

RECORD TYPE: FEDERAL (XCHANGE MAIL)

CREATOR: Ida Ghaffari (CN=Ida Ghaffari/OU=EDUC/O=GOV [Educ])

CREATION DATE/TIME:20-JUL-1995 16:45:38.00

SUBJECT: Cabinet Report for Week Ending July 22

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

READ:UNKNOWN

TEXT:

To: Jason S. Goldberg/WHO/GOV @ WHO

cc:

From: Ida Ghaffari/EDUC/GOV

Date: 07/20/95 05:07:43 PM

Subject: Cabinet Report for Week Ending July 22

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

TEXT:

PRINTER FONT 12_POINT_COURIER

July 20, 1995

MEMORANDUM FOR LEON PANETTA, THE WHITE HOUSE

FROM: Richard W. Riley

SUBJECT: Weekly Report for July 23 - July 29

KEY DEPARTMENT NEWS

1996 Appropriations. Today, the House Appropriations Committee is marking up the Department's primary FY 1996 appropriations bill. Following the markup, the Department will issue statements as well as state

-level data to explain the effects of the anticipated budget cuts. House floor action is expected next week. On July 18, the Senate Appropriations Committee announced the allocations for its subcommittees. The Committee has allocated \$62.7 billion in budget authority and \$68.7 billion in outlays for the Departments of Education, Labor, and HHS. This amount provides \$1.5 billion more in budget authority and \$0.6 billion more in outlays than the House Appropriations Committee's allocation.

Indian Education Appropriations. On July 18, the House completed debate on the FY 1996 Interior appropriations bill, which includes funding for the Department's Indian Education programs. The House adopted an amendment by Congressman Tom Coburn to

restore \$52.5 million for the programs. The House Appropriations Committee had voted to provide only enough funding to close out the Department's Office of Indian Education.

Compromise Rescission Bill. Senate consideration of the compromise rescission bill is still pending. This bill would cut \$503 million from the Department's FY 1995 appropriations. The Department has not obligated funds affected by the rescissions, in accordance with Alice Rivlin's July 3 memorandum.

Travel to Florida. On July 23, I will travel to Tallahassee to meet with the Florida leadership of the National Education Association and American Federation of Teachers. On July 24, I will celebrate the 5th anniversary of the ADA with Governor Chiles in Tallahassee and address the National Urban League in Miami.

Joint Session of Congress. On July 26, I will attend a joint session of Congress for the President of Korea.

National Governors' Association (NGA). The Deputy Secretary will attend the NGA conference which begins on July 30 in Burlington, Vermont.

BOTTOM EVEN

- \p -

Back to School. On September 12, I will deliver a speech at the National Press Club to highlight family involvement in education and the importance of families going "back to school." During the week of September 11, Cabinet members and celebrities will participate in back

-to

-school activities to encourage parent and community involvement in education.

AGENCY WORK ON PRESIDENTIAL INITIATIVES

Empowerment Zones. On July 26, I will join the Vice President at the White House for the empowerment zones conference.

American Federation of Teachers (AFT). On July 28, I will join the President as he addresses the AFT conference.

CONGRESS

Hearing on Reorganization. On July 25, the House Economic and Educational Opportunities Committee is scheduled to hold another hearing on the reorganization of the Department.

Congressional Women's Caucus. On July 25, the Deputy Secretary is scheduled to meet with the Congressional Women's Caucus.

House Markup on Direct Loans. The House Economic and Educational Opportunities Committee has tentatively scheduled a markup of student loan legislation on July 26. The Chairman's bill to limit direct lending to 40% of student loan volume is presumably the bill to be marked up. However, no hearings have been held on the bill, and minority objections may result in a cancellation of the markup.

Hearing on School Choice. On July 28, the House Subcommittee on Oversight and Investigations is planning a field hearing in Milwaukee on the city's school choice program.

Senator Reid. On July 31, I will join Senator Harry Reid to tape a half

-hour television show on education issues.

Upcoming Floor Action. In August, the House may consider the CAREERS job training bill as well as H.R. 1720 which would privatize Sallie Mae and Connie Lee. Next week, the Senate may consider the Workforce Development Act, the companion bill to the CAREERS bill.

Individuals with Disabilities Education Act. On August 2, the House Subcommittee on Early Childhood, Youth, and Families is expected to mark up the IDEA reauthorization and an education reform block grant proposal (not yet introduced).

REGULATORY ACTION

BOTTOM ODD

- \p -

There is nothing new to report this week.

PRESS INQUIRIES

Interviews. I was interviewed by Time magazine, the New York Times, the Dallas Morning News, the Denver Post, the Rocky Mountain News, the Aaron Harbor Radio Show in Denver, Denver television stations, the CONUS broadcast service, and the White House press corps on budget, school prayer, and other education issues. The Deputy Secretary was interviewed by NPR, WRC radio, columnist Michael Binstein, and the Chuck Martin Radio Show in Little Rock regarding school prayer, women's issues, and the budget. The Under Secretary was interviewed by the New York Times, USA Today, the Associated Press, NPR, Gannett News, the National Catholic Register, and School Finance News about the budget.

FOIA REQUESTS

There is nothing new to report this week.

WEEK IN REVIEW

Meeting with House Democrats. At the invitation of Congressman Bill Clay, I met with Democrats from the House Economic and Educational Opportunities Committee as well as Democrats from the House Appropriations Committee on July 18 to discuss proposed cuts in the Department's FY 1996 budget.

