by the Congress and by me. I have reviewed this plan and I believe that in its present form, it does not meet the tests that I would hold myself to: one, being faithful to the Budget Agreement; second, having a tax cut that will grow the economy; third, having a tax cut that is fair to middle-class families; and, fourth, having a tax cut that genuinely helps to increase the quality and volume of education in America today for people of all ages. I do not believe it meets those tests for the following reasons.

Number one, it falls $13 billion short in the amount of higher education tax cuts specifically agreed to in the balanced budget agreement. We agreed to roughly $35 billion. You might say that $34 billion is roughly $35 billion, but $22 billion is not -- not even roughly $35 billion -- (laughter) -- and if that were a question in the 4th grade TIMMS test, I'm quite sure what the answer would be. (Laughter and applause.)

Second, it short-changes those in the work force who want to gain new skills and those who want to go on to community colleges. Those who go to less expensive schools, like community colleges, would have the HOPE Scholarship I proposed specifically agreed to in the Budget Agreement, cut in half by the House plan.

Third, the plan falls short for working families in other ways. I favor a $500 per child tax credit. We have people favoring the $500 per child tax credit all the way from the most liberal coalitions in the Democratic caucus to the Christian Coalition. But I want to make it even more fair. I think it ought to be refundable, so it's fair to working parents with lower incomes. Instead, the Republican plan would deny the full child tax credit to millions of the hardest pressed working families simply because it is not refundable. And they would deduct the availability of the child's tax credit from the earned income tax credit that lower income working families already earn.

Moreover, and unbelievably to me, they would reduce tax benefits to working families where both the father and the mother are working and paying for child care and getting some credit for that -- they want to deduct the child tax credit from the credit people already get to pay for child care, apparently, designed to make it more difficult for people who are parents to work outside the home. I think most working families will tell you, it's hard enough already; what we'd like is a little help raising our children. I do not believe we should discriminate against parents who are working and raising their children in the availability of the children's tax credit.

In short, the tax plan cuts in half the tax cuts for those who go to community college. It short changes 6 million families who are already in the work force and having to pay for their child care. That does not meet the standards of fairness to families and promotion of education. Nor do I believe it is consistent with the budget agreement. So I hope that the House Democrats and Republicans and the Senate Democrats and Republicans will work with us to meet those tests.

Finally, let me just say one other thing. The people of the Dakotas and Minnesota earned the great compassion and concern of all Americans because of what they went through this year. We've worked hard to help them stave off the worst, to get their communities back together, to rebuild. It has been 80 days since I forwarded to Congress my request for disaster relief to allow the process of recovery to begin.

Instead of giving me a disaster relief bill, the Congressional Majority insisted on weighing it down with a political wish list. In the name of the people who have had to face the floods, in the name of the families who suffered and need their help now, I ask the Majority to put aside the political games to set aside the political wish list -- we can negotiate on all this later -- and, instead, just send me a straightforward disaster relief bill. Again, I believe if this were a question on an elementary school exam, 90 percent of the 4th graders in America would say: do the right thing and have your political arguments later.

So as we celebrate today, let's do the right thing and resolve that we're not going to stop until we get those TIMSS tests and we're first in the world at the 4th grade level, at the 8th grade level, at the 12th grade level. Our 4th graders have proved that we can do it. We dare not let them and the other children of this country down.

Thank you very much. (Applause.)

END 11:37 A.M. EDT

Message Sent
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April Mellody
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CREATOR: Publications-Admin@Pub.Pub.WhiteHouse.Gov (Publications-Admin@Pub.Pub.WhiteHouse.Gov [UNKNOWN])

CREATION DATE/TIME:11-JUN-1997 23:47:56.00

SUBJECT: 1997-06-11 VP Excerpted Remarks at Science and Math Awards

TO: Public-Distribution@[128.52.33.22] (Public-Distribution@[128.52.33.22] [UNKNOWN])
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TEXT:
THE WHITE HOUSE

Office of the Vice President

For Immediate Release June 11, 1997

Excerpt from the Vice President's Remarks

1996 Presidential Awards for Excellence
in Science and Mathematics Teaching

Old Executive Office Building
June 11, 1997

We have made it our number one priority to ensure that Americans have the best education in the world. We must meet these important goals: Every 8-year-old must be able to read; every 12-year-old must have access to the information superhighway; every 18-year-old must be able to go to college or community college if that boy or girl wants to do so; and every adult must be able to keep on learning for a lifetime and get the skills necessary to hold down good, well-paying jobs.

The original bipartisan balanced budget agreement reflected this priority. It included the largest federal investment in education in over a generation.

It expanded Head Start and supported Title I. It invested in the America Reads Initiative, supported higher academic standards and put technology in the classroom. And it helped swing open the doors to college with a huge increase in Pell Grants and tax cuts targeted to higher education to make college more affordable for American families.

But the question that I want to ask today is this: will the Republican-controlled Congress do right by our teachers and students.

The early signs, I have to tell you, are not encouraging. There is still time in the process for them to live up to the agreement, but the Republican tax package falls $13 billion short in the amount of higher education tax cuts specifically agreed upon earlier. And the House plan cuts the President's HOPE Scholarship proposal in half --slamming the door shut to those who want to gain new skills or go to community college.

One of the messages the President and I took to the country last year was that these HOPE Scholarships are crucial to our future. Let's make the first two years of community college essentially free for all American families --so that the thirteenth and fourteenth years of education become as commonplace and as accepted as twelfth grade is today --in recognition of the new challenges that we're facing in the world economy and in the complicated world that these young people are going to grow up in.

Well, I think the award-winning math teachers in this room would agree with me: we can't help families and create opportunity --with an education policy that's all subtraction and division. (Laughter) I was hoping you would like that line.

And we're not the only ones who feel that way.

There is a broad consensus of education organizations --from the American Association of Community Colleges to the American Association of State Colleges to the United States Student Association --and just last night, The College Board . . . all of which have voiced their strong disapproval for the Republican tax package as it currently stands.

Let me be clear: the Republican tax package, as it currently stands, clearly breaks faith with the bipartisan balanced budget agreement.

There was a specific agreement. They signed on to it; the President signed on to it. The President is keeping his word. In fact, even when it was politically painful to say to allies that he would not support some provisions that he would really like to see become law, but they were inconsistent with the agreement he signed on to, he said I'm going to honor this agreement, because what's in it is really good for our country.

The President is keeping his word; the Republican leadership and the Republicans in the Congress should be called upon to do the same.

The Republican tax package not only breaks faith with the bipartisan balanced budget agreement, it breaks faith with the support that we owe our teachers. It breaks faith with our belief in the promise of the students of this nation.

Teachers and parents demand better. Our children deserve better. And those who truly care about education know better.

That's why I'm very pleased that Congressman Charlie Rangel --he's the ranking Democrat on the House tax writing committee, the Ways and Means Committee --Congressman Rangel has drafted a tax package that embraces the central elements of the President's education tax breaks.

It is good for education, good for families, and good for America.

It helps to meet one of the President's key goals --that is, to help parents raise and educate their children the way they want to and the way they believe their children deserve.

Specifically, Congressman Rangel's proposal proposes the President's HOPE scholarship tax credit, with some improvements that we wholeheartedly support. And it also proposes a variation of the President's $10,000 tax deduction for tuition costs, providing for a 20 percent credit for tuition of up to $10,000.

We are delighted that Congress will have an opportunity to vote on a proposal that strongly endorses the President's education agenda. And we want to continue working closely with Congressman Rangel on our shared goal of providing the best education for children, parents, and teachers that we possibly can.

Hopefully, the Republican majority will honor the original budget agreement and keep their word. Because if there's one thing that's clear, it is this: when we find common ground and invest in education --invest in our future --we take great strides forward as a nation.

We know that partisan bickering can lead to deadlock and even gridlock. We also know that we have a divided government --one party in the White House and the other party the majority in the congress. We know that when that happens the way to have progress is to get both sides together and figure out what both can support that's good for our country, and then stick to it.

Well, the President led an effort with the Republican leadership in the Congress and the Democratic leadership in the House and Senate to hammer out an agreement that most all of them supported and that the President and the Speaker and the Majority Leader announced. And it included these large increases in support for education and support for families that want to send their children to college or community college.

We can afford this and it's in the context of a balanced budget. And one reason that we can do it is that we now have the strongest economy in a generation.

In fact, Fortune magazine and some of the others have said it is the strongest economy ever. That may be an overstatement, but I like the way it sounds. And whether they'll ultimately decide that or not, just look at the facts --the job market has doubled. The minimum wage has gone up. The gap between rich and poor is closing up. Real incomes are rising in every category. 12.3 million new jobs have been created. We're seeing the unemployment rate down to lowest level in 24 years, and we're seeing progress.

But we can do more. We can make sure our tax code does right by America's small businesses --and rewards the risk-takers and innovators of the new economy.

So, I'm also pleased to announce that later today, our Administration will unveil two tax provisions that will provide new fuel for start-up companies and the growing ranks of self-employed Americans.

First, we will expand our targeted small business capital gains tax incentive so that smaller companies will be able to raise capital more easily.

Under our plan, investments in companies with assets of up to $100 million will be eligible for reduced taxes on capital gains. This kind of capital gains tax cut will help more start-ups get off the ground, and ensure that America continues to lead the world in high technology.

Second, we will expand the home office deduction to reward the growing ranks of Americans who are self-employed and who perform the main parts of their job from their home. This Information Revolution has brought about an increase in the number of people who use the new information technology and the Internet to do productive work at home.

These two small business tax cuts recognize the new realities of the new economy. They are narrowly targeted; they won't bust the budget. And they provide America's entrepreneurs the resources they need to ensure that America's economy remains the envy of the world.

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CREATION DATE/TIME:11-JUN-1997 11:09:49.00

SUBJECT: PBS: News Hour with Jim Lehrer, 6/10/97

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News Hour with Jim Lehrer:
GOP TAX CUT CHALLENGED

AIRED ON JUNE 10, 1997

The President won't support a proposed $85 billion tax cut because it violates the
terms of the balanced budget agreement. Treasury Secretary Robert Rubin and Bill Archer (R-TX) discuss.

JIM LEHRER: The Archer tax cut proposal. It has several major components, from a child tax credit to reductions in the capital gains and estate taxes. We have back-to-back interviews about it with the author, House Ways and Means Chairman Bill Archer of Texas, and with Treasury Secretary Rubin. We go first to Congressman Archer, who was interviewed by Paul Solman of WGBH-Boston this afternoon.

PAUL SOLMAN: Chairman Archer, welcome.

REP. BILL ARCHER,
Chairman, Ways and Means
Committee: It!,s good to be
with you.

PAUL SOLMAN: You!,ve
introduced this proposal as sort of a cradle-to-grave
tax package, where it!,s going to be way too
complicated to get in all the provisions, but take us
through the highlights, if you will. Start with the cradle.
That!,s the child credit, right?

REP. BILL ARCHER: The biggest component of the
entire bill, which concerns about 60 percent of the tax
relief, is the $500-per-child tax credit which, by the
way, is limited to families that are under $110,000 in
annual income. So it in no way benefits the rich, rich
people of the country. And the withholding tax can be
reduced in 1998, so people see the benefit of it in
1998.

PAUL SOLMAN: And what!,s the economic
rationale for that?

REP. BILL ARCHER: Well, there!,s--we need to
have relief for families so that they have the economic
wherewithal to rear their children. A lot of the
problems in families today start out economic, and
then they develop into other characteristics. The
personal exemption has not kept pace with the rate of
inflation, and even this won!,t completely overcome
that. But it is a major first step.

PAUL SOLMAN: But
it!,s not a pro-growth
strategy in and of itself. I
mean, it!,s not targeted to--

REP. BILL ARCHER: Well, there are other parts of the package that will
help growth.

PAUL SOLMAN: No. I just meant the child credit.

REP. BILL ARCHER: All right.

PAUL SOLMAN: Education. That!,s a tax credit?

REP. BILL ARCHER: We have a combination of tax credits and tax deductions.
There is a piece of it that relates to the Hope Scholarship the President
has
recommended, which is a tax credit for people in their first two years of
college, and
then there is an incentive by tax deduction for people who save in order

to put aside
money that will take care of their children!,s education when
they reach that age. And the total of that component is $31
billion over five years.

PAUL SOLMAN: And so now if it!,s my kid, I get $1500
per kid tax credit for two years?

REP. BILL ARCHER: For the two years.

PAUL SOLMAN: And then I get $10,000 deduction--

REP. BILL ARCHER: In the event that you anticipated in a state-run
educational
program, or if you have started to put aside your money early in the
child!,s life, then
you have the ability to see that grow without tax on the inside build-up
so you have a
tax incentive to provide ahead of time for your children!,s college
education.

PAUL SOLMAN: And again, the economic rationale here?

REP. BILL ARCHER: Well, the economic rationale is that we believe that our
educational system needs to be upgraded, and that these people have to
have more
affordability to education, and as a result, more affordability in the way
that we can
help to the tax code, then, of course, we!,re going to have a better
educated society.

PAUL SOLMAN: All right. So now we!,re getting a little older. It!,s the
grown-up years. And here the key is
capital
gains tax cut.

REP. BILL ARCHER: And also IRA!,s, expansion of IRA!,s so people--

PAUL SOLMAN: IRA!,s.

REP. BILL ARCHER: Yes. Individual Retirement Accounts, so that people have
the
opportunity once again to save in their middle income years for their
ultimate
retirement, and the capital gains relief which protects the capital
savings of people from
invasion and destruction by federal tax policy and that is all going to be
helpful to
people from a savings standpoint.

PAUL SOLMAN: Now, how do the capital gains work? Right now, your own tax
up to 28 percent of any capital gain you make.

REP. BILL ARCHER: Right.

PAUL SOLMAN: And your--

REP. BILL ARCHER: Under my proposal the maximum tax will be 20 percent on any--on the sale of a capital asset, and it will only be 10 percent for those people who earn $41,000 a year or less.

PAUL SOLMAN: That!,s couples.

REP. BILL ARCHER: That!,s families. That!,s correct.

PAUL SOLMAN: Individuals, it!,s like $25,000/$26,000 a year.

REP. BILL ARCHER: And so a family that has $41,000 or less in income will pay only 10 percent on their capital gains. That is to help the lower income people. Five million Americans are in that category. Two million of them are senior citizens who will end up paying only 10 percent capital gains tax when they sell their assets.

PAUL SOLMAN: So practically speaking, when you say sell an asset, like what?

REP. BILL ARCHER: Well, whether it!,s a stock or a bond, primarily which are what people have invested in, or it could be real estate.

PAUL SOLMAN: And what!,s the economic idea behind the idea--behind cutting capital gains?

REP. BILL ARCHER: In order to have better jobs and more jobs, you have to have capital investment. That means you need capital savings. If the federal government keeps reaching in and pulling out the capital savings of the people and converting it into consumption, then we have less to build job-creating mechanisms. So the capital gains tax clearly is going to help the economy and help job creation.