Legislative Proposal to Congress. On July 18, the Secretary of the Treasury and I forwarded to Congress our joint proposal to accelerate the phase

-in of the William D. Ford Federal Direct

Loan Program, to recall at least \$1.1 billion in guarantee agency reserves, and to privatize Sallie Mae.

Speech on Affirmative Action. On July 19, I joined the President as he announced the results of the Administration's review of

affirmative action programs.
Youth Development Block Grant. On July 19, the Senate Committee
on Labor and Human Resources marked up S. 673, a bill that would
eliminate several separate programs and create a single block
grant for youth development.
SECRETARY'S SCHEDULE

Annual Leave. I will be on annual leave August 1

-9 in Ireland.
SUB

-CABINET SCHEDULE

Please see attachment.
===== END ATTACHMENT 1 =====

===== ATTACHMENT 2 =====
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:
PRINTER FORMAT LANDSCAPE
TOP ODD
as of \d
PRINTER FONT 10_POINT_ROMAN

PRINTER FONT 20_POINT_ROMAN
JULY 1995 FOR SECRETARY RICHARD RILEY
PRINTER FONT 10_POINT_ROMAN

#8

Sunday

#9

Monday

#9

Tuesday

#9

Wednesday

#9

Thursday

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Friday

#9

Saturday

\$8

#8

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PATRICK

\$8

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1
DO NOT SCHEDULE

\$8

#8

PATRICK

#9

PATRICK

#9

PATRICK

#9

JOSH

#9

TRACI

#9

JOSH

#9

PATRICK

\$8

#8

2
DO NOT SCHEDULE

#9

3
DO NOT SCHEDULE

#9

4
INDEPENDENCE DAY

#9

5 MINNEAPOLIS

8:30 - 10:02
Northwest FL
#733
Depart Dulles
for Minneapolis
11:30 - 12:30
NEA National
Convention
"Friend of
Education" Award
SPEECH
1:00 - 2:00
Lunch w/ NEA
Representatives
3:00 - 4:00
VPOTUS speaks
4:00 - 4:30
Mtg. w/ ED
leaders, Mrs.
Gore
5:45 - 7:50
Depart for
Washington on
Air Force II

#9

6
11:00 - 12:00
POTUS SPEECH on
Civility at
Georgetown Univ.

12:00 - 1:00
Reception at
Riggs Library
4:30 - 5:00
Mtg. w/ Johnetta
Cole

#9

7
OFFICE DAY
11:30 - 12:00
Trip briefing
for Philadelphia
12:00 - 1:00
Lunch w/
Trish McNiel
1:00 - 1:30
Mtg. w/ Betty
Duvall
1:30 - 2:00
Scheduling Mtg

#9

8

\$8

#8

TOP EVEN
as of \d
PATRICK

#9

PATRICK

#9

JOSH

#9

JOSH

#9

JOSH

#9

PATRICK

#9

PATRICK

\$8

#8

9 PHILADELPHIA

11:00 - 12:45

Nat. Conf of
Campus Law
Enforcement
Administrators

SPEECH

Advance: Patrick

12:15 - 1:15

Reception w/
Mayor Rendell,
Philadelphia
educators

1:55 - 3:30

Depart for
Greenville

USAir Fl#554

#9

10

9:45 - 10:00

Call Dr. Walsh

11:09 - 1:41

Depart for

Washington

National

USAir Fl#990

#9

11

8:30 - 9:00

Briefing for

NY Times

interview

9:00 - 9:45

NY Times

interview

10:30 - 11:00

Mtg. w/ Arnold

Mitchem -- NCEOA

2:00 - 3:00

Briefing for

Religious

leaders 3:00 -

3:45

Mtg. w/

religious

leaders

4:00 - 4:30

Mtg. w/ Liz

Rohatyn

"Teaching

Matters"

4:30 - 5:00

Mtg w/ Walter

Dellinger on

school prayer

#9

12 COLORADO
DENVER

NOTE:
House Appropri.
Sub

-Committee
mark

-up
9:00 - 10:00
Affirmative
Action Meeting @
WH
10:00 - 10:30
Drive to Vienna,
VA
10:30 - 11:30
James Madison HS
-

-POTUS speech
on School Prayer
REMARKS
1:00 - 2:00
Press briefing
at White House
2:00 - 2:30
Drive to Dulles
2:50 - 4:19
United FI#123
Depart for
Denver
Advance: Fundy
6:30 - 9:00
ECS James Bryant
Conant Award
REMARKS

#9

13 COLORADO
DENVER

8:00 - 8:30
Coffee w/
Gov. Roy Romer
8:30 - 9:30
Breakfast w/
Colorado state
party at Gov's
Mansion
10:00 - 10:30

Press Conference
10:30 - 11:00
Interview w/
Dallas Morning
News
12:00 - 1:00
TCI/Reuters
Lunch/JC
Sparkman Center
1:00

-1:45 Tour
JC Sparkman
Center
1:50

-2:00 Press
Avail
REMARKS
3:50 - 8:59
United Fl# 250
Depart for
Dulles

#9

14

OFFICE DAY
9:00 - 9:30
Briefing for
call to
Wisconsin CSSO
9:15 - 9:45
Call John
Benson,
Wisconsin CSSO
9:45 - 10:45
Appropriations
Briefing
10:45 - 11:15
Mtg w/ Ed Kealy,
John
Forkenbrock,
Comm. for Ed
Funding
11:30 - 12:30
Mtg. w/
Association
President,
Panetta at White
House