PAUL SOLMAN: Do you worry at all that when you!,re giving preferential treatment to capital--capital gains--as opposed to labor, that you!,re not encouraging people to work more, and that is if you--

REP. BILL ARCHER: No, absolutely not, because the only way people can improve their standard of living is to increase productivity. And the only way you

can increase
productivity is to have more capital investment. Capital is the seed that m
akes the plant
grow, that benefits everybody. And it!,s very, very important that the
government does
not reach in and take that all the way, whether it!,s through the capital
gains tax or the
death tax; that simply by death you trigger a tax that destroys small
businesses, that
takes capital brings it to the federal government, converts it into
consumption, so that
capital is no longer available to create jobs.

PAUL SOLMAN: Now, another aspect I read of the capital gains proposal is
that
capital gains be indexed. Would you explain that.

REP. BILL ARCHER: Yes. Support of the proposal is that
the cost basis of capital gains will be indexed for inflation after
the year 2000. And that means that future generations in the
next century will not have their capital savings taxed when the
gain is only inflation.

PAUL SOLMAN: So, in other words, the--how does that actually practically
work?
What is indexing, if you could--

REP. BILL ARCHER: Well, if you buy an asset, whether it!,s a stock or a
bond, or
you invest in real estate, and let!,s say you invest $1,000, and then
let!,s say inflation is
100 percent over 10 years, then $2,000 at the end of the road in a sale
would not
generate any taxable income because your $2,000 is worth exactly what your
$1,000
was when you invested. You eliminate inflation from taxes. Today, in that
same
incidence you are going to have a tax on $1,000. And yet, you gained
nothing in real
terms.

PAUL SOLMAN: And there!,s the one-time house sale.

REP. BILL ARCHER: Yes. And that!,s going to be highly beneficial to
homeowners in
the country. For singles, you will be exempt from capital gains. That is a
zero capital
gains up to $250,000 and for married couples up to $500,000.

PAUL SOLMAN: All right. So we!,ve got !+em from cradle. We!,re almost to
grave, so
grave is the estate tax.

REP. BILL ARCHER: Yeah. Grave is the estate tax which I already mentioned

which
today is so punishing simply triggered by death. It!,s called a death tax.
And it destroys
what has already been taxed once, takes away jobs that are created by
family
businesses and family farms, and really is an inappropriate tax.

PAUL SOLMAN: But now--

REP. BILL ARCHER: We raise the $600,000 exclusion to a million dollars,
and then if you have a family farmer
business in
order to keep you from having to sell that if it!,s
over a million,
you have 24 years to pay your tax without interest.

PAUL SOLMAN: So currently, it!,s $600,000 is exempt from federal taxes.

REP. BILL ARCHER: That is correct.

PAUL SOLMAN: Per person, when a person dies.

REP. BILL ARCHER: That is correct.

PAUL SOLMAN: I thought you had wanted to get it to a million dollars a lot
quicker
than this proposal, which is over 17 years.

REP. BILL ARCHER: My ultimate goal is to abolish the death
tax. It!,s an unfair tax, and it!,s something that we ought to do
away with. But this is the most we!,re going to be able to do in
this bill with the limits of the overall revenue constraints.

PAUL SOLMAN: So you just had to give up your dream on
this particular one.

REP. BILL ARCHER: Until a little while later.

PAUL SOLMAN: All right. What about tax increases? I mean, one thing
that!,s received a lot of attention today is the proposal to tax native
American
gambling and
other establishments on reservations or other commercial establishments.

REP. BILL ARCHER: Well, Indian operations are growing by leaps and bounds,
and
they!,re competing with people across the street who pay taxes. And
that!,s an unlevel
and unfair playing field. And we think as they begin to grow in gambling an
d other
activities that compete with taxable entities that they should pay taxes
too. That!,s only
fair.

PAUL SOLMAN: But what about ending the tax break on ethanol? That!,s also gotten a lot of--

REP. BILL ARCHER: Well, ethanol is a tax subsidy put in in the 70's, an artificial shoehorning of corn taking the best value of corn, which is to feed people, and converting it artificially into gasoline, and then not having the corn to feed people and animals in a world that is hungry. This makes no sense. The taxpayers in this country are subsidizing that 54 cents a gallon when the market price of a competitive product is less than 40 cents a gallon. The taxpayers should not be spending money for this.

PAUL SOLMAN: How tough is it to figure out what!,s going to happen when you try to write some particular provision?

REP. BILL ARCHER: Well, that !,s the difficulty. It !,s like trying to squeeze a EE foot into a AA shoe. And it is not easy, and there are a lot of people now who are not necessarily ebullient about it because they didn !,t get as much as they hoped for. But this is the first step and this is a tax relief with a balanced budget. And the American people are getting something they would not have expected until we got a Republican majority in the Congress.

PAUL SOLMAN: Okay. Well, Chairman Archer, thanks very much.

JIM LEHRER: Now, how this tax proposal looks to the Clinton administration and the person of Treasury Secretary Robert Rubin. Mr. Secretary, welcome.

ROBERT RUBIN, Treasury Secretary: Jim, good to be with you, as always.

JIM LEHRER: Now, let !,s go through the same route that Congressman Archer just did with Paul. The $500-per-child tax credit, do you support that?

SEC. ROBERT RUBIN: The President has always supported a child tax credit, Jim, and I think it is good for the very reason Bill Archer said. I think that it !,ll enable--better enable middle and lower income people to take care of their kids, and that !,s good for the economy and good for our society. I think the problem with the Archer proposal--there are two problems--one is there !,s an earned income tax credit, which is, as you know, a tax credit that !,s very important for lower income people. The way that the child tax credit has been structured in the Archer proposal, lower income people for the most part will only be able to get one or the other.

JIM LEHRER: And you want them to have both?

SEC. ROBERT RUBIN: And we believe they should have both. It !,s a technical issue called stacking, but you can very easily arrange it so that lower income people can get both the child tax credit and the earned income tax credit. That, in our judgment, is the better route to go. The Archer proposal is organized in such a way that lower income people can only get one and not both.

JIM LEHRER: The education tax credits and deductions--

SEC. ROBERT RUBIN: Now, there !,s another serious-- JIM LEHRER: All right. SEC. ROBERT RUBIN: --problem with the child tax credit.

JIM LEHRER: All right.

SEC. ROBERT RUBIN: And that is that in the second five years the child care--the dependent child care credit, which working mothers now get for home care, will be organized in such a way against a child tax credit that for every dollar of the dependent care credit that they get, they lose 50 cents of the child tax credit. So that a working mother will be worse off than a mother that stays at home. We do not think that !,s right.

JIM LEHRER: All right. You !,re with him in concept but against him on specifics?

SEC. ROBERT RUBIN: We !,re with him on the child tax credit; we !,re with him on both of those very important specifics that adversely affect lower income people and adversely affect working mothers.

JIM LEHRER: All right. Education tax credits and deductions. The congressman says $31 billion over five years.

SEC. ROBERT RUBIN: The education tax credit and deduction that the President has
proposed is a program that will better enable middle income people to send kids to
school and better enable hard-pressed middle income people to keep their kids in
school. The Archer proposal substantially changes what the President proposed, and
as the President said, it is not consistent with the budget agreement.

Basically what he !,s done has taken the tax credit that the President has--a $1500 tax
credit--which is, roughly speaking, equal to the average cost at community
college--and he !,s organized it in such a way that if you go to a community college, you
cost $1500, instead of getting a $1500 tax credit, as you would under the President !,s
proposal, you get $750. It adversely affects people who go to community colleges and
provides a full credit only to people who go to more expensive schools. And it
completely eliminates the deduction, the tax deduction for higher education, which the
President also proposed.

JIM LEHRER: So that !,s a bad problem, from your point of view?

SEC. ROBERT RUBIN: It is I think a very serious problem.

JIM LEHRER: Capital gains cut from 28 to 20, 10 percent
for those families making $41,000 or less. What !,s your position on that?

SEC. ROBERT RUBIN: I think the issue on the capital gains tax cut is a complicated
one. Almost all economists, regardless of where they are in the spectrum, say that a
capital gains tax cut is unlikely to increase savings very much and proba bly will have
relatively little effect on investment. As a consequence, if all of that is true, and I believe
it to be true, it will have relatively little effect on economic growth, therefore, the money
that you !,re spending on it is going to produce growth in the economy that is nowhere
near commensurate with the cost in the federal government.

I do not think it !,s a good proposal. Having said that, there !,s likely to
be a capital gains
tax proposal because the majority of Republicans want it. But what you shouldn !,t do is
provide a double benefit for capital gains, and that !,s what the Archer

proposal does.
It !,s not only low as the rates but also has indexing. We think indexing is a very serious mistake.

JIM LEHRER: His explanation, you don !,t buy his explanation that he just gave to Paul?

SEC. ROBERT RUBIN: I don !,t believe, Jim, that a capital gains tax cut is going to contribute significantly to economic growth. We !,ve had a marvelous five years in the economy.
We !,ve had it because the President put in place a powerful deficit reduction program in 1993, open markets around the world, and that is what has driven our economy.

The stock market has more than doubled, and it !,s done all of this without a capital gains tax cut. I do not think it !,s going to contribute, but if you are going to have one, you certainly shouldn !,t have a double capital gains tax cut, both a reduction in the rates and indexing. In our judgment, indexing is the one that should not happen.

JIM LEHRER: All right. But you !,re willing to go on the capital gains because you have no choice?

SEC. ROBERT RUBIN: Jim, I don !,t think it should be there, but I think it is likely that if everything else can get worked out--

JIM LEHRER: Okay.

SEC. ROBERT RUBIN: --it will be there. And I think we can construct a very good tax package for the American people.

JIM LEHRER: We !,ll get to the--

SEC. ROBERT RUBIN: Even though we may have something in it we don !,t like.

JIM LEHRER: Okay. Now, the estate or death tax--raise the exemption from $600,000 to a million dollars along the lines that Congressman Archer wants.

SEC. ROBERT RUBIN: I think it !,s not an unreasonable thing to do. We would prefer Tom Daschle, Sen. Tom Daschle !,s proposal, which would keep the $600,000 number at the level it currently is but would provide additional protection for people who sell small

family-owned farms and family-owned small businesses, which is where I think the
most serious problem arises right now on death.

JIM LEHRER: Just in general terms, do you agree with Congressman Archer that the
estate tax is basically unfair?

SEC. ROBERT RUBIN: No, I really--I really think you !,re getting into a very important, and I think actually profoundly important social issue: Do we
want each
generation to basically have equality of opportunity but then in some fair measure at
least have to make it on its own, or do we want to say that if Generation One has done
extraordinarily well economically, then Generation Two should be able to live off of
what Generation One has done? I think that we have about the right balance right now.
We let people pass on some but not all.

JIM LEHRER: All right. Now, the increase on the native American gambling and
commercial taxes, what do you think about that proposal?

SEC. ROBERT RUBIN: Well, there has been a policy, and I think a correct policy, in favor of Indian commercial
operations
as a way really of compensating for the very difficult
conditions
that native Americans have found themselves in, and I
do not
think that that is a sound proposal.

JIM LEHRER: But that !,s a social policy, rather than a
tax
policy, and you report it, is that right?

SEC. ROBERT RUBIN: It is a social policy for a very badly disadvantaged group in
our society, a group that has suffered as a consequence of the history of our country.
And I think that it is very much in the interest of native Americans, but I think our
country more generally, native Americans to get back into the economic mainstream,
and this is a policy designed for that purpose.

JIM LEHRER: How about eliminating the subsidy for ethanol?

SEC. ROBERT RUBIN: I !,m not sure what I think on that at this point, Jim. As Mr.
Archer said, it !,s--it was originally designed for a particular purpose,

and I think we
could probably go either way on that. We did not, ourselves, choose to put that in as a
raiser in our--in our--we had a program as well of tax raisers, of fixing loopholes and
subsidies in order to raise money to fund part of the tax cuts that we !,re recommending.
We did not choose that particular one.

JIM LEHRER: All right. Now, in general terms, we heard what Congressman Archer said. Now, we !,ve heard what you said on the specific--

SEC. ROBERT RUBIN: He left out a very important one he has in his.

JIM LEHRER: All right. What !,s that?

SEC. ROBERT RUBIN: He first greatly reduces and then eliminates the alternative
minimum tax for corporations. And as you may remember, sometime ago an alternative
minimum tax was created for corporations because a lot of large companies were
doing quite well and at the same time paying very small or no taxes. And the technical
reason was because of the difference between accelerated depreciation and straight
line depreciation.

Forget the technical explanation. The point is that a goodly number of very profitable
companies were paying either very small taxes or no taxes. That was deemed to be
unfair, and the consequence was the alternative minimum tax. Under Chairman Archer !,s proposal, that alternative minimum tax for corporations would
first be
reduced and then eliminated. We think that that produces very little, if any, economic
good. It is very expensive, and we think the cost of that should be--the AMT should
stay in place, companies should continue to pay their fair share of the taxes, and the
cost that we save by doing that should be put back into the programs that help middle
and lower income Americans.

JIM LEHRER: Okay. Add that in. What have you got generally in terms of the possibility of a deal here with Chairman Archer and the Republicans?

SEC. ROBERT RUBIN: I think we have got a real problem, Jim. The President has proposed for a long
time

that we have middle and lower income tax cuts that were good both for low and middle income people and this--

JIM LEHRER: I !,m talking about the rate. Lowering the income tax rate?

SEC. ROBERT RUBIN: No, no. He has proposed education incentive through tax credits and tax deductions.

JIM LEHRER: Which are in here, which are part of it?

SEC. ROBERT RUBIN: Yes. But his are very different than ours, and they !,re also smaller.

JIM LEHRER: All right.

SEC. ROBERT RUBIN: His are much more skewed toward more expensive institutions. Ours are more directed toward people who go to community colleges, although they could also be used for four-year schools. We proposed a program to help people save through an IRA, and we proposed a child tax credit for the very reasons the Chairman said, but I think by the other two provisions that he !,s put with the child tax credit, he !,s moved them away from benefitting lower income people and middle income people, and he !,s moved them away from helping working mothers.

So when all is said and done, I think what he has created is a package that in almost every component has moved away from helping middle and lower income people, where we think the help is most needed, and toward more affluent people. And as the President said, that just doesn !,t seem to make sense for the country at this point.

JIM LEHRER: So difficult times lie ahead?

SEC. ROBERT RUBIN: We believe with the program that we have designed, it !,s not only good for low and middle income people, it !,s also very good for the economy.

JIM LEHRER: Difficult times lie ahead?

SEC. ROBERT RUBIN: Well, we want to work with the committees. We want to work with Congress. The President very much wants to sign a tax bill that is in the interests of our country, which means helping middle and lower income Americans and also promoting economic growth, and I !,d like to be optimistic and think

that we can
work that out.