2:00 - 2:30
Mtg w/ Gene
Garcia
3:00 - 5:00
DO NOT SCHEDULE

#9

15
DO NOT
SCHEDULE

\$8

#9

\$8

#8

PATRICK

#9

TRACI

#9

TRACI

#9

PATRICK

#9

FREDDY MENDEZ

#9

PATRICK

#9

PATRICK

\$8

#8

16
DO NOT SCHEDULE

#9

17 DALLAS, TX

8:50 - 10:50

Delta Fl# 887

Depart for

Dallas

Advance: Fundy

11:40 - 11:55

Mtg. w/ Jerry

Junkins, CEO,

Texas

Instruments

11:55 - 12:15

Mtg. w/ Business

& Education

leaders

12:20 - 1:00

National Council

of La Raza
Luncheon
1:15 - 2:20
National Council
of
La Raza
Conference
SPEECH
2:20 - 2:35
Press
availability
3:35 - 7:25
American Fl# 892
Depart for
Washington
National

#9

18
10:00 - 10:30
Teleconference
w/ Fulbright
students
11:00 - 12:00
S. Carolina
"Youth in
Government"
program
12:30 - 1:30
Senior Staff
lunch
2:45 - 3:00
Photo

-op w/ Bob,
Scott, Ramapo
College
President
3:30 - 4:30
Mtg. w/ ED & Ops
Committee
Democratic
Caucus
EVENING:
6:30 - 7:45
WH Press Picnic
8:00
Dinner at
Italian Embassy
honoring Ivan
Selin

#9

19

11:00 - 12:00

POTUS Speech on
Affirmative
Action

at Nat. Archives

12:15 - 1:15

Lunch w/ John
Dalton, Sec. of
Navy

Taping for SRR
mtg.

3:00 - 4:00

Mtg w/ Wexler
Group

4:30 - 5:30

Mtg. w/ Assoc.
of Texas

Professional
Educators

#9

20

NOTE:

House Approp.
Committee
mark

-up

9:45 - 11:00

Press interviews

11:00 - 12:00

Briefing for
Kassebaum bill

12:00 - 12:30

Scheduling Mtg.

1:30 - 2:30

Lunch per: Sandy

2:30 - 4:30

Office Time

4:30 - 4:45

Mtg. w/
Doug Burton

#9

21

9:00 - 10:00
Mtg. w/ National
Assoc. of State
Dir. of Special
ED
12:00 - 1:00
Lunch w/ Cong.
Chaka Fattah
2:00 - 3:00
Mtg. w/ Alice
Rivlin on '96
Appropriations
3:15 - 4:00
Mtg. on state
share of default
costs

#9

22

\$8

#9

\$8

#8

PATRICK

#9

JOHN

#9

PATRICK

#9

FREDDY MENDEZ

#9

TRACI

#9

PATRICK

#9

PATRICK

\$8

#8

23
FLORIDA
TALLAHASSEE

1:55- 6:05pm
USAir Fl #1759
Depart for
Tallahassee
Advance:
Mike Ratzloff

7:00 - 8:00

Dinner w/
Florida AFT &
NEA Leadership &
Buddy McKay
RON: TALLAHASSEE

#9

24
FLORIDA
TALLAHASSEE

9:00 - 10:00
ADA 5th
Anniversary
event w/ Gov.

Chiles
11:05 - 12:50
American Fl
#5734
Depart for Miami
MIAMI

Advance: Traci
1:30 - 2:00
National Urban
League SPEECH
5:40 - 8:08
American Fl #522

Depart for
Washington
National

#9

25
NOTE:
House Floor
votes on
Appropriations

11:15 - 11:30
Mtg. w/
Leo Kornfeld
11:30 - 11:45
Photo

-op w/
Interns
12:00 - 1:00
Lunch w/ David

Grissmer
1:45 - 2:00
Mtg. w/ David
Longanecker
2:00 - 2:30
Mtg. w/ MMK,
Frank, M. Smith
3:30 - 4:00
Mtg. on Title 9

#9

26
10:30 - 11:30
Joint Session of
Congress
12:00 - 1:00
Senior Staff
lunch
1:45 - 2:00
Photo

-op w/
interns
3:30 - 4:30
WH Empowerment
Zones Conference
w/ VPOTUS
per: Regan

#9

27

#9

28

1:00 - 2:00
POTUS Speech at
AFT Conference
2:00 - 2:15
Drop by OGC
Orientation

#9

29

\$8

#9

\$8

#8

PATRICK

#9

PATRICK

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#9

\$8

#8

30

#9

31

10:45 - 11:45

"Eye on
Washington" TV

Taping w/
Sen. Harry Reid

12:00 - 12:30

Meet & greet w/
Presidential
Management
Interns

#9

1

DO NOT SCHEDULE

DEPART FOR
IRELAND

#9

2

#9

#9

#9

\$8

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

===== ATTACHMENT 3 =====

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

TEXT:
PRINTER
FONT
10_POINT_
COURIER
TOP ODD
as of\d
PRINTER FONT 20_POINT_ROMAN
SCHEDULE FOR DEPUTY SECRETARY MADELEINE KUNIN
JULY 1995
PRINTER FONT 10_POINT_ROMAN

#8

Sunday

#9

Monday

#9

Tuesday

#9

Wednesday

#9

Thursday

#9

Friday

#9

Saturday

\$8

#8

#9

#9

#9

Traci

#9

Traci

#9

Mikel

#9

Mikel

\$8

#8

2
NANTUCKET, MA
personal travel

#9

3
NANTUCKET, MA
personal travel

#9

4 INDEPENDENCE
DAY HOLIDAY

#9

5
8:30

-9:30 Senior
Officers mtg.
10

-11:30 EMC
12

-1 Senior
Staff Lunch c:
Regan
1

-2:30 PMC Lotus
training c: Sam
3

-6 PMC @ W.H.
5:30

-6:30
Cabinet Briefing
@ W.H.