JIM LEHRER: Sen. Lott said today--we had it in the News Summary--that the administration needs to learn how to compromise.

SEC. ROBERT RUBIN: Oh, I think the administration has worked very effectively with the Congress this year, and consequences. We got the chemical weapons treaty
approved,
and we got a budget agreement, and I think we all have
to
work together in a constructive spirit. I hope and
trust we will,
but I do think that our objective ought to be to
continue the
kind of economic growth we !,ve had over the last five
years,
and to do so in a way that predominantly favors the people who were so disadvantaged in the 1980's, middle and lower income Americans.

JIM LEHRER: Mr. Secretary, thank you.

SEC. ROBERT RUBIN: Jim, thank you. It !,s been good being with you.

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>FISCAL YEAR 1998 BUDGET RESOLUTION
>	The House of Representatives approved its FY98 budget resolution
>(H. Con. Res. 84) on May 21, 1997. The Senate completed debating its
>version (S. Con. Res. 27) on May 23, 1997. House and Senate negotiators
>will meet to work out differences in their bills. Budget resolutions do
>not need to be signed by the President. The budget resolution, a blueprint
>for balancing the federal budget in FY 2002, is important for science and
>technology because it sets spending limits for discretionary accounts for
>the coming fiscal year and a trajectory for future years. Broad outlines
>for taxes, Medicare and Medicaid are also included. However, it is
>important to remember that this resolution BEGINS the FY 98 budget
>process; the actual spending priorities for the year will be set in the
>months to come by the 13 appropriations committees in the House and
>Senate.
>
>	The federal deficit is expected by the Congressional Budget Office
>to total only $67 billion in FY 1997. As recently as FY 1994, the deficit
>was $203 billion. The budget resolution, however, calls for the deficit
>to rise over the next three years before falling to $53 billion in FY
>2001 and then to balance in FY 2002.
>
>	The budget deal, as past budget plans have done, would achieve
>more than half of its net deficit reduction from cuts in discretionary
>spending, which funds defense and all non-entitlement domestic programs
>(including all federal support for R&D).
>

>   Below is a summary of the budget resolution's projected R&D
>spending. For the most part, the resolution does not go into detail about
>specific programs. Instead, it groups spending initiatives into
>"functions;" each function encapsulates a variety of programs. Unless
>otherwise noted, the summary applies to both House and Senate versions.
>"BA" stands for "budget authority." On occasion, you will see the term
>"budget outlays." In general, budget outlays refers to the amount
>actually spent in a year; BA refers to the amount that can be obligated.
>
>FUNCTION 50 - DEFENSE
>
>   The total defense budget would increase at slightly less than the
>rate of inflation over the next five years. The AAAS analysis of the
>President's budget plan projects an 18% decline in defense R&D. It is
>unclear whether the budget resolution would assign a different priority to
>defense R&D than the President's budget, but there appears to be a
>bipartisan consensus to emphasize procurement and readiness spending over
>R&D.
>
>FUNCTION 250 - SCIENCE, SPACE, AND TECHNOLOGY
>   - NSF, NASA, EPA, and DOE General Science
>
>   The budget resolution assumes that discretionary spending BA will
>$16.2 billion in 1998 and total $79.6 billion over the next five years.
>For FY 1998 the BA will be $0.4 billion less than a freeze and $0.2
>billion less than the President's request. Over five years the BA will be
>$3.5 billion less than a freeze and $1.9 billion less than the President's
>request.
>
>Discretionary Spending Assumptions:
>   "NSF Research Activities: The Resolution Mark assumes continued
>support for basic research between 1998 and 2002. NSF spending on
>research and related activities would grow from their current level of
>$2.4 billion to $2.5 billion in 2002."
>
>   "NSF Education and Human Resources Activities: The Resolution Mark
>assumes the President's budget reductions to NSF spending on education and
>human resources, which would be frozen at their current level of $0.6
>billion."
>
>   "Department of Energy General Science Programs: The Resolution
>Mark assumes the President's budget proposal to reduce DOE General Science
>Programs from their 1997 level of $1.0 billion to $0.9 billion in 1998 -
>2002."
>
>   "NASA Science, Aeronautics and Technology Programs: The Resolution
>Mark assumes the President's reductions in these programs. Savings are
>achieved from the Budget Resolution baseline allowing these programs to
>increase by an average of only two percent each year, from their current
>level of $4.8 billion to $5.2 billion in 2002."
>
>FUNCTION 270 - ENERGY
>
>   The budget resolution assumes that BA for discretionary spending

>programs will be $4.8 billion in 1998 and total $22.9 billion over the
>next five years. For FY 1998 the BA is $0.4 billion above a freeze and
>$23 million above the President's request. Over five years the BA is $1.2
>billion above a freeze and $0.4 billion below the President's request.
>
>Discretionary Spending Assumptions:
> "Science and Basic Research: The Resolution Mark places a priority
>on the Department of Energy programs that support science and basic
>research, such as DOE's efforts to map the human genome and the activities
>the DOE National Laboratories."
>
>FUNCTION 370 - COMMERCE AND HOUSING, including NOAA and NIST
>
> The budget resolution assumes that BA for discretionary programs
>will be $4.8 billion in 1998 and total $22.9 billion over the next five
>years. For FY 1998 the BA is $0.4 billion above a freeze and $23 million
>above the President's request.
>
>FUNCTION 500 - EDUCATION, TRAINING, EMPLOYMENT, AND SOCIAL SERVICES,
>including Dept. Of Ed.
>
> For FY 1998, the budget resolution assumes $46.7 billion in
>discretionary spending BA. Over five years, it assumes $239.3 billion in
>BA. For FY 1998 the BA is $4.3 billion above a freeze and $3.1 billion
>below the President's request.
>
>Discretionary Spending Assumptions:
> "The resolution assumes a funding level sufficient to meet the
>education priorities of Congress and the President. Among these
>priorities are Education Reform -- including the Technology and Literacy
>Challenge Fund -- Bilingual and Immigrant Education, Pell Grant ($300
>increase in 1998 maximum award amount to $3000), child literacy initiative
>consistent with the goals and concepts of the America Reads program, Head
>Start, and Training and Employment Services -- including Job Corps."
>
> The budget resolution assumes savings of $1.8 billion in student
>loan programs by reducing excess guaranty agency reserves in the
>guaranteed student loan program, reducing administrative costs in the
>direct loan program, and eliminating the $10 direct loan fee paid to
>institutions.
>
>FUNCTION 550 - HEALTH, including NIH
>
> The budget resolution assumes $24.9 billion in discretionary
>spending BA in FY 1998. For FY 1998 the BA is $0.1 billion below a freeze
>and $0.4 billion below the President's request. Over five years the BA is
>$2.2 billion below a freeze and $3.0 billion below the President's
>request.
>
>Mandatory Spending Assumptions:
>-- Assumes reforms of disproportionate share hospital (DSH) spending and
> incorporates State Medicaid flexibility.
>-- Assumes Medicaid net savings of $13.6 billion over five years.
>-- (in Senate version) "The Resolution Mark assumes the National

> Institutes of Health will be given priority in terms offunding
> levels throughout the five-year period."
>
>TAXATION
>
> The agreement embraces a gross tax cut of $135 billion over five
>years, with offsetting tax increases of $50 billion over the same period.
>The negotiators agreed that the net tax cut of $85 billion will include
>variations of existing proposals for 1) a $500 per child tax credit; 2) a
>cut in the capital gains rate; 3) reform of the estate tax; and 4)
>education tax cuts for families with college-aged children.
>
>MEDICARE
>Mandatory Spending Assumptions:
>
> -- Delay the bankruptcy of the Medicare Part A Trust Fund to
>2007 by employing a combination of savings and structural reforms,
>including the reallocation of certain home health spending from Part A to
>Part B.
>
> -- Maintain the Part B premium at 25 percent of program costs and
>phase into the premium over seven years the cost of home health spending
>reallocated to Part B, with protections for low income beneficiaries.
>
> -- Reform the payment methodology for private coverage and
>increase health plan options for Medicare beneficiaries.
>
> -- Fund new health benefits, including but not limited to
>coverage for expanded mammography services, diabetes self-management,
>immunizations, and colorectal cancer screening.
>
>OTHER SENATE POINTS:
>"The committees of jurisdiction shall include tax relief of roughly $35
>billion over five years for post-secondary education, including a
>deduction and a tax credit. The tax package should be consistent with the
>objectives put forward in the President's HOPE scholarship and tax
>deduction proposals to assist middle-class parents"
>
>"It is the sense of the Senate that the provisions of this resolution
>assure that a national commission should be established to study and make
>specific recommendations regarding the extent to which increases in
>student financial aid, and the extent to which Federal, State, and local
>laws and regulations, contribute to increases in college and university
>costs."
>
>
>PROCESS
> Appropriations mark-ups will occur after the July 4 recess.
> The tax writing committees are working on their bills for taxes,
>Medicare and Medicaid now. More details will be provided on these
>provisions within the next week.
>
>
>

Michael Crow
Columbia University
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by mailrelay1.cc.columbia.edu (8.8.5/8.8.5) with SMTP id KAA27337 for
<"Sybil_Francis"@oa.eop.gov>; Wed, 11 Jun 1997 10:34:25 -0400 (EDT)
X-Sender: mc71@pop.columbia.edu
X-Mailer: Windows Eudora Light Version 1.5.2
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RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: newspot@merc.com (newspot@merc.com [UNKNOWN])

CREATION DATE/TIME:13-JUN-1997 10:07:21.00

SUBJECT: NEWSpot Morning Edition @ 6/13/97

TO: Stephen G. Moran (CN=Stephen G. Moran/OU=OSTP/O=EOP [OSTP])
READ:UNKNOWN

TEXT:
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U.S. Front Page Stories

*** Clinton signs disaster bill after week's strife
*** Jury ends first day of deliberations in McVeigh case
*** Number of U.S. poor is rising, says U.N. report
*** Police probe illegal arsenal for ties to bombings
*** Democrats block immunity for witnesses in scandal
*** Health support grows for tobacco pact

The U.S. Political Scene

*** Congressional panel OKs children's health care
*** Clinton launches effort to combat racism
*** House approves ban on desecrating flag
*** House tax panel considers education provisions
*** U.S. House panel approves $85 billion tax cut bill
*** Congress panel OKs health plan conscience rule

U.S. Business and Financial News

*** Dow soars as interest rate concerns dissipate
*** IBM chief financial officer takes No. 2 job at Xerox
*** Ralph Lauren IPO a hit with investors
*** Waxman says tobacco papers suggest industry fraud
*** Retail sales decline for third straight month
*** Lockheed, Airbus explore collaboration - Post

World Front Page Stories

*** U.S. taps Poland, Czech Republic, Hungary for NATO
*** Cease-fire breaks down as fighting spreads in Congo
*** S. Korea begins shipping Red Cross food to North
*** Cambodian PM says Pol Pot kills aide, on the run
*** U.S. vote on Jerusalem a declaration of war - PLO
*** Iraq blocks three U.N. weapons inspection searches

Technology

*** China says U.S.-made supercomputers for research
*** U.S. Robotics offers x2 upgrade for select PC card modems
*** CMP to cease publication of NetGuide magazine - CNET
*** Digital Frontiers and Micrografx collaborate to deliver HVS JPEG
*** Compressent chips ChromaFax Lite to OEM partner

U.S. Front Page Stories

*** Clinton signs disaster bill after week's strife

President Clinton signed a multibillion-dollar disaster aid bill into law Thursday after Congress stripped it of the political riders that prompted a presidential veto earlier in the week. Clinton underlined his signature twice and then raised his clenched his fist in the air, prompting applause from lawmakers attending the Oval Office ceremony. "This bill provides the desperately needed resources for hundreds of thousands of people who have suffered terribly from the flooding and other natural disasters in the Dakotas, Minnesota, California and 29 other states," Clinton said. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3419677-64a

*** Jury ends first day of deliberations in McVeigh case

Jurors began deciding Timothy McVeigh's fate after prosecutors said the Oklahoma city bomber deserved to die and the defense pleaded for his life, saying otherwise he would take his secrets to the grave. The jury ended their first day of deliberations Thursday without reaching a conclusion. The judge excused them for the day and told the jury to return Friday. Earlier, chief defense attorney Stephen Jones appeared to concede McVeigh was guilty of the Oklahoma City bombing that killed 168 people. "He is not a demon, though surely his act was demonic," Jones said. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3418274-503

*** Number of U.S. poor is rising, says U.N. report

The number of people in the United States living in poverty is gradually rising, even though its per capita income of $26,397 is one of the world's highest, a U.N. report said Thursday. The percentage of those living below the poverty line rose from 16 percent in 1974 to more than 19 percent in 1994, according to the 1997 Human Development Report, commissioned by the U.N. Development Program. The report also highlighted other statistics showing the United States trailing other industrialized countries in quality of life. For the full story, see http://www.merc.com/stories/cgi/story.cgi?id=3413626-4ae

*** Police probe illegal arsenal for ties to bombings

Police looked Thursday for possible links between a series of bombings in Atlanta and an illegal weapons arsenal seized from a suburban ranch home this week, officials said. SWAT team members and agents of the U.S. Bureau of Alcohol, Tobacco and Firearms raided the home of 31-year-old Christopher Novak late Wednesday. Police and federal agents tried to determine whether bomb components seized in the raid could be linked to three bombings which have rocked the Atlanta area since last July, including one at the Olympic Games. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3415200-021

*** Democrats block immunity for witnesses in scandal

Democrats blocked a proposal Thursday to grant immunity from prosecution to a group of Buddhist monks and nuns who may have made illegal campaign contributions to the Democratic Party. Meeting behind closed doors, the Senate Governmental Affairs Committee voted along party lines by 9-7 not to grant immunity to 16 individuals in exchange for their testimony. Democratic Sen. Joseph Lieberman of Connecticut joined the Republicans in voting to grant immunity to a further two witnesses. Both resolutions failed since 11 votes were needed to approve them. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3418820-af9

*** Health support grows for tobacco pact

In a sign of growing support from the health community for a tobacco settlement, several groups Thursday praised health care provisions that have been agreed upon by negotiating parties. The move comes as attorneys general hope to announce a settlement with cigarette makers next week. The White House has said it would not approve any accord that did not have the blessing of the public health community. Health groups now feel a settlement could do far more to reduce smoking, and provide funds for injuries, than any litigation. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3416968-128

The U.S. Political Scene

*** Congressional panel OKs children's health care

A House panel voted Thursday to give states billions of dollars to provide health care for up to half the nation's 10 million uninsured children while making broad cuts in Medicare and Medicaid. The measure approved by the House Commerce Committee is one of the most significant domestic initiatives to move through Congress this year. It calls for $15 billion in five-year savings in the Medicaid health program for the poor, elderly and disabled while providing $16 billion in grants to states to cover uninsured children. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3421138-f66

*** Clinton launches effort to combat racism

President Clinton Thursday launched a new initiative to combat racism and intolerance in the United States by naming an advisory board to help shape policies to address the problem. Historian John Hope Franklin will head the panel, which will travel to California for a presidential speech Saturday on the need for greater harmony in the polyglot U.S. society. A new survey found more whites than blacks believe blacks are treated fairly in hiring, education and housing. It also found whites know there is a racism problem. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3416231-b1e

*** House approves ban on desecrating flag

Two days before Flag Day, the House Thursday approved a constitutional amendment to ban desecration of the American flag. The measure, which needs two-thirds majorities in both the House and Senate, passed its first major hurdle on a 310-114 vote. But the Republican-backed amendment faced a tougher time in the Senate, where Utah Republican Orrin Hatch planned to introduce it. If it gets through both houses of Congress, the amendment would have to be ratified by 38 of the 50 states. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3415022-d58

*** House tax panel considers education provisions

The House tax-writing committee Thursday turned back Democratic efforts to change education initiatives in the Republican tax bill to more closely mirror those proposed by President Clinton. The White House contends House Ways and Means Committee Chairman Bill Archer's legislation to cut taxes by $85 billion over five years did not live up to a budget agreement. Rep. Charles Rangel, D-N.Y., proposed Clinton's HOPE scholarship program with modifications. Clinton's HOPE scholarship would provide a $1,500 tax credit for higher education. See http://www.merc.com/stories/cgi/story.cgi?id=3415036-080

*** U.S. House panel approves $85 billion tax cut bill

The U.S. House tax-writing committee approved a bill Friday that would cut taxes by a net $85 billion over five years and, if enacted, would give Americans the first major tax cut in 16 years. The House Ways and Means Committee voted on party lines 22 to 16 to approve legislation that include a child tax credit, education tax initiatives, and a reduction in the capital gains tax. Committee chairman Bill Archer, a Texas Republican, said, "I think the House will pass this bill." The Clinton administration has voiced concerns about the bill, especially how education tax initiatives are structured. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3422582-174

*** Congress panel OKs health plan conscience rule

Health plans contracting with Medicare would not have to provide end-of-life or abortion services if they objected on moral grounds, a House committee decided Thursday. The plans also would not be required to provide palliative care, which lessens pain without curing. The House Commerce Committee approved the "conscience clause" as it debated legislation creating a new program to cover up to five million uninsured children and cut Medicare and Medicaid spending. The measure calls for $15 billion in savings in the Medicaid health program. For story, see http://www.merc.com/stories/cgi/story.cgi?id=3416287-8f5

U.S. Business and Financial News

*** Dow soars as interest rate concerns dissipate

U.S. blue chips roared to their fifth straight record finish on Thursday, riding a renewed wave of optimism on the outlook for interest rates. The Dow industrials surged 136 points to end unofficially at 7711 after a surge that pushed the blue-chip average over both the 7600 and 7700 hurdles for the first time. The catalyst for the rally came directly from the bond market, where interest rates tumbled after the release of fresh data that suggested U.S. economic growth has moderated from a torrid first-quarter pace. The 30-year bond rose 7/8 point to yield 6.77 percent. The S&P 500 rose 14 to 883, a record, while the Nasdaq Composite gained only three to 1411, partly due to shares in Intel, which fell 3-27/32 to 143-21/32 after several Wall Street firms lowered ratings or earnings estimates on the company. The dollar soared to 114.23 yen and 1.7295 marks. For the full text story, see
http://www.merc.com/stories/cgi/story.cgi?id=3416651-c62

*** IBM chief financial officer takes No. 2 job at Xerox

Xerox Corp. named Richard Thoman, the number two executive at IBM, to the post of president and chief operating officer. Thoman joined IBM in 1994 and was named chief financial officer in 1995. He is widely credited with turning around IBM's personal computer business. See full story at http://www.merc.com/stories/cgi/story.cgi?id=3412030-354

*** Ralph Lauren IPO a hit with investors

Investors snapped up stock in Ralph Lauren's retailing empire Thursday as trading began in the company's much-awaited public offering. The stock opened at $32.12 1/2, well above the $26 offer price, and traded as high as $33 before slipping to $31.25 in afternoon trading on the NewYork Stock Exchange.Lauren in April had unveiled his plans for the public offering of Polo Ralph Lauren Corp., the parent company of the fashion conglomerate whose brands include Ralph Lauren, Chaps and Polo Sport. Lauren expects to raise $231 million, which will be used to pay dividends and repay debt from a recent reorganization. The company also plans to broaden its brands and products, and expand its international and retail store presence. (USA Today)

*** Waxman says tobacco papers suggest industry fraud

A leading congressional anti-smoking crusader Thursday released some confidential industry documents that he said suggest the tobacco industry may have schemed to "defraud and deceive" the public for decades. Rep. Henry Waxman, D-Calif., said he was making Liggett and Myers Tobacco Co. documents public because if the state attorneys general suing the tobacco companies reach a settlement, he wants to ensure broad disclosure about the companies' past activities and require accountability for the future. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3412633-311

*** Retail sales decline for third straight month

Retail sales fell for a third straight month in May as chilly weather kept shoppers out of auto showrooms and garden supply centers. The Commerce Department reported sales slipped another 0.1 percent last month, following declines of 0.9 percent in April and 0.3 percent in March. In a second report showing economic moderation, the Labor Department said new claims for unemployment benefits rose by 1,000 last week to 339,000. (USA Today)

*** Lockheed, Airbus explore collaboration - Post

U.S. defense giant Lockheed Martin Corp. is in talks with Airbus Industrie, the European airline consortium, aimed at a collaboration on future military and commercial projects, the Washington Post reported Friday. Neither side was considering a merger or any cross-ownership arrangement, the newspaper quoted executives of both companies as saying. Exploratory talks between the companies began a year ago but executives said the pace has quickened in recent months in the wake of the proposed merger of Boeing Co. and McDonnell Douglas Corp. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3423216-972

World Front Page Stories

*** U.S. taps Poland, Czech Republic, Hungary for NATO

The United States said Thursday that it favors only the Czech Republic, Hungary and Poland to join NATO in the first round of new members to be invited to enter the security alliance. The decision, formally presented by U.S. Defense Secretary William Cohen at a NATO defense ministers meeting in Brussels, flies in the face of an effort by France and others to include Romania and Slovenia in the first wave. White House spokesman Mike McCurry said the United States'

stance was firm and it would work to achieve consensus. For the full story, see http://www.merc.com/stories/cgi/story.cgi?id=3412769-c3a
Clinton NATO choice meant to settle fierce debate, see http://www.merc.com/stories/cgi/story.cgi?id=3414592-dd0

*** Cease-fire breaks down as fighting spreads in Congo

Fighting flared again Thursday and spread throughout Congo's capital, Brazzaville, ending a day-old cease-fire negotiated after a week of fierce clashes between forces loyal to the president and those of a former Marxist military ruler. The city center echoed to automatic gunfire as fighting steadily grew worse between President Pascal Lissouba's troops and the Cobra militia of ex-President Denis Sassou Nguesso. Battle lines remained static in the city center but the Cobras were advancing along a road toward the airport. For the full story, see http://www.merc.com/stories/cgi/story.cgi?id=3413099-53d

*** S. Korea begins shipping Red Cross food to North

Trains carrying the first shipments of a landmark 50,000 metric tons of food aid from South Korea have begun rumbling over the border from China to Seoul's famine-threatened Northern rival, officials said Thursday. It was the first time South Korean Red Cross officials had entered the North in 12 years. Transport had begun of a first batch of 11,200 metric tons of donated corn and flour organized by the South Korean Red Cross under an accord hammered out last month between Seoul and Pyongyang, said a South Korean Embassy spokesman in Beijing. For story, see http://www.merc.com/stories/cgi/story.cgi?id=3411876-3c3

*** Cambodian PM says Pol Pot kills aide, on the run

Ailing Khmer Rouge strongman Pol Pot killed his defense chief and 11 members of his family and fled his northern stronghold with the Maoist movement's nominal leader as hostage, Cambodia's co-premier said Friday. The aging Pol Pot, who led the Khmer Rouge during its brutal "killing fields" rule over Cambodia from 1975 to early 1979, was carried away by his men in a sling, an official said. He said Pol Pot killed Son Sen and 11 of his family members very brutally by shooting them and running over the dead with a truck. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3422794-46b
Pol Pot, Cambodia's hated 'Brother Number One,' For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3422231-1ed
Thailand vows to help capture Pol Pot, For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3423450-efe

*** U.S. vote on Jerusalem a declaration of war - PLO

Palestinians Thursday described as a declaration of war a non-binding U.S. House of Representatives resolution calling on President Clinton to reaffirm that Jerusalem must remain Israel's "undivided capital." Israel, which captured Arab East Jerusalem in 1967 and annexed it in a move unrecognized by the international community including the United

States, expressed satisfaction at Tuesday's 406-17 vote in favor of the resolution. The vote came as Egypt struggled to resolve a peacemaking crisis between Israel and the PLO. For the full story, see http://www.merc.com/stories/cgi/story.cgi?id=3414296-56f

*** Iraq blocks three U.N. weapons inspection searches

Iraq blocked U.N. weapons inspectors from two suspected military sites Thursday and a third location Tuesday, U.N. officials said. "There were instructions from the highest level saying they could not get access," said chief inspector Rolf Ekeus. He would not name the sites, in the vicinity of Baghdad, but said Iraqi personnel stopped a small group of his inspectors, led by Scott Ritter, an American, on roads leading to the locations. When they at first refused to move, one Iraqi with them said "have a nice day in the sun," Ekeus said. For the full text story, see
http://www.merc.com/stories/cgi/story.cgi?id=3418567-141

Technology

*** China says U.S.-made supercomputers for research

China dismissed U.S. charges Thursday that it had diverted purchases of U.S.-made supercomputers for military use, saying these were used for scientific research. "China through normal trade channels bought some supercomputers from the United States and their purpose is for weather forecasting, earthquake prevention and other scientific research," Foreign Ministry spokesman Cui Tiankai said. "This is a totally normal commercial action," Cui told a news briefing. "The Chinese side...strictly abided by the terms of the contract." For the full text story, see
http://www.merc.com/stories/cgi/story.cgi?id=3412915-454

*** U.S. Robotics offers x2 upgrade for select PC card modems

U.S. Robotics Corporation Thursday announced availability of software upgrades for current users of the "x2-upgradeable" Megahertz models XJ1336 and CC1336, and the Sportster model SP1336 PC Cards. The software upgrade allows owners to take advantage of U.S. Robotics x2 Technology, allowing download speeds significantly faster than 28.8 modems over standard analog phone lines. Uploads from users to service providers travel at speeds up to 28.8 kbps. An x2 capable modem, x2 compatible analog phone line and x2 capable service provider are required for high speed downloads. See www.usr.com/x2 for details. For story, see http://www.merc.com/stories/cgi/story.cgi?id=3416426-6c5

*** CMP to cease publication of NetGuide magazine - CNET

Technology publisher CMP Media will reportedly cease print publication of its NetGuide magazine after its August edition. CNET reported Thursday that the move comes after a series of staff reductions at the online site, NetGuide Live, which cut its staff from 200 to about 30 in a series of layoffs. The magazine has offered news and feature stories on how to navigate the web. CMP reportedly said NetGuide's readers began to seek information through broader means than just web surfing. CMP's NetGuide online site will continue to operate with a channel-style editorial format and a guide to online events, CNET reported.

*** Digital Frontiers and Micrografx collaborate to deliver HVS JPEG

Digital Frontiers, developer of HVS web graphics utilities, has been selected by Micrografx Inc. to provide optimized JPEG support for the standalone Picture Publisher 7.0 released last week. Digital Frontiers has developed a way to accelerate download time while maintaining graphic image quality via a unique system of optimization and color reduction for GIF and JPEG web graphics. HVS technology makes graphic images better looking and smaller at the same time, the company said. For the full text story, see
http://www.merc.com/stories/cgi/story.cgi?id=3410387-430

*** Compressent chips ChromaFax Lite to OEM partner

Compressent announced Thursday it has released ChromaFax Lite, the OEM version of its proprietary ChromaFax color fax software, to OEM partner Set 1 Communication. The software is intended for testing, training and bundling by Set 1 for their fax modem customers. The original agreement, signed in January, provided Set 1 with exclusivity for the "light" version of ChromaFax bundled with modems, based on minimum shipment of three million units per year. For the full text story, see http://www.merc.com/stories/cgi/story.cgi?id=3414213-7c7

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Robert Clayton (CN=Robert Clayton/OU=EDUC/O=GOV [UNKNOWN])

CREATION DATE/TIME:17-JUN-1997 12:20:24.00

SUBJECT: Education's Weekly Report for March 16-22 -- RESEND #2

TO: Cabinet Affairs (Cabinet Affairs [UNKNOWN])
READ:UNKNOWN

TEXT:
To: Cabinet Affairs
cc:
From: Robert Clayton/EDUC/GOV
Date: 03/13/97 07:03:05 PM
Subject: Education's Weekly Report for March 16-22 -- RESEND

To: Cabinet Affairs
cc:
From: Robert Clayton/EDUC/GOV
Date: 03/13/97 04:25:54 PM
Subject: Education's Weekly Report for March 16-22

March 13, 1997

MEMORANDUM FOR ERSKINE BOWLES, THE WHITE HOUSE

FROM: Richard W. Riley

SUBJECT: Weekly Report for March 16-22

KEY DEPARTMENT NEWS

Sexual Harassment Guidance: DOEd transmitted to the Federal Register on March 10 policy guidance to schools regarding sexual harassment of students; publication is expected March 13. The guidance provides information about applicable legal standards under Title IX of the Education Amendments of 1972 regarding peer sexual harassment and harassment of students by school employees.

DC Special Education Compliance: At public meetings in early February, parents and community members stated that the DC Public Schools (DCPS) continues to fail to comply with many requirements of Part B of the Individuals with Disabilities Education Act (IDEA), which relates to provision of services to students with special educational needs. DCPS acknowledges that it is not in compliance, and DOEd ,s Office of Special Education Programs, rather than conducting a monitoring review, will immediately begin working with DCPS to develop a plan to bring the district into compliance.

CSSOs Meeting: Forty-two chief state school officers (CSSOs) will be in DC during the week of March 17 for a series of meetings. Secretary Riley and other senior officers and staff will meet with the CSSOs prior to their meeting with you. One of the principal issues will be states , participation in voluntary national reading and math tests.

Meeting with House Republican Groups: Secretary Riley will discuss education issues with members of the House Wednesday/SOS/ Chowder and Marching groups on March 19.

WV Visit with Senator Rockefeller: Secretary Riley will participate in several events, including two school visits, with the Senator in WV on March 24.