#9

6
9:30

-11:30
Budget mtg. on
S&E
12

-1 Lunch mtg.
w/ Rod & Eunice
1:15

-1:45
Interview w/
Maria Braden
3

-3:30 Valerie R

#9

7
9

-12 Writing
time
1

-1:30 Prague
briefing c:Ken T
1:30

-2 David
Caliguri interv.
2:30

-3 Frank H
3

-3:30
Scheduling
3:30

-4Briefing
w/Leo
SPEECH PREP

#9

8

\$8

#8

TOP EVEN
as of \d
John F

#9

John F

#9

Traci

#9

Traci

#9

Mikel

#9

Mikel

#9

\$8

#8

9 SAN ANTONIO
6pm SPEECH: Natl
Assoc. of
Student
Financial Aid
Administrators
adv: Luis

#9

10 SAN ANTONIO
11am Ed Press
interviews
2pm FLIGHT TO
D.C. arrives
7pm

#9

11
8:30

-10 EMC
10

-10:30 Weekly
w/ Mike Smith
12:30 Lunch w/
Dale Brown -

personal
2:30

-3 Sharon R
3

-3:30 Condition
of Ed report
briefing
3:30

-4 Judy W
4

-4:30 Supreme
Ct. cases
briefing
4:30

-5 Norma C
6:40 Flight
Dulles to Denver
arrives 8:04

#9

12 DENVER
9am SPEECH Educ.
Commission of
the States
10:40 Flight
Denver -

-Dulles
arrives 3:55
4:30

-5:30
Emerson Elliott
Retire Party
5:30

-6:30 W.H.
Cabinet Briefing
6pm U

-VT Alumni
Assoc. Reception
7:30 Dinner w/
Georgian
Officials

#9

13
9

-12:30 FY 97
Program
Priorities Mtg.
1:15

-1:30 Joe
Schubart re:
Holocaust
Memorial
2

-3:30 W.H. mtg.
on Affirmative
Action
4

-4:30 Briefing
on Ed radio
program w/ Joy
Belin, M Gordon
5

-5:30 Judy
Heumann

#9

14
8:30

-10:30
Personal appt.
10:30

-11 Tom P
11

-11:30 Kay C
11:30

-12 Mario M
12

-1 VT Law
School Brown Bag

c:Carole
3

-3:30 Briefing
on NCSL
conference

#9

15

\$8

#8

#9

Josh

#9

Josh

#9

Josh

#9

Traci

#9

Mikel

#9

\$8

#8

16
NOON Brunch for
Bonnie & Ed
Campbell -
personal

#9

17
8:30

-9:30 Senior
Officers
c:Eunice
9:30

-10 Tom P
10

-10:30 G.
Garcia
10:30

-11 Don
Wurtz
11

-11:30 Terry P
11:30 Chuck
Martin Radio
Show

-AK
12

-1 Lunch w/
Rod
1

-2 ODS Staff
Mtg.
2

-2:30 David L
2;30

-3 Frank H
3

-3:45 Leo
Kornfeld
4

-4:30 NPR Radio
Interv: School
prayer

#9

18
MILWAUKEE
adv: Jon Schnur
aft. Public
Library Visit
re: reading
programs
3:45

-4:30 NCSL
Natl Conf.
6:30

-7:30 DLCC
fundraiser

#9

19
HOLD - Pres.
speech on
Affirmative
Action
2

-2:45 Iris
Rothberg re:
Intl Comparisons
3

-4:30 EMC
6pm DoEd
Softball game
against W.H.
6:45 Dinner
Party for
Harriett Woods