Meeting with Gov. Thompson: Secretary Riley will meet with Governor Tommy Thompson in DC on March 27 to discuss the new organization Achieve, which will provide technical assistance to states developing academic standards. The Secretary will also discuss his letter to the Governor responding to the Governor ,s recent New York Times op-ed piece opposing your testing initiative.

Speeches by Secretary Riley: The Secretary will address the the Council of Great City Schools legislative conference in DC on March 16; the Consortium of School Networking Conference and the Council of Chief State School Officers legislative conference in DC on March 17; the American Publishers Association in DC on March 21; the Rural Education Conference in DC on March 25 (tentative); and the University of South Carolina Law School in Columbia on April 4.

AGENCY WORK ON PRESIDENTIAL INITIATIVES

Balanced Budget Bill: DOEd forwarded to OMB final versions of the three principal education pieces of the bill, relating to student loan programs and the Hope Scholarship, the School Construction initiative and the America Reads Challenge, on March 7. OMB has approved the School Construction component, which will be transmitted to Congress on March 14. Staff are working to plan a press conference with Secretaries Riley and Rubin regarding the Hope Scholarship component during the week of March 16.

School-to-Work: The March 18 Satellite Town Meeting will focus on the School-to-Work initiative.

America Reads Challenge: As of March 13, 122 college and university presidents had committed to join the America Reads Honor Roll. Carol Rasco will be interviewed by satellite on NBC ,s Today Show March 15.

Technology Challenge Grant Fund: DOEd notified members of the HI Congressional delegation of a $1 million grant under the program March 12. Congressional notification is planned for VT ($1 million), MD ($2,447,449) and AL ($3,536,029) March 13. The FL grant ($7,901,240) is also ready but will be announced March 16 unless you announce the grant in FL on March 13.

NOTABLE CONGRESSIONAL ACTIVITY

Appropriations Hearings: Secretary Riley testified before the House Labor/HHS/Education Appropriations Subcommittee on March 11. Members questioned the Secretary on a variety of issues including the school construction initiative, the effectiveness of DOEd ,s Safe and Drug Free Schools programs, and your national testing proposal. Some members were concerned that the Administration might proceed with development of national tests without explicit Congressional approval, and members also expressed concern that your planned expansions in student aid and tax incentives for higher education might result in tuition inflation. Acting Deputy Secretary/Acting Assistant Secretary for Educational Research and Improvement Mike Smith also testified regarding educational research. Secretary Riley is scheduled to appear at a Senate Appropriations Committee hearing on March 20.

IG to Testify: DOEd ,s Inspector General, Tom Bloom, is scheduled to testify at a March 20 House Government Reform and Oversight Subcommittee on Human Resources and Intergovernmental Relations hearing examining management and programmatic issues.

SECRETARY'S SCHEDULE

Please see attachment.

PRESS/MEDIA INQUIRIES

Department Officials Interviewed: Secretary Riley was interviewed on March 6 by the San Francisco Examiner regarding education in California. AP covered the Secretary ,s March 6 speech to the National Association of Christian Schools. The Secretary ,s remarks to the National Association of Secondary School Principals in Orlando, FL, were covered by AP, Fox, the Orlando Sun-Sentinel, the Daily Universe and Central Florida Family Magazine. Acting Deputy Secretary Mike Smith discussed the Hope Scholarship initiative with Rolling Stone reporter Bill Grieder on March 5.

FOIA REQUESTS

Wall Street Journal Request: DOEd received on March 13 a request for documents related to contacts with the Democratic National Committee, and will begin preparing a response.

==================== ATTACHMENT 1 ===================
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The following is a HEX DUMP:

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

Secretary Richard Riley April 13, 2018 [autodate]

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		MC Gumbleton	Kitty Sians	Kitty Sians	Edward Prewitt	Jay Blanchard
Mar 30 *EASTER*	**Mar** 31 *Goals 2000 Anniv* *WH Easter Egg Roll*	1 *Opening Day*	2 **11:45-2:00pm** Hold for Lunch PerSandy **TBD** DNC Dinner	3 **DO NOT SCHEDULE**	4 **COLUMBIA,SC** **5:30-9:00** USCarolina Law School **SPEECH** Advance: Edward	5 **DO NOT SCHEDULE**
Jay Blanchard	MC Gumbleton	Shawn Polk	Kitty Sians	Edward Prewitt	MC Gumbleton	Jay Blanchard
6 *Daylight Savings Time (Spring Ahead)* **DO NOT SCHEDULE**	7 **1:00-1:30pm** Mtg. w/ Employers for Learning Steering Committee PerVosburgh	8 **12:00-1:30pm** Magic School Bus Tour w/DC Kids **REMARKS** **7:00-10:00pm** Canadian State Dinner	9 **TBDam** Al Shanker Memorial Service @ Lisner **REMARKS**	10 **NYC** **TBD** Principal for a Day **REMARKS** **Advance:** Shawn	11 **KANSAS CITY, MO** **7:05-12:24** Fly to KC **1:00-2:00** Lunch Meeting w/Gov. Mel Carnahan **2:00-3:00** TIMSS Event w/Gov Mel Carnahan **REMARKS** **4:46-8:05** Fly to BWI	12
Jay Blanchard	Kitty Sians	Edward Prewitt	MC Gumbleton	Edward Prewitt	Kitty Sians	Jay Blanchard
13	14 **BURLINGTON,VT**	15 **6:00-9:00pm**	16 **TBD** WH Teacher	17 **TBD** WH Zero-to-Three	18 **TBD**	19 **DO NOT**

Secretary Richard Riley April 13, 2018

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	TBD Goals 2000 Celebration w/Sen Jeffords **REMARKS** Advance: Mary Clare	STM re: Charter/ Magnet Schools **REMARKS**	of the Year Event 6:00-8:00 CSSO Teacher of the Year Dinner **SPEECH**	Conf **REMARKS** **1:00-2:00pm** Interview w/ WYFF S.C.	NetDay 1997 **CHARLOTTES VILLE, VA** **8:00-10:30am** Drive to UVA **10:30-12:00pm** UVA Curry Ed School **SPEECH** per Longanecker **12:00-2:30pm** Drive to WDC Advance: Edward **WDC** **7:30pm** State Dept. Dinner	**SCHEDULE**
Jay Blanchard	Jay Blanchard	MC Gumbleton	Shawn Polk	Kitty Sians	Edward Prewitt	Jay Blanchard
20 **DO NOT SCHEDULE** 6:00 Kennedy Center Gala	21 *Passover Begins* **DO NOT SCHEDULE**	22 *Earth Day*	23	24	25 8:30-9:30a Meet w/Assist Secs and Hispanic Higher Ed Commission Exec Committee **TALKING POINTS**	26 7:00-10:00p WH Correspondents' Dinner
Jay Blanchard	MC Gumbleton	MC Gumbleton	Edward Prewitt			
27	28	29 **TENTATIVE**	30 **NEW YORK**			

Secretary Richard Riley April 13, 2018

April 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
PHILADELPHIA WH Citizens' Service Summit	**PHILADELPHIA** WH Citizens' Service Summit	9:00-5:00 PCSD **TENTATIVE** **PHILADELPHIA** WH Citizens' Service Summit **REMARKS** **12:00-1:00p** Cable TV Assn **SPEECH** (WDC)	**ALBANY** **1:00-2:00pm** STARS Conf. **SPEECH**			

Secretary Richard Riley April 13, 2018 [autodate]

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 **6:00pm** Kennedy Center Millennium Stage Dedication
	Edward Prewitt	Kitty Sians	MC Gumbleton	Kitty Sians	Shawn Polk	Jay Blanchard
2 **4:00pm-6:00pm** WH Celebration of Ford's Theater. Black Tie. **7:00pm** Ford's Theatre Event @ Ford's Theatre	3 **9:00-10:00am** Direct Lending Conference **11:30-12:15pm** WH PSA Release **12:30-1:00pm** DNS Drop-By SC Interns PerHolleman **1:30-2:30pm** Briefing for Goodling Hearing **2:30-3:00pm** Mtg. w/ NASDC Principals **REMARKS** **3:00-3:30pm** Briefing for Drug-Free America	4 **9:00-9:45am** Meet w/House Dems **TALKING POINTS** **10:00-11:00am** School Visit w/ FLOTUS and Bob Rubin @ Ketcham Elementary **11:15-12:15pm** Partnership for Drug Free America Press Conf. **REMARKS** **12:30-2:30pm** Briefing for Goodling Hearing **2:30-3:00pm** Mtg. w/ Stan	5 **8:30-8:45pm** Pre-Briefing for Goodling Hearing **9:00-11:00am** Goodling Hearing Ed Agenda **TESTIMONY** **11:45-12:00pm** Mtg. w/ Marvin Carmichael and Dallas Martin **1:10-2:10pm** WH Meeting on Standards w/ POTUS **3:15-3:45pm** AASCU **SPEECH** **4:15-5:15pm** Mtg. w/ Judy Winston and	6 **LANSING, MI** **8:50am** Wheels Up AF1 @ Andrews **TBD** POTUS Address to State Legislature **3:00pm** Wheels Down AF1 @ Andrews 6:30-8:00p Nat'l Christian Schools	7 **ORLANDO, FLORIDA** **12:15-2:32pm** Fly to Orlando, FL **3:15-4:15pm** Press Avail **4:00-5:30pm** NASSP **SPEECH** **Advance:** MC Gumbleton **5:15-7:23pm** Fly to WDC	8

Secretary Richard Riley April 13, 2018

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Press Conf. **3:30-4:00pm** Briefing for School Visit w/ FLOTUS **4:00-4:30**Briefin g for Coverdell Mtg **5:00-6:00** Mtg w/ Paul Coverdell, et al **TALKING POINTS**	Ikenberry **3:00-3:30pm** Briefing for AASCU Speech **3:30-5:00** Briefing for Goodling Hearing **7:00-9:00** Dinner for Swiss Amb	Senior Staff **5:30-6:00pm** Briefing for MI Trip **6:45-7:15pm** AASCU Recpt.	Assoc **SPEECH**		
Shawn Polk	Kitty Sians	Jay Blanchard	Kitty Sians	Kitty Sians	Kitty Sians	MC Gumbleton
9	10 **NEW YORK CITY** **7:30-8:30am** Fly to NY **9:00-10:00am** Brkfst. w/ Business and Education Leaders **10:15-10:45am** Press Avail **10:45-12:00pm** School-to-Work event @ Central Park East H.S.	11 **10:00-12:00pm** Porter Hearing **TESTIMONY** **12:00-1:00** CAPE Leg Conf **SPEECH** **2:00-3:00pm** Mtg. w/ Rep. Tim Roemer **3:30-4:00pm** Hold for Calls to Hill on E-Rate **4:00-4:30pm** Briefing for PTA	12 **9:30-10:00am** Briefing for Mtg. w/ Sen. Ted Kennedy **10:00-10:15am** Mtg. w/ Largo H.S. Students **10:30-11:00am** Mtg. w/ Dr. Eric Smith **11:00-12:00pm** Mtg. w/ Mario Moreno and Senior Staff **12:30-1:30pm**	13 **RALEIGH, NC** **9:10-10:05am** Fly to NC AF1 **11:00-12:00pm** POTUS Address to State Legislature **1:00-2:00** Event TBD **3:04-3:59** Fly to WDC Advance:MC Gumbleton	14 **9:00-9:30am** Mg. w/ Dr. John Kelly **9:30-10:00am** Briefing on School Construction **10:00-11:30pm** Press Briefing PerSFrost **Noon-1:00** NASBE Leg Conf **SPEECH** **2:00-2:30pm** PSA for	15 **1:30-2:30** "Do Something" Event w/Andrew Shue **REMARKS** Advance: Leslie Thornton **7:00pm** Gridiron Dinner **10:00pm** Gridiron Recpt.

Secretary Richard Riley April 13, 2018

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1:30-2:30pm Fly to WDC Advance: Shawn **3:00-3:30pm** Briefina for HRC Briefing **3:45-5:00** Press Briefina w/HRC @ WH **REMARKS** **5:15pm** Briefina for Porter Hearina on 3/11	Teleconference **4:30-5:00pm** Mtg. w/ Dr. Amos Brown **5:00-5:30pm** Phone Call to Hill **6:00-7:00** PTA Teleconference Dinner **7:00-8:00pm** Teleconference Prep **8:00-8:45pm** PTA Teleconference **REMARKS**	Lunch w/ Roger Kennedy **1:30-2:00pm** Mtg. w/ Rosanne White, Tim Dyer and Tom Koerner **2:30-3:30pm** Mtg w/ Sen. Ted Kennedy and Cmte. Dems. **4:00-4:45** Live Satellite to NC Ed Conf. **REMARKS** **TBD** POTUS Town Hall Mtg. w/ Kids @ WH	**8:00-9:00p** Music Educators Dinner **SPEECH**	Annenberg TV **SCRIPT** **2:30-3:30pm** Mtg. w/ Kay Casstevens and Senior Staff	
Jay Blanchard	MC Gumbleton	Jay Blanchard	MC Gumbleton	Kitty Sians	MC Gumbleton	Shawn Polk
16 **Noon-1:00p** Great City Schools Leg Conf **SPEECH**	17 *St. Patrick's Day* **9:00-9:30a** Consortium of School Networking Conference **SPEECH** **10:15-11:15am** CSSO Leg. Conf. **REMARKS & TALKING**	18 **9:30-10:00am** Briefing for Mtg. w/ Brian Atwood **10:00-10:30am** Mtg. w/ Brian Atwood **11:00-11:30am** Press Conf. Call w/	19 **8:00-9:00am** Cap Hill Wednesday Group Bkfst. PerFleming **REMARKS** **9:30-10:30am** Mtg. w/ Elem. & Sec. Ed. Execs.	20 *First Day of Spring* **9:00-12:00pm** TBD Hope Scolarship Event PerFrost **12:00-1:00** Vernon Jordan lunch **1:50-2:00pm**	21 *Congressional Recess (3/21-4/8)* **9:00-10:00am** American Assoc. Of Publishers **SPEECH** **11:30-11:45am** Drop-By Archer Interns	22