#9

20
9:30

-11 D.C.
Financial
Control Board
mtg. @ OEOB
11

-12 Briefing
on Kassebaum
Bill
12

-1 DoEd
Customer Service
Ctr Ceremny c:
Michael Gordon
1

-2:30 Lunch for
Danielle Salus
2:45

-3:30 PRESS
3:30

-4 Kay C
4:30 Dentist
Appt.
PERSONAL DINNER

#9

21
-- PRESS TIME
10

-10:30 Michele

10:30

-11:30 IPOS
Organizational
Study Briefing
c:Dorothy B
12

-1 W.H. Lunch
w/ Billy Webster
2

-3 Alice Rivlin
mtg. re: '96
Approps
3:15

-4 State's
Share of Default
Costs mtg. w/
RWR per Frank
4

-4:30 Ed Radio
mtg. c: M.
Gordon
4:30

-5 Sandy
Battle

#9

22

\$8

#8

#9

Traci

#9

Traci

#9

Mikel

#9

Mikel

#9

Mikel

#9

John F

\$8

#8

23

#9

24
8:30

-9:30 Senior
Officers
c:Eunice
9:30

-11 RCC

c:Steve
11

-11:45 Jon
Anderson, NASDC
12

-1:30 Personal
Lunch: Dale
Brown
1:30

-2 Mtg. w/
Linda, Michele,
Margarita
2

-3 Briefing on
Grants
Reengineering c:
Steve Moore
3

-3:30 Jack
Higgins
3:30

-4 IADE mtg.
7:30 personal
dinner

#9

25
8:30

-9:15 Leo K
9:15

-9:45 Frank
H
10

-10:30 Weekly
w/ Mike Smith
11:30

-12 Photos
w/ Interns
12

-1 Lunch w/

David Grissmer,
RWR, etc.
1:30

-2:30
Women's Hill
Caucus Briefing
w/ Sandy Battle
3

-3:30 Linda
Roberts
3:30

-4 Title 9
mtg. w/RWR,
Norma, Sandy
--OSTP Speech
Prep
-- Personal
dinner

#9

26
?? NYC trip -
personal

9

-10 Weekly w/
Rod
10

-11:30 EMC
12

-1 Senior
Staff Lunch c:
Regan
1:15

-3 REMARKS
Sci. Educ. Forum
@ Natl Academy
of Sci. c: Eve
Bither
HOLD Alan Spoon
-- Personal
dinner

#9

27

9

-12 Writing
time

12

-1 Lunch w/
Amb. Swanee Hunt
@ State

HOLD Alan Spoon

4

-4:30 Betty

Duval

#9

28

9

-9:30 Norma

Cantu

9:30

-10 Weekly

w/ Sally & Tom

10

-10:30 Frank

11

-11:45

Satellite Town

mtg. planning

1:15

-2:15 Lunch

w/ Amb.Schifter

@ WH

2:45 OGC Law

student

gathering

3

-3:30 Sharon R

5:15 Flight to

Hartford, CN

-

-drive to
Grafton

#9

29 GRAFTON, VT
12:00 SPEECH
Assoc. of Women
Judges
aft. drive to
Burlington

\$8

#8

John F

#9

John F

#9

John F

#9

#9

#9

#9

\$8

#8

30 VERMONT
Nat'l Governors
Assoc.
Conference
adv: Karen

#9

31 BURLINGTON
VERMONT
Nat'l Governors
Assoc.
Conference
adv: Karen

#9

August 1
BURLINGTON, VT

#9

August 2
am Flight: VT to
DC
9

-10 Weekly w/
Rod
10

-11:30 EMC
mtg.
12

-1 Sr. Staff

Lunch

1

-2:45 Student

Aid Delivery

System Steering

Cmte. Mtg. c: M.

Gordon

3

-7:30 W.H. PMC

monthly mtg. &

mini

-retreat

#9

August 3

9

-12 Writing

time

5:15

-6 REMARKS:

Stanford In

Wash.

#9

August 4

9:30

-10 Weekly

w/ Sally & Tom

10

-10:30 Frank

10:30

-11

Briefing w/

Linda Roberts

on:

11

-11:30

interview: Elec.
Learning
1pm Flight to VT

#9

August 5
VT

-personal
Wedding in VT

\$8

===== END ATTACHMENT 3 =====

===== ATTACHMENT 4 =====

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

TEXT:
PRINTER FORMAT LANDSCAPE
TOP ODD
as of \d
PRINTER FONT 10_POINT_ROMAN

PRINTER FONT 20_POINT_ROMAN
AUGUST 1995 FOR SECRETARY RICHARD RILEY
PRINTER FONT 10_POINT_ROMAN

#8

Sunday

#9

Monday

#9

Tuesday

#9

Wednesday

#9

Thursday

#9

Friday

#9

Saturday

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

#9

#9

1
FLY TO DUBLIN

#9

2
IRELAND

#9

3
IRELAND

#9

4
IRELAND

#9

5
IRELAND

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

6 IRELAND

#9

7 IRELAND

#9

8 IRELAND

#9

9 IRELAND

#9

10

#9

11

#9

12

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

13

#9

14

#9

15

#9

16

#9

17

#9

18
11:00 - 12:00
Interview w/
Laura Lewis,
Myrtle Beach
News

#9

19

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

20

#9

21

#9

22 MARYLAND
Baltimore County
Schools -
Parents
Back

-to

-School
Night

#9

23 MARYLAND

LaPlata
Back

-to

-School
Event

#9

24 TENTATIVE
PENNSYLVANIA
Back

-to

-School
Events

#9

25

#9

26

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

27

#9

28

#9

29
Satellite Town
Meeting -
Back

-to

-School

#9

30

#9

31
7:00 NAFEO
Banquet SPEECH
per Leslie

#9

#9

\$8

===== END ATTACHMENT 4 =====

===== ATTACHMENT 5 =====

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

TEXT:
PRINTER
FONT
10_POINT_
COURIER
TOP ODD
as of \d
PRINTER FONT 20_POINT_ROMAN
SCHEDULE FOR DEPUTY SECRETARY MADELEINE KUNIN
AUGUST 1995
PRINTER FONT 10_POINT_ROMAN

#8

Sunday

#9

Monday

#9

Tuesday

#9

Wednesday

#9

Thursday

#9

Friday

#9

Saturday

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

July 30
BURLINGTON,VT

#9

July 31
BURLINGTON, VT
Nat'l Governors
Assoc. mtg.

#9

1
BURLINGTON, VT

#9

2 Return to D.C.
9

-10 Weekly w/
Rod
10

-11:30 EMC
12

-1 Senior
Staff Lunch c:
Regan
3

-7:30 PMC
Monthly mtg. &
mini

-retreat

#9

3

#9

4
9

-9:30
Weekly:Frank
9:30

-10 Weekly
w/ Sally & Tom
1 pm flight to
VT
-

-personal--

#9

5 VERMONT
Wedding in
Vermont

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

6 PERSONAL
VACATION IN VT

#9

7

#9

8

#9

9 PERSONAL
VACATION IN VT

#9

10

#9

11

#9

12

\$8

#8

#9

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#9

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#9

#9

\$8

#8

13 PERSONAL
VACATION IN VT

#9

14

#9

15

#9

16 PERSONAL
VACATION IN VT

#9

17

#9

18

#9

19

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

20
RETURN FROM
PERSONAL
VACATION IN VT

#9

21
8:30

-9:30 Senior
Officers
c:Eunice
9:30

-11 RCC
c:Steve
12

-1 Lunch w/
RWR
1

-2 ODS Staff
Mtg.

#9

22
8:30

-9:15 Leo K
9:15

-9:45 Frank
H
10

-10:30 Weekly
w/ Mike Smith

#9

23
9

-10 Weekly w/
Rod
10

-11:30 EMC
12

-1 Senior
Staff Lunch c:
Regan

#9

24

#9

25
9

-9:30
Weekly:Frank
9:30

-10 Weekly
w/ Sally & Tom

#9

26

\$8

#8

#9

#9

#9

#9

#9

#9

\$8

#8

27

#9

28
8:30

-9:30 Senior
Officers
c:Eunice
9:30

-11 RCC
c:Steve
12

-1 Lunch w/

RWR

1

-2 ODS Staff
Mtg.

#9

29

8:30

-9:15 Leo K

9:15

-9:45 Frank

H

10

-10:30 Weekly

w/ Mike Smith

SATELLITE TOWN

MEETING

"Back to School"

#9

30

9

-10 Weekly w/

Rod

10

-11:30 EMC

mtg.

12

-1 Senior

Staff Lunch c:

Regan

#9

31

#9

Sept. 1
9

-9:30
Weekly:Frank
9:30

-10 Weekly
w/ Sally & Tom

#9

Sept. 2
LABOR DAY
WEEKEND

\$8

===== END ATTACHMENT 5 =====

RECORD TYPE: FEDERAL (XCHANGE MAIL)

CREATOR: Sandy Mancini (CN=Sandy Mancini/O=Department of the Treasury [Treas])

CREATION DATE/TIME:20-JUL-1995 17:45:45.00

SUBJECT: Weekly Report

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

READ:UNKNOWN

TEXT:

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

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

TEXT:

PRINTER FONT 12_POINT_ROMAN

\d

MEMORANDUM FOR LEON PANETTA, THE WHITE HOUSE

FROM: Robert E. Rubin

SUBJECT: Weekly Report for the week of July 24, 1995

KEY DEPARTMENT NEWS

Possible Treasury

-related topics for press coverage include:

- ? Good Ol'Boys Roundup
- ? Waco Hearings

THE WEEK AHEAD

My Activities: On Monday, I will meet with the Polish Finance Minister. On Tuesday I will interview with Peter David of The Economist, attend the monthly White House AFL

-CIO meeting, meet
with economic reporters regarding the budget and debt ceiling,
and host a dinner for World Bank President Wolfensohn. On
Wednesday, I will attend the Working Group on Financial Markets.
On Thursday, I will host a CEO luncheon. On Friday, I will meet
with Chairman Greenspan.
MEDBank: On July 20

-21, Treasury officials will participate in
negotiations in Moscow concerning the Middle East Bank for
Economic Cooperation and Development. Countries favoring the
Bank will be asked to express formal support for the institution
at the conclusion of that meeting.

NAFTA Chile Accession Talks: Treasury Staff is preparing to participate in the financial services portion of discussions in Mexico City concerning Chile's proposed accession to NAFTA. This round of talks is scheduled for late July, with another round planned for August.

Central and Eastern European Project: FinCEN is providing analytical and financial support to INTERPOL for a Central and Eastern European project focusing on money laundering in Eastern

Europe and the Newly Independent States.

OCC: On July 24, OCC Comptroller Ludwig will address the Town Hall of California, a Los Angeles area business and professional club. His remarks will focus on the need for government regulation to ensure public confidence in the banking system.

CONGRESS

Good Ol' Boys Roundup:

? On July 17, I announced a Treasury Department review of the matter in which Inspector General Valerie Lau will conduct the investigation. An outside panel will oversee the process.

? On July 18, the Under Secretary Noble briefed members of the Congressional Black Caucus on the "Good Ol'Boys Roundup" and the review ordered by the Secretary.

? On July 21, Under Secretary Noble, Inspector General Lau, and ATF Director Magaw will testify before the Senate Judiciary committee on the gathering of law enforcement officers known as the Good Ol' Boys Roundup.

Waco Hearings:

? On July 19, the Crime Subcommittee of the House Judiciary Committee and the National Security, International Affairs and Criminal Justice Subcommittee of the House Government Reform and Oversight Committee began joint hearings on Waco.