Secretary Richard Riley April 13, 2018

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	POINTS **12:00-1:00pm** Mtg. w/ POTUS and CSSO's @ WH **1:30-1:40pm** Drop-By Mtg. w/ Bill Youngblood & Trish McNeil **2:00-3:00pm** Meeting w/ Frank H. @ WH **3:30-4:00pm** Mtg. w/ Arthur Levine **4:00-5:00pm** Mtg. w/ Delaine Eastin **5:00-7:00** WH Irish Party **8:00pm** Dinner @ Irish Embassy	Rep. Carolyn McCarthy **1:00-1:30pm** Briefing for Mtg. w/ Elem. and Sec. Ecexs. **2:00-3:00pm** Mtg. w/ Judy Heumann and Senior Staff **3:00-3:30** Courtesy Call w/ UCLA Members **4:00-5:00pm** Mtg. w/ Norma Cantu and Senior Staff **6:00-9:00pm** STM re: School-to-Work **REMARKS**	**12:00-1:00pm** Senior Staff Lunch **1:15-2:00pm** Mtg. w/ Delia Pompa and Senior Staff **5:30** DNS **7:00pm** PBS Dinner	Drop-By Mtg. w/ George Scalise PerLRoberts **2:00-3:00pm** Mtg. w/ Linda Roberts and Senior Staff **3:15-4:15pm** Mtg. w/ Tom Bloom **7:30pm** DNS	PerFleming **1:00-2:00pm** Mtg. w/ Trish McNeil and Senior Staff **3:00-4:00pm** Mtg. w/ Gerry Tirozzi and Senior Staff **6:00-8:00pm** Recpt. @ State Dept.	
Jay Blanchard	Kitty Sians	Kitty Sians	Shawn Polk	MC Gumbleton	MC Gumbleton	Jay Blanchard
23	24 **WEST VIRGINIA** **Martinsburg, WV** **8:00am**	25 **TBD** Rural Education Conference **SPEECH**	26 **10:00-11:00am** Mtg. w/ Netherlands	27 **3:00-4:00pm** Mtg. w/ Gov. Tommy	28 *Good Friday*	29

Secretary Richard Riley April 13, 2018

March 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Fly to WVA **9:00-10:00am** School Visit w/ Sen. Jau Rockefeller **Charleston, WV** **12:00-1:30pm** Lunch w/ Educators **TALKING POINTS** **2:00-3:00pm** School Visit w/ Sen. Rockefeller **3:30-4:30pm** Recpt. w/ Rockefeller **5:00pm** Fly to WDC **7:00pm** Dinner @ Embassy of Netherlands		Education Minister **12:45-1:45pm** Mtg. w/ David Longanecker and Senior Staff **2:00-3:00pm** CFC Awards PerLonganecker **6:00pm** Picasso Exhibit Event @ National Gallery	Thompson		

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Robert Clayton (CN=Robert Clayton/OU=EDUC/O=GOV [UNKNOWN])

CREATION DATE/TIME:17-JUN-1997 12:20:28.00

SUBJECT: Education's Weekly Report for March 9-15

TO: Cabinet Affairs (Cabinet Affairs [UNKNOWN])
READ:UNKNOWN

TEXT:
March 6, 1997

MEMORANDUM FOR ERSKINE BOWLES, THE WHITE HOUSE

FROM: Richard W. Riley

SUBJECT: Weekly Report for March 9-15

KEY DEPARTMENT NEWS

Remedial Instruction in Religious Schools: The Solicitor General filed a brief on behalf of the Secretary in New York City ,s appeal of the 2nd Circuit decision in Agostini v. Felton prohibiting the city from providing federally supported remedial instruction on religious schools , campuses. Oral argument is scheduled for April 15 and a decision is expected by the beginning of July. Remedial instruction in reading and mathematics, a vailable under federal legislation to all students regardless of what schools they attend, is currently provided to religious school students off campus to meet the requirements of the 1985 Supreme Court ruling in this same case.

IDEA Issues: Issues regarding the Individuals with Disabilities Education Act are receiving substantial judicial and legislative scrutiny. Three federal judicial circuits in recent months have decided cases regarding the extent of school districts , responsibility to provide services under the Individuals with Disabilities Education Act (IDEA) to students with disabilities who voluntarily enroll in private schools. In another case relating to IDEA, DOEd recommended February 20 that DOJ file a petition for Supreme Court review of the 4th Circuit decision in Virginia v. Riley rejecting DOEd ,s position that school districts are required to provide a free appropriate education to students who are expelled or long-term suspended due to disciplinary problems unrelated to their disabilities. Both of these issues are likely to receive some Congressional attention, as IDEA is up for reauthorization this year.

Youth Drug Abuse Campaign: Secretary Riley and representatives of the Partnership for a Drug Free America, ABC television and Reader ,s Digest announced on March 4 a multimillion dollar campaign to encourage parents to discuss drugs with their children. During March, ABC will use nearly all areas of the network ,s programming to call attention to the country ,s drug problem. Every issue of Reader ,s Digest will contain an insert on how to talk to children about drugs. ABC public service announcements will refer viewers to a toll-free number operated by DOEd ,s Safe and Drug Free Schools program, which will distribute educational materials.

Title I Funding Reallocations: A Census Bureau report that will determine allocation of Title I funds among the states is expected to be ready for release by DOEd in mid-April. Shifts in poverty reflected in the updated data would retarget some funds to counties with higher concentrations of poverty and thus could have a significant impact on some states , allocations.

New American High Schools: Secretary Riley will announce six urban high schools selected to serve as models for school reform at a March 10 press conference at Central Park East High School in New York City. The schools were chosen for their dedication to strong academic achievement for all students and preparing all students for college and careers; the schools and their districts will work with DOEd and education reform leaders to build on their current successes and expand them district-wide. The schools selected are in New York, Miami, Boston, St. Louis, Chicago and San Diego.

Meeting with Congressman Roemer: Secretary Riley and Carol Rasco will meet with Congressman Roemer regarding your education initiatives March 11.

Meeting with Senate Labor Committee Democrats: Secretary Riley will meet March 12 with Senator Kennedy and other Democratic members of the Labor and Human Resources Committee.

Meeting with House Republican Groups: Secretary Riley will discuss education issues with members of the House Wednesday/SOS/ Chowder and Marching groups on March 19.

Speeches by Secretary Riley: The Secretary will address the Council for American Private Education Legislative Conference in DC on March 11; an NC Education Conference via satellite March 12; the Music Educators Dinner in DC on March 13; the National Association of State Boards of Education Legislative Conference in DC on March 14; the Council of Great City Schools Legislative

Conference on March 16; and the Consortium of School Networking Conference on March 17.

AGENCY WORK ON PRESIDENTIAL INITIATIVES

School Construction: A senior officer will discuss the initiative at the National PTA Legislative Conference in DC on March 10.

School-to-Work: The March 18 Satellite Town Meeting will focus on the School-to-Work initiative.

America Reads Challenge: Secretary Riley and Carol Rasco will meet with Congressman Roemer. Challenge staff are working among DOEd ,s offices to establish a Core Steering Committee and working groups on College Work Study/Training and Technical Assistance, and Early Childhood and K-3 reading instruction. Carol Rasco was scheduled to meet with the National Association of Elementary School Principals during the week of March 2. As of March 4, over 85 colleges and universities had joined the America Reads Honor Roll.

Technology Challenge Grant Fund: Staff may notify congressional offices of grants to MI and RI Friday, March 7.

NOTABLE CONGRESSIONAL ACTIVITY

House Education and Workforce Committee Hearings: Secretary Riley testified about Administration education and budget proposals before the Committee March 5. Staff report your proposals were generally well received. Some Republican members expressed concerns about the Davis-Bacon Act issue raised by the School Construction bill and about the B average requirement in the HOPE Scholarship proposal.

IG to Testify: The Department ,s Inspector General, Tom Bloom, is scheduled to testify at a March 20 House Government Reform and Oversight Subcommittee on Human Resources and Intergovernmental Relations hearing examining management and programmatic issues.

Appropriations Hearings: Three days of House Labor/HHS/ Education Appropriations subcommittee hearings on the 1998 education budget will begin with a March 11 appearance by

Secretary Riley. Secretary Riley is scheduled to appear at a Senate Appropriations Committee hearing on March 20.

Higher Education Budget: The House Labor, Health and Education Appropriations Subcommittee has scheduled a hearing on the FY 1998 budget request for postsecondary education for
March 12.

SECRETARY'S SCHEDULE

Please see attachment.

PRESS/MEDIA INQUIRIES

There is nothing to report at this time.

FOIA REQUESTS

Washington Post: The Department is completing its response to a February 11 request for all records of contacts with Don Fowler and Marvin Rosen of the DNC.=================== ATTACHMENT 1 ===================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D63]MAIL46429476O.116 to ASCII,
The following is a HEX DUMP:

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

===================== ATTACHMENT 2 =====================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D63]MAIL47429476P.116 to ASCII,
The following is a HEX DUMP:

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

Secretary Richard Riley April 13, 2018 [autodate]

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		MC Gumbleton	Kittu Sians	Kittu Sians	Edward Prewitt	Jau Blanchard
Mar 30 *EASTER*	Mar 31 *Goals 2000 Anniv* *WH Easter Egg Roll*	1 *Opening Day*	2 11:45-2:00pm Hold for Lunch PerSandy	3 DO NOT SCHEDULE	4 **COLUMBIA,SC** **5:30-9:00** USCarolina Law School **SPEECH** Advance: Edward	5 **DO NOT SCHEDULE**
Jau Blanchard	MC Gumbleton	Shawn Polk	Kittu Sians	Edward Prewitt	MC Gumbleton	Jau Blanchard
6 *Daylight Savings Time (Spring Ahead)* **DO NOT SCHEDULE**	7	8 **12:00-1:30pm** Magic School Bus Tour w/DC Kids **REMARKS** **7:00-10:00pm** Canadian State Dinner	9	10 **(Tentative)** **MEXICO** TBD Bi-National Commission Meetina **REMARKS** **(Tentative)** **NYC** TBD Principal for a Day **REMARKS** **Advance:** Shawn	11 **(Tentative)** **7:05-12:24** Flu to **KANSAS CITY, MO** **1:00-2:00** Lunch Meetina w/Gov. Mel Carnahan **2:00-3:00** TIMNS Event w/Gov Mel Carnahan **REMARKS** **4:46-8:05** Flu to BWI **(Tentative)** **10:30-11:00am** Mta. w/ Sister Mary Reilly	12
Jau Blanchard	Kittu Sians	Edward Prewitt	MC Gumbleton	Edward Prewitt	Kittu Sians	Jau Blanchard

Secretary Richard Riley April 13, 2018

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
13	14 **BURLINGTON,VT** TBD Goals 2000 Celebration w/Sen Jeffords **REMARKS** Advance: Mary Clare	15 **6:00-9:00pm** STM re: Charter/ Magnet Schools **REMARKS**	16 TBD WH Teacher of the Year Event 6:00-8:00 CSSO Teacher of the Year Dinner **SPEECH**	17 TBD WH Zero-to-Three Conf **REMARKS**	18 **TBD** NetDay 1997 **CHARLOTTES VILLE, VA** **TBD** UVA Ed School **SPEECH** per Longanecker Advance: Edward **WDC** **7:30pm** State Dept. Dinner	19 **DO NOT SCHEDULE**
Jay Blanchard	Jay Blanchard	MC Gumbleton	Shawn Polk	Kitty Signs	Edward Prewitt	Jay Blanchard
20 **DO NOT SCHEDULE** 6:00 Kennedy Center Gala	21 *Passover Begins* **DO NOT SCHEDULE**	22 *Earth Day*	23	24	25 9:00-10:00a Meet w/Assist Secs and Hispanic Higher Ed Commission Exec Committee **TALKING POINTS**	26 7:00-10:00p WH Correspondents' Dinner
Jay Blanchard	MC Gumbleton	MC Gumbleton	Edward Prewitt			
27 **PHILADELPHIA** WH Citizens'	28 **PHILADELPHIA** WH Citizens'	29 **TENTATIVE** 9:00-5:00 PCSD	30 **NEW YORK** **ALBANY** **1:00-2:00pm**			

Secretary Richard Riley April 13, 2018

April 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Service Summit	Service Summit	TENTATIVE PHILADELPHIA WH Citizens' Service Summit REMARKS 12:00-1:00p Cable TV Assn SPEECH (WDC)	STARS Conf. SPEECH			

Secretary Richard Riley April 13, 2018 [autodate]

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 **6:00pm** Kennedy Center Millennium Stage Dedication
	Edward Prewitt	Kitty Signs	MC Gumbleton	Kitty Signs	Shawn Polk	Jay Blanchard
2 **4:00pm-6:00pm** WH Celebration of Ford's Theater. Black Tie. **7:00pm** Ford's Theatre Event @ Ford's Theatre	3 **9:00-10:00am** Direct Lending Conference **11:30-12:15pm** WH PSA Release **12:30-1:00pm** DNS Drop-By SC Interns PerHolleman **1:30-2:30pm** Briefing for Goodling Hearing **2:30-3:00pm** Mtg. w/ NASDC Principals **REMARKS** **3:00-3:30pm** Briefing for Drug-Free America	4 **9:00-9:45am** Meet w/House Dems **TALKING POINTS** **10:00-11:00am** School Visit w/ FLOTUS and Bob Rubin @ Ketcham Elementary **11:15-12:15pm** Partnership for Drug Free America Press Conf. **REMARKS** **12:30-2:30pm** Briefing for Goodling Hearing **2:30-3:00pm** Mtg. w/ Stan	5 **8:30-8:45pm** Pre-Briefing for Goodling Hearing **9:00-11:00am** Goodling Hearing Ed Agenda **TESTIMONY** **11:45-12:00pm** Mtg. w/ Marvin Carmichael and Dallas Martin **1:10-2:10pm** WH Meeting on Standards w/ POTUS **3:15-3:45pm** AASCU **SPEECH** **4:15-5:15pm** Mtg. w/ Judy Winston and	6 **LANSING, MI** **8:50am** Wheels Up AF1 @ Andrews **TBD** POTUS Address to State Legislature **3:00pm** Wheels Down AF1 @ Andrews **6:30-8:00p** Nat'l Christian Schools	7 **ORLANDO, FLORIDA** **11:00am-1:10p m** Fly to Orlando, FL **2:00-2:30pm** Orlando Science Center **3:15-4:15pm** Press Avail **4:00-5:30pm** NASSP **SPEECH** **Advance:** MC Gumbleton **8:55-10:50pm** Fly to WDC	8 **7:00pm** ASACC Banquet **SPEECH**

Secretary Richard Riley April 13, 2018

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Press Conf. **3:30-4:00pm** Briefing for School Visit w/ FLOTUS **4:00-4:30**Briefing for Coverdell Mtg **5:00-6:00** Mtg w/ Paul Coverdell, et al **TALKING POINTS**	Ikenberry **3:00-3:30pm** Briefing for AASCU Speech **3:30-5:00** Briefing for Goodling Hearing **7:00-9:00** Dinner for Swiss Amb	Senior Staff **5:30-6:00pm** Briefing for MI Trip **6:45-7:15pm** AASCU Recpt.	Assoc **SPEECH**		
Shawn Polk	Kitty Sians	Jay Blanchard	MC Gumbleton	Kitty Sians	MC Gumbleton	MC Gumbleton
9	10 **NEW YORK CITY** **TBD** School-to-Work event @ Central Park East H.S. Advance: Shawn **3:00-5:00pm** Briefing for Porter Hearing on 3/11 **8:00pm** Arts Awards	11 **10:00-12:00pm** Porter Hearing **TESTIMONY** **12:00-1:00** CAPE Leg Conf **SPEECH** **2:00-3:00pm** Mtg. w/ Rep. Tim Roemer **3:30-4:30pm** Mtg. w/ David Longanecker and Senior Staff **5:00-5:30pm** Briefing for PTA	12 **10:00-10:15am** Mtg. w/ Largo H.S. Students **10:30-11:00am** Mtg. w/ Dr. Eric Smith **11:00-12:00pm** Mtg. w/ Mario Moreno and Senior Staff **12:30-1:30pm** Lunch w/ Roger Kennedy **1:30-2:00pm**	13 **RALEIGH, NC** **TBD** POTUS Address to State Legislature Advance: Edward	14 **9:00-9:30am** Mg. w/ Dr. John Kelly **10:00-11:00am** Mtg. w/ Linda Roberts and Senior Staff **Noon-1:00** NASBE Leg Conf **SPEECH** **2:00-2:30pm** PSA for Annenberg TV **2:30-3:30pm** Mtg. w/ Kay	15 **1:30-2:30** "Do Something" Event PerThornton w/Andrew Shue **REMARKS** Advance: Leslie Thornton **7:00pm** Gridiron Dinner

Secretary Richard Riley April 13, 2018

March 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Dinner @ Watergate	Teleconference **6:00-7:00** PTA Teleconference Dinner **7:00-8:00pm** Teleconference Prep **8:00-8:45pm** PTA Teleconference **REMARKS**	Mtg. w/ Rosanne White, Tim Dyer and Tom Koerner **2:30-3:30pm** Mtg w/ Sen. Ted Kennedy and Cmte. Dems. **4:00-4:45** Live Satellite to NC Ed Conf. **REMARKS** **TBD** POTUS Town Hall Mtg. w/ Kids @ WH	**7:00-8:00p** **Music Educators Dinner SPEECH**	Casstevens and Senior Staff	
Jay Blanchard	Kitty Signs	Jay Blanchard	MC Gumbleton	Kitty Signs	MC Gumbleton	Shawn Polk
16 **Noon-1:00p** Great City Schools Leg Conf **SPEECH**	17 *St. Patrick's Day* **9:00-9:30a** Consortium of School Networking Conference **SPEECH** **11:00a-12:00pm** CSSO Leg. Conf. **SPEECH** **1:30-1:40pm** Drop-By Mtg. w/ Bill	18 **2:00-3:00pm** Mtg. w/ Judy Heumann and Senior Staff **3:00-3:30** UCLA Standards Group Mtg **TALKING POINTS** **4:00-5:00pm** Mtg. w/ Norma Cantu and Senior Staff	19 **8:00-9:00am** Wednesday Group Bkfst. PerFleming **REMARKS** **1:15-2:00pm** Mtg. w/ Delia Pompa and Senior Staff **3:00-5:30pm** Briefing for Specter Hearing	20 *First Day of Spring* **10:00-12:00pm** Specter Hearing **TESTIMONY** **12:00-1:00** Vernon Jordan lunch **1:50-2:00pm** Drop-By Mtg. w/ George Scalise PerLRoberts **7:30pm**	21 *Congressional Recess (3/21-4/8)* **9:00-10:00am** American Publishers **SPEECH** **1:00-2:00pm** Mtg. w/ Trish McNeil and Senior Staff **3:00-4:00pm**	22

Secretary Richard Riley April 13, 2018

March 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Youngblood & Trish McNeil **2:00-3:00pm** Meeting w/ Frank H. @ WH **3:30-4:00pm** Mtg. w/ Arthur Levine **4:00-5:00pm** Mtg. w/ Delaine Eastin TBD WH Irish Party	**6:00-9:00pm** STM re: School-to-Work **REMARKS**	on 3/20 **5:30** DNS **7:00pm** PBS Dinner	DNS	Mtg. w/ Gerry Tirozzi and Senior Staff **6:00-8:00pm** Recpt. @ State Dept.	
Jay Blanchard	Kitty Signs	Kitty Signs	Shawn Polk	MC Gumbleton	MC Gumbleton	Jay Blanchard
23	24 **WEST VIRGINIA** **Martinsburg, WV** **8:00am** Fly to WVA **9:00-10:00am** School Visit w/ Sen. Jay Rockefeller **Charleston, WV** **12:00-1:30pm** Lunch w/ Educators **TALKING POINTS**	25 **8:30-9:00am** Mtg. w/ Cha Guzman **TBD** Rural Education Conference **SPEECH**	26 **2:00-3:00pm** CFC Awards PerLonganecker **6:00pm** Picasso Exhibit Event @ National Gallery	27 **3:00-4:00pm** Mtg. w/ Gov. Tommy Thompson	28 *Good Friday*	29

Secretary Richard Riley April 13, 2018

March 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	2:00-3:00pm School Visit w/ Sen. Rockefeller **3:30-4:30pm** Recpt. w/ Rockefeller **5:00pm** Fly to WDC					

RECORD TYPE: FEDERAL (NOTES MAIL)

CREATOR: Robert Clayton (CN=Robert Clayton/OU=EDUC/O=GOV [UNKNOWN])

CREATION DATE/TIME:17-JUN-1997 12:20:13.00

SUBJECT: Education's Weekly Report for April 27-May 3

TO: Cabinet Affairs (Cabinet Affairs [UNKNOWN])
READ:UNKNOWN

TEXT:
April 23, 1997

MEMORANDUM FOR ERSKINE BOWLES, THE WHITE HOUSE

FROM: Richard W. Riley

SUBJECT: Weekly Report for April 27-May 3

KEY DEPARTMENT NEWS

Athletics Gender Discrimination Case: The Supreme Court on April 21 declined to hear Brown University ,s appeal in Cohen v. Brown University, a collegiate athletics case under Title IX of the Education Amendments of 1972. The First Circuit on November 21 upheld DOEd ,s three-part test to determine whether a school is providing nondiscriminatory athletic opportunities for men and women. The First Circuit found that the test does not rely entirely on statistical balancing of men ,s and women ,s participation but involves other factors as well, and thus is not an unconstitutional quota system. DOEd was not a party in the case. The Supreme Court ,s decision is being widely reported in local and national media.

CA IDEA Issues: Governor Wilson wrote Secretary Riley on April 18 to ask that he promulgate regulations to eliminate the requirement under the Individuals with Disabilities Education Act that states provide a free appropriate education to students with disabilities who are detained in adult prisons. DOEd ,s position is that the requirement is statutory and cannot be waived by regulation. CA could lose a large sum of federal funding if it fails to comply with the requirement. DOEd will be holding a public hearing on a proposed compliance plan in Sacramento on May 12 and 13.

CA Proprietary Schools: Representative Waters wrote to Secretary Riley on April 15 regarding the impending expiration of a CA law regulating the state ,s proprietary postsecondary institutions. Representative Waters is concerned that the expiration may lead to renewed fraudulent activity by CA trade schools that would be costly to consumers and federal student aid programs. She asks the Secretary to support efforts to renew the law by indicating what impact its lapse could have on eligibility of proprietary schools for federal student aid funds.

Title I Funding Reallocations: During the week of April 20, DOEd released publicly, to Congress and to the Chief State School Officers, Secretary Riley ,s decision with Secretary Daley on the use of updated poverty concentration data in allocation of Title I remedial instruction funds. The decision will affect some states , federal aid under the program by tens of millions of dollars. Until now, Title I funds have been allocated based on poverty concentration data obtained from the most recent decennial census, in this case the 1990 census. In 1994 Congress required that DOEd use updated poverty concentration estimates in allocating the funds unless the estimates are determined to be inappropriate or unreliable. Under a Congressionally mandated process, the National Academy of Sciences found that the estimates are a significant step toward the provision of more up-to-date estimates, but that they have not been sufficiently evaluated to serve as the sole basis for allocating Title I funds. Secretaries Riley and Daley accepted the Academy ,s recommendation to apply an average of the 1990 and 1994 poverty rates to the 1994 school age population. A chart showing the changes in states , allocations is attached. The overall increase in Title I appropriations reduced the impact of the change in some instances.

CA Legislators Meeting: Secretary Riley will brief a bipartisan group of CA legislators on your education agenda at the White House on April 30.

ND Flooding: DOEd staff are exploring ways the Department might help the communities that have been affected by the flooding.

MD Partnership Event: Secretary Riley is scheduled to participate in a May 5 event with Governor Glendening at which state leaders will express support for your education agenda and announce new efforts to promote business, community and family involvement in MD schools.

Read*Write*Now! Events: Secretary Riley will appear at events across the country starting in May to launch DOEd ,s annual summer reading program. Events are scheduled for DC, May 14; Boston, May 15; New York City, May 19; and Denver, May 29.

Title I Recognition Schools: Secretary Riley will speak at a May 6 event honoring the schools that were selected for having

exemplary programs that serve students in high-poverty areas under the Title I program.

Education and the Economy: Secretary Riley will hold a press conference on April 24 to release &Education and the Economy: An Indicators Report 8 prepared by the National Center for Education Statistics. The report will examine a variety of statistics regarding the impact of education and vocational training on worker productivity.

NAEP Science Report: Secretary Riley will announce the release May 2 of the National Assessment of Educational Progress (NAEP) report on student performance in science. The NAEP Science test has not been administered before, so no historical data will be announced.

Awards to Secretary Riley: The Secretary will be honored with the John Dewey Award of the United Federation of Teachers in New York City on May 17 and with a New York Academy of Public Education award in New York City on May 8.

Speeches by Secretary Riley: Secretary Riley is scheduled to address the Cable Television Association on April 29 in Philadelphia; the NY State Standards and Technology Conference in Albany on April 30; the International Reading Association in Atlanta on May 6; the Boston Globe Symposium on Literacy in Boston on May 12; the Blue Ribbon Task Force on Community Education and the Business Coalition Partnership Conference in Boston on May 15; the Providence Math/Science Coalition (with Senator Reed) in RI on May 15; and the Lawyers for Civil Justice in DC on May 16.

AGENCY WORK ON PRESIDENTIAL INITIATIVES

School Construction: DOEd, White House and Treasury officials met with staff for Congressman Obey regarding the initiative April 22. Secretary Riley is scheduled to participate in a school construction event in Boston with Congressman Markey on May 12.

America Reads Challenge: Staff are working to clear the final version of the America Reads Challenge legislation internally and with OMB, and hope to transmit the legislation to Congress early in the week of April 27. Staff are working with Senator Kennedy and Congressman Clay to introduce the bill. Carol Rasco briefed Senator Jeffords and Congressman Riggs on the legislation during the week of April 20. The May 20 Satellite Town Meeting will focus on America Reads.

Presidential Honors Scholarship: Senator Biden ,s draft bill establishing the Scholarship is circulating within DOEd and at OMB for comments. Senator Biden may introduce the bill during the week of April 27.

Adult Education: During the week of April 20, the Secretary transmitted to Congress the proposed &Adult Basic Education and Literacy for the Twenty-First Century Act, consolidating and restructuring federal adult education, vocational education and job training programs.

NOTABLE CONGRESSIONAL ACTIVITY

Appropriations Hearings: Secretary Riley testified before the Senate Appropriations Subcommittee on Labor, HHS and Education on April 16. The members were fairly receptive to your early childhood, elementary and secondary education initiatives, but expressed concerns about the HOPE Scholarship proposal.

IDEA Reauthorization: DOEd staff have been meeting with Congressional leadership staff to craft a consensus on reauthorization of the Individuals with Disabilities Education Act. Secretary Riley will meet with disability and education groups on the outcome of negotiations on May 1.

SECRETARY'S SCHEDULE

Please see attachment.

PRESS/MEDIA INQUIRIES

Department Officials Interviewed: Two SC radio stations interviewed the Secretary, on April 17 and April 22.

FOIA REQUESTS

There is nothing to report at this time.==================== ATTACHMENT 1 ====================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
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The following is a HEX DUMP:

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

==================== ATTACHMENT 2 ====================
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
Unable to convert ARMS_EXT:[ATTACH.D44]MAIL438194761.116 to ASCII,
The following is a HEX DUMP:

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

Secretary Richard Riley April 13, 2018 [autodate]

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		Shawn Polk	Kitty Sians	MC Gumbleton	Edward Prewitt	Jay Blanchard
Mar 30 *EASTER*	Mar 31 *Goals 2000 Anniv* WH Easter Egg Roll 10:15-11:15a South Lawn	1 *Opening Day Baseball* 10:00-10:30a John Spratt Cable Show REMARKS 11:00-12:00 Interview w/NC TV Station per Miller TALKING POINTS 1:00-3:00pm Mtg. w/ OERI and Senior Staff 3:30-4:00pm Mtg w/ Dr Constantine Curris, Clemson 4:00-4:30 Briefing re WH/CA Event PM DNS	2 10:00-11:30a Congressional Videos per SFleming REMARKS 11:45-2:00pm Hold for Lunch Per Sandy 2:00-2:30 WH Roundtable w/CA Educators TALKING POINTS 2:30-3:30 WH Mtg w/POTUS/VPOTUS TALKING POINTS 3:45-4:15 Mtg w/Ricardo Gloria, Ed Sec for Philippines 4:15-4:45 Mtg w Russian Ed Minister PM DNS	3 DO NOT SCHEDULE	4 COLUMBIA,SC 11:00-12:00 State Paper Ed Board TALKING POINTS 12:00-1:00 SC Dem Party FR Luncheon REMARKS 5:30-9:00 USCarolina Law School SPEECH	5 DO NOT SCHEDULE
Jay Blanchard	MC Gumbleton	Kitty Sians	Jay Blanchard	Shawn Polk	MC Gumbleton	Jay Blanchard
6	7	8	9	10	11	12