? Treasury has provided the Subcommittee staff with more than 25,000 pages of documents, charts, diagrams, maps, audiotapes, and videotapes in preparation for these hearings.

? On July 20, I met with the Democratic Policy Committee to discuss WACO

-related issues.

Regulatory Reform: Treasury Staff is continuing to provide support to White House legislative affairs and OMB as the Senate continues floor consideration of S. 343, the Comprehensive Regulatory Reform Act of 1995. Treasury's major concerns have been the broad scope of judicial review that the legislation and the application of the requirements of the Regulatory Flexibility Act to Internal Revenue Service regulations and rulings.

Subjecting IRS regulations to Reg Flex would require that each proposed regulation be examined to determine its impact on small business. The IRS would be required to determine how regulations can be structured to minimize their impact on small business.

This would significantly slow down the process of issuing regulations. In addition, regulations would be subject to court

challenges to determine whether all procedural requirements were followed in the process of their issuance. Legislative Affairs, Tax Policy, and General Counsel have been working with staffs from the majority and minority of the Senate Finance Committee in an attempt to carve out an exception for IRS regulations and rulings. Assistant Secretary Samuels sent letters to Senators Packwood and Moynihan on Monday urging them to support taking IRS interpretive regulations out of the Reg Flex requirements. The first cloture vote on S. 343 failed Monday by a margin of 48 to 46. The second cloture vote also failed by a margin of 53 to 47. In addition, the Glenn

-Chafee substitute failed by a vote of 48 to 52. The Glenn

-Chafee legislation would not have made IRS interpretive regulations subject to Reg Flex nor were its judicial review provisions as broad as those contained in S. 343. Hearing on Foreign Tax Issues: On July 21, the Senate Finance Committee will hold a hearing on foreign tax issues. The issues covered will be deferral of income taxes of U.S. corporations operating overseas, the tax treatment of foreign investment companies, and foreign sales corporations. Treasury's International Tax Counsel Joseph Guttentag will testify. We have an indication that some Members of the committee want to discuss rolling back previous Clinton Administration efforts. Funding for Multilateral Development Institutions: We anticipate that the Subcommittee on Foreign Operations will conclude their markup of the foreign operations appropriations prior to the August recess. It is also possible that the full Appropriations Committee will conclude markup of the entire appropriations package before the August recess. Floor action by the full Senate is not expected until the Senate returns in September. Treasury staff will continue to actively engage Senate appropriators throughout the coming weeks.

REGULATORY ACTION

Export certificates for Beef: Customs, in concert with the United States Trade Representative (USTR), has published an interim and proposed regulation which would establish an export certificate program for countries wishing to export beef to the U.S. Beef imports are subject to a tariff

-rate quota system under which the U.S. applies a lower tariff, the in

-quota tariff, to an imported product up to a certain amount, the in

-quota quantity,

and a higher tariff to imports in excess of that amount. The USTR negotiates the in

-quota quantity separately for each country. The NAFTA countries are permitted to export to the U.S. an unlimited quantity of beef. Australia, New Zealand and Japan are subject to limited shares of the in

-quota quantity. And all other GATT countries are subject to a single, higher, in

-quota

quantity. The U.S. is offering exporting countries the opportunity to use these export certificates, which these countries would be responsible for issuing, to ensure that only those exports which they intend for the U.S. are counted against their in

-quota allocations. The interim regulation provides rules for the administration of these certificates, specifying that they must be presented when the beef is entered, that they must have a unique identifying number, and that they must be retained by the importer for at least 5 years.

Cash with Unknown Owners: The IRS has published a final regulation concerning presumptions made for the treatment of cash in excess of \$10,000 for which the owner is unknown. The tax code specifies that:

? the possessor of the cash will be treated as the tax payer for purposes of assessment and collection and is entitled to a written statement of information about the assessment; and

? such cash will be presumed to represent gross income subject to the highest individual tax rate.

Libyan Sanctions: OFAC has published a final rule amending the Libyan Sanctions Regulations to add three hotels in Malta to the list of Specially Designated Nationals (SDNs) of Libya. The SDN designation signifies that these entities have been determined by OFAC to be owned, controlled by, or acting on behalf of the Government of Libya. All property of the SDNs that is in the U.S. or that is in the control or possession of a U.S. person is now blocked.

WEEK IN REVIEW

A. Events and Issues

My Activities: On Monday, I travelled to New York to attend a fundraiser for Senator Levin. While in New York, I visited a Customs SAC office. I also attended an Oversight Board meeting in Washington. On Tuesday, I appeared on CNN, and addressed the Congressional Mainstream Forum, along with Director Rivlin. On Wednesday, I participated in a savings event with Secretary Reich. I met with Senator Kerry, and was interviewed by a Washington Post reporter. On Thursday, I attended a law

enforcement luncheon, and met with the Democratic Policy Committee to discuss the Waco hearings. On Friday, I attended the President's budget meeting, and met with IMF Managing Director Camdessus.

Sallie Mae: Treasury's Office of the General Counsel participated in meetings regarding the Administration's

legislative proposal to permit privatization of Sallie Mae. The Administration's bill is now in final form and is expected to be transmitted to the Congress shortly.

Search Warrant Executed on Travel Service Company: The Customs Service executed a search warrant on a Naples, Florida, company under investigation for promoting and facilitating tourist travel to Cuba via the Bahamas. The Office of Foreign Assets Control has been working in close coordination with Customs on this case.