Secretary Richard Riley April 13, 2018

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Daylight Savings Time (Spring Ahead) **DO NOT SCHEDULE**	**9:15-10:00a** Center of Reform Judaism **SPEECH** **10:00-10:30am** mtg W/Tom Bloom **10:30-11:30am** Briefing on Florida & Ohio Deseg. Issues **11:30-12:00** Speech prep re Rebuild America **1:00-1:30pm** Mtg w/ Employers for Learning Steering Committee **TALKING POINTS** PerVosburgh **2:00-2:30** Videotaping for SC State Museum per AErdreich **SCRIPT** **3:00-4:00pm** Mtg. W/ Tom Bloom & S.S. **4:45-5:15pm** Briefing for MagicBus **8:15-8:45pm** USSA Conference	**8:30-9:00** Rebuild America Conf **SPEECH** re const **10:00-10:30am** Mtg. w/ Children's TV Workshop **10:30-11:00am** Mtg. w/ Dr. Alan Merten **12:00-1:00pm** Magic School Bus on the Mall w/DC Kids **REMARKS** **3:00-3:15** **INTERVIEW** per Miller **4:00-4:30** Mtg w/American Friends of Lubavitch **4:30-5:00pm** Mtg. w/ Center for Civic Ed. **5:00-5:10pm** Photo-Op w/ Edelsteins per Fritz **7:00-10:00pm** Canadian State Dinner	**9:30-11:00a** Al Shanker Memorial Service @ Lisner **REMARKS** **1:00-1:30** NYC Briefing **1:30-2:00** KC Briefing **2:00-3:00** VT/NAEP Briefing **3:00-3:30** Mtg re Ohio BEST **4:00-4:30pm** Briefing on Ohio 9th grade testing **5:30-7:30** Jean Cretien Reception @ Canadian Embassy	**NYC** **11:00-12:02** Fly to LaGuardia **1:00-2:00** Seth Low Intermd School *Principal for a Day* **REMARKS** **2:45-3:15** Manhattan Day & Night School *Principal for a Day* PhotoOp **3:45-5:15pm** Laguardia H.S. *Principal for a Day* Town Meeting **REMARKS** **5:45-6:30pm** Charlie Rose Show taping **INTERVIEW** **6:45-8:00p** *Principal for a Day* Dinner **Advance:** Shawn **RON NYC**	**KANSAS CITY MO** **9:25-11:36** Fly to KC from Newark **12:30-1:00** Lunch Meeting w/Gov. Mel Carnahan **2:00-3:00** TIMSS Event w/Gov Mel Carnahan **REMARKS** **Advance:** Kitty **4:46-8:05** Fly to BWI	

Secretary Richard Riley April 13, 2018

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	REMARKS					
Jay Blanchard	Jay Blanchard	Shawn Polk	MC Gumbleton	Edward Prewitt	Kitty Signs	Jay Blanchard
13	14 **BURLINGTON,VT** 7:00-8:50a flight from Dulles 9:00-10:00a Panel re Goals 2000 w/Jim Jeffords & Gov. Howard Dean **TALKING POINTS** 10:15-10:45am Mtg. W/Gov. Howard Dean and CSSO Advance: Regan 10:45-10:55am Press Avail 11:00-11:30am School Presentations **ESSEX JUNCTION** 12:00-1:00 Visit Tech Center **REMARKS** 1:15-2:00 Lunch w/ Goals Panel and BOE Advance: MClare	15 8:30-9:00am AAUP Conference PerRasco **REMARKS** 10:00-10:15 Briefing re Kennelly Mtg 10:15-11:00 Briefing re America Reads mtg 11:00-12:00 Mtg re America Reads w/K-12 Groups **TALKING POINTS** 12:00-1:15 Lunch w/Havard & Yale **TALKING POINTS** 1:30-2:00 Mtg w/Rep Barbara Kennelly 2:00-4:00 Briefing for Specter Hearing	16 9:00-1:00 Briefing re Specter Hearing 12:00-1:00pm Senior Staff Lunch 2:00-5:00 Specter Hearing **TESTIMONY** 6:00-8:00 CSSO Teacher of the Year Dinner **SPEECH**	17 9:00-9:30a Briefing re WH 0-3 Conf 10:00-12:00 WH Zero-to-Three Conf **REMARKS** 12:00-12:45pm Luncheon @ WH 1:00-2:00pm SC WYFF Radio **INTERVIEW** 2:00-2:30 Briefing re Livingston/Jefferson Mtg 3:00-3:15pm Drop-By Mtg. w/ Bill Youngblood & Trish McNeil 3:30-4:00 Reception at Supreme Court for Peace Foundation 4:00-4:30 Bob Livingston/Bill Jefferson Mtg	18 11:00-11:30 Teacher Forum **REMARKS** 1:30-2:15 WH Teacher of the Year Event **REMARKS** 5:30-6:00 NASBE opening **REMARKS** per LThornton 7:30pm State Dept Black Tie Dinner for John Quincy Adams	19 **DO NOT SCHEDULE** **(NET DAY)**

Secretary Richard Riley April 13, 2018

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	2:30-4:20 Flight to Dulles	**4:30-5:00pm** Briefing for STM **6:00-9:00pm** STM re: Charter/ Magnet Schools **REMARKS**		**TALKING POINTS** **5:00-5:30** Briefing re Teacher Forum **8:00-9:00** Dept of Ed Forum on Teacher Prep Downlink **REMARKS**		
Jay Blanchard	Jay Blanchard	MC Gumbleton	Shawn Polk	Kitty Sians	Edward Prewitt	Jay Blanchard
20 **DO NOT SCHEDULE** **3:30-5:30pm** WH Recpt. For Ken. Center 6:00 Kennedy Center Gala	21 *Passover Begins* **1:30-2:00pm** Mtg. w/ Lois Rice (Brookings)	22 *Earth Day* **9:00-9:30am** WCTG-Radio S.C. PerMiller **INTERVIEW** **10:00am-12:00 pm** Mtg. W/ Longanecker and Senior staff **1:00-1:30pm** mtg. W/ Betty Bell **3:00-4:00pm** Amplification Radio PerMiller	23 **9:30-10:00am** Briefing for Intvw. **10:00-10:15am** Intvw. PerMiller **11:00-11:15am** Photo-Op w/ Interns **12:00-12:30pm** SSL **12:45-1:45pm** Taping w/ Rep. Loretta Sanchez on Hill PerFleming **2:45-4:00pm** RIF Event @ WH w/ FLOTUS	24 *Take Daughters to Work Day* **9:15-10:00am** Briefing on NCES Report **10:00-11:00am** NCES Report Release per PForgione **STATEMENT** **11:30-11:45am** Drop-by Software Reps. PerRoberts **12:00-1:00pm** Briefing for Hearing on 4/29 **1:00-1:30pm** Mtg. w/ Sanford	25 **8:30-9:30a** Meet w/Assist Secs and Hispanic Higher Ed Commission Exec Committee per CGuzman **TALKING POINTS** **9:30-10:30** Mtg w/Dr. Alan Hale **TALKING POINTS** **12:00- DO NOT SCHEDULE**	26 **TENTATIVE** POTUS Radio Address re Reading Initiative @WH **6:00-7:30** Newsweek Reception **7:00-10:00p** WH Correspondents' Dinner

Secretary Richard Riley April 13, 2018

April 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			4:00-4:30 Briefing re Town Hall Mtg COLUMBIA, MD 7:00-9:00pTow n Hall w/Rep Ben Cardin per SFleming TALKING POINTS Staff:Kay Casstevens Advance:	McDonnell Re: Character ED 1:30-2:00 Briefing for Mtg.w/Alan Hale 2:00-3:00pm Briefing re Citizens Service Summit 3:30-4:30pm Amplification Satellite Tour per Miller 4:30p DNS		
Jay Blanchard	MC Gumbleton	Kitty Sians	Edward Prewitt			
27 DO NOT SCHEDULE	28 6:59-7:59 Flu to Philadelphia PHILADELPHIA 9:00-11:00am President's Summit for America's Future Opening Ceremony 11:30-1:30pm Summit Brunch w/ CEO's and State Delegations 1:30-3:00pm	29 8:00-9:00pm HOLD for Hearing Briefing 9:30-12:00pm Goodling Hearing TESTIMONY TBD Briefing for Intvw. KIDS INTERVIEW 12:00-1:00p Cable TV Assn	30 NEW YORK ALBANY 8:00-9:00am Briefing for CA State Legislators @ WH per Jdavis REMARKS 10:08-11:21 Flu to Albany from DCA 12:15-2:00p NY State Ed Dept Standards Technology Conf.			

Secretary Richard Riley April 13, 2018

April 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Break-Out Sessions TALKING POINTS 4:15-5:25pm Fly to WDC 6:00-7:00pm HOLD for Testimony Briefing	SPEECH 2:00-2:30pm Briefing for WH CA State Legislators 2:30-3:00 Briefing for Albany 3:00-4:00pm Briefing for IDEA Group meetings per CFraas	SPEECH Advance: Kitty 2:25-4:06 Flu to Dulles 6:30-9:00 Libraru of Conaress Am Treasures Exhibit			

Secretary Richard Riley April 13, 2018 [autodate]

May 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				Jay Blanchard	Kitty Sians	Jay Blanchard
				1 *National Day of Prayer* *100th Anniversary of Library of Congress* **10:00-11:00am** 4 Freedoms Award to K Graham **11:30-11:45am** Meet/Greet w/ Students PerQuinn **1:00-2:00pm** Meet w/ IDEA group1 **2:00-2:30** Briefing re NAEP Report **3:00-4:00pm** Meet w/ IDEA group2 **6:00-9:00pm** DNC Gala	2 **9:30-10:30** Dedication of FDR & Fala Memorial **11:00-11:30a** NAEP Science Report @ Ed Writers' Conf **SPEECH** **12:00-12:30** Read*Write*Now Awards @ DoED **1:00-1:30pm** Mtg. w/ Maine State Legislators/Furman **1:30-2:00pm** HOLD for Burnette (Linda Finch) **2:00-3:00** Briefing re MD/GA **3:00-4:00pm** Mtg. w/ Brazilian Ed Minister	3
Jay Blanchard	MC Gumbleton	Shawn Polk	Jay Blanchard	Kitty Sians	JB [redacted]	JB [redacted]

Secretary Richard Riley April 13, 2018

May 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
4	5 *Cinco de Mayo* *May Day* **BALTIMORE, MD** **9:30-12:00p** Partnership Sign-on w/GovParris Glendening **REMARKS** **Advance:** MC Gumbleton **WDC** **2:00-2:30** Mta Cona Fred Upton's Office **TALKING POINTS** **8:00-9:45** Flu to Atlanta	6 **ATLANTA** **9:00-11:45** Int'l Readina Assoc Convention **SPEECH** **12:00-1:00** Title I National Recoanition Luncheon **SPEECH** **Advance:** Kitty **4:25-6:01** Flu to Washington	7 **9:30-10:30am** HOLD for Mtg. w/George Starke PerHutchinson **2:00-2:30** Briefing re NYC **2:30-3:00** Briefing re Boston **3:00-5:00pm** HOLD for DFrank	8 **1:00-1:15pm** Issues Forum w/ Rep. Martu Meehan **TALKING POINTS** 2168 Rayburn **NYC** **5:30-9:00** NY Academu of Public Ed Award **SPEECH** **Advance:** Shawn	9 DO NOT SCHEDULE	10 DO NOT SCHEDULE
JB	MC Gumbleton	Kittu Sians	MC Gumbleton	Kittu Sians	Jau Blanchard	Edward Prewitt
11 *Mother's Day*	12 **7:00-8:30am** Fly to Boston **9:00-10:00am** School Construction Event w/ Rep. Ed Markey **REMARKS** **10:00-11:00** Drive to	13	14 **8:00-9:00am** Mtg. w/Sen. Bob Graham **10:00-11:00** *Read*Write*Now* DC Kick-Off **REMARKS** **11:30-12:30pm** Senior Staff Lunch	15 **BOSTON** **9:30-10:30am** *Read*Write*Now* Boston Kick-off **REMARKS** **11:00-11:30** Blue Ribbon Task Force on Communitu Education	16 **9:00-9:30** Lawyers for Civil Justice **REMARKS** (5 min) **3:00-3:30** Briefing re NYC **3:30-4:00** Briefing re STM **PM DNS**	17 Fly to NYC **NYC** **1:00-2:00p** UFT Ed Conf John Deweu Award **REMARKS** **Advance:** Shawn Polk **RON NYC**

Secretary Richard Riley April 13, 2018

May 1997

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
[redacted]	TAUNTON 11:00-1:00Taunton Insurance Tour SPEECH 1:00-2:00 Drive to Boston BOSTON 2:30-3:30p Boston Globe Symposium on Literacy KEYNOTE 5:00-6:30pm Fly to WDC Advance: Kitty Signs		2:00-2:15pm Drop-by Mtg. w/ Bill Modzeleski 3:00-3:30 Briefing re MA/RI 6:00-9:00 Gore Dinner re June Family Conference TALKING POINTS	REMARKS 12:00-1:45 Business Coalition Partnership Conference SPEECH Advance: MC Gumbleton 2:30-3:30 Drive to Providence PROVIDENCE RI 4:00-5:00 Providence Math/Science Business Coalition w/Sen Jack Reed REMARKS Advance: Edward Prewitt 5:42-7:05 Fly to DCA		
Jay Blanchard	Shawn Polk	MC Gumbleton	Edward Prewitt	JB	JB	JB
18 NEW YORK	19 NEW YORK 11:00-12:00 Read*Write*Now Local Event w/ Spiderman PS 100 Bronx REMARKS 1:00-2:00	20 NEW YORK 9:00-11:00 Wall Street/School Construction Event w/Rep. Nita Lowey REMARKS 11:30-12:30 NYT Ed Board	21 7:30-10:45 WH ONDCP Roundtable w/Mayors REMARKS 1:30-2:30pm Mtg. w/ Singapore Ed Minister	22 DO NOT SCHEDULE	23 DO NOT SCHEDULE	24 DO NOT SCHEDULE

Secretary Richard Riley April 13, 2018

May 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	*Read*Write*Now* National Kick-Off @NYC Library SPEECH **Advance:** MC Gumbleton	**TALKING POINTS** *4:00-5:00* Columbia Teacher's College **SPEECH** Advance: Shawn Polk *6:00-7:00* Fly to DCA *7:30-8:00pm* STM re America Reads **REMARKS**	3:00-3:30pm Mtg. w/ Regan Burke 5:15-5:30 Drop-By FL Student Groups on Hill 5:30-6:30 Ed Tech Fair on Hill **TALKING POINTS**	[redacted]	[redacted]	[redacted]
JB	JB	Edward Prewitt	Jay Blancahrd	MC Gumbleton	Kitty Signs	Kitty Signs
25 DO NOT SCHEDULE	26 MEMORIAL DAY HOLIDAY	27 **TENTATIVE** TBD Blue Ribbon School Event en route from SC **REMARKS**	28 11:00-1:00pm Geography Bee 2:00-3:00 Briefing re CA 3:00-3:30 Briefing re Seattle	29 *11:00-1:00* Hold for Governor's Meetings per JDavis **TALKING POINTS** *3:00-5:30* Fly to San Francisco **RON** San Francisco	30 **SAN FRANCISCO** *9:30-11:30* Teacher Preparation Meeting w/Barry Munitz et al **TALKING POINTS** *12:00-2:00* Luncheon WCoast College Presidents **SPEECH** re Administration Ed Agenda **Advance:** Shawn **TURLOCK CA**	31 **TURLOCK CA** *7:30-10:30* CS Stanislaus Commencement **SPEECH** *10:30-12:00p* Commencement Luncheon *1:00-3:00* Drive to San Francisco **Advance:** Edward **RON** San Francisco

Secretary Richard Riley April 13, 2018

May 1997						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
[redacted]	[redacted]				3:00-5:00 Drive to Modesto 6:00-8:00 UCS President's Dinner RON Modesto Advance: Edward	