Fuel Inspection: Two IRS districts, Pittsburgh and Philadelphia have signed an agreement with the Pennsylvania Department of Revenue Bureau of Motor Fuels. The agreement officially authorizes state diesel fuel inspectors to inspect vehicles and fuel storage facilities on behalf of the IRS for abusive sale or use of nontaxable fuel.

Child Support Enforcement: IRS representatives met with officials from Revenue Canada to discuss the delinquent child support collection program currently administered by the IRS. Topics discussed included the IRS's methods for tracing child support payment defaulters, the legislative requirements and safeguards, and any operational difficulties or compliance issues related to the program.

Bank Merger Analysis: On July 19, the OCC issued a news release along with an advisory letter to national banks, announcing the implementation of a revised bank merger competitive analysis screen. The revision is the result of negotiations between the OCC, the Department of Justice and the Federal Reserve Board. The new merger screen will provide national banks with a better tool for identifying mergers that could be competitively significant and describes the kinds of information found useful to the DOJ and the OCC in their competitive review of mergers.

B. Travel

IRS Commissioner: On July 18, Commissioner Richardson travelled to Dallas, Texas, to present the Commissioner's Award to the Dallas District Taxpayer Service employees. On July 19, Commissioner Richardson was the keynote speaker at the Direct Selling Association's Annual Tax Conference in Washington, D.C.

C. Congress

Debt Collection Bill: Representatives from OMB, Treasury, and the CFO Council briefed members and staff of the House Committee on Government Reform and Oversight on the Debt Collection Bill.

Regulatory Sunset and Review: The House Committee on Government

Reform and Oversight marked up H.R. 994, the "Regulatory Sunset and Review Act of 1995". The legislation would require that regulations with an annual economic impact of \$50 million or more

must be reviewed every seven years or they will no longer be in force. A regulation that did not meet standards of effectiveness would have to be modified, consolidated, or terminated. The legislation could be interpreted to cover all forms of tax guidance including tax forms, rulings, and public notices, in addition to regulations.

Hearing on Fuel Taxes for Deficit Reduction: On July 18, Cynthia Beerbower, Deputy Assistant Secretary for Tax Policy, testified before the Senate Committee on Finance. The hearing focused primarily on the impact of the diesel dyeing requirements on the State of Alaska and recreational boaters, and the issue of whether the aviation fuels tax should be allowed to go into effect on October 1.

Prior to Tuesday's hearing, Legislative Affairs and Tax Policy held a briefing on the issues for staffs of Finance Committee Members. In addition, separate meetings were held with staff from the offices of Senators Breaux and Murkowski.

Hearing on Taxpayer Compliance Measurement Program (TCMP): On July 18, the Ways and Means Subcommittee on Oversight held a hearing on TCMP. Deputy Assistant Secretary for Tax Analysis Eric Toden and IRS officials testified at the hearing.

Funding for Multilateral Development Institutions: The Senate Committee on Appropriations met July 17, to adopt their 602(b) allocations under the Budget Act. Details regarding the specifics of those allocations and how the foreign operations component of the allocation fared are yet to be confirmed.

General Arrangements to Borrow (GAB): Treasury has concluded several briefings on the House side regarding the IMF GAB Emergency Financing Mechanism to arise out of the Halifax G

-7

summit. Treasury is convening an interagency legislative meeting this week to coordinate with the White House, State and OMB. We will continue to selectively brief key House and Senate staff.

SECRETARY'S SCHEDULE FOR THE WEEK

July 24	Meeting with Polish Finance Minister
July 25	Interview with The Economist
	AFL

-CIO Meeting

Meet with Economic Reporters
Dinner for World Bank President

July 26	Working Group on Financial Markets
July 27	CEO Luncheon
July 28	Meeting with Chairman Greenspan

DEPUTY SECRETARY'S SCHEDULE FOR WEEK

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

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a responsive email, already made available within another collection.

Collection: 2007-0624-F

Bucket: Default

Creation Date: 1995-07-20

Subject: CONFIDENTIAL--AMR DAILY

Creator: Charles S. Konigsberg KONIGSBERG_C OMB

**Clinton Presidential Records
Automated Records Management System
[EMAIL] and Tape Restoration Project [Email]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a responsive email, already made available within another collection.

Collection: 2012-0774-F

Bucket: Default

Creation Date: 1995-07-20

Subject: leg update

Creator: Lisa B. Fairhall FAIRHALL_L OMB

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

CREATOR: Lisa B. Fairhall (FAIRHALL_L) (OMB)

CREATION DATE/TIME:21-JUL-1995 10:46:05.76

SUBJECT: leg update, fyi

TO: Mary Cassell (Cassell_M) (OMB)
READ:21-JUL-1995 10:46:36.58

TO: Judy L. Grew (GREW_J) (OMB)
READ:31-JUL-1995 09:52:53.65

TO: Patricia A. Smith (SMITH_P) (OMB)
READ:21-JUL-1995 17:37:10.59

TO: Leslie S. mustain (mustain_l) (OMB)
READ:21-JUL-1995 10:49:11.03

TO: S. Aromie Noe (NOE_S) (OMB)
READ:21-JUL-1995 11:35:38.49

TO: Janet Looney (Looney_J) (OMB)
READ:21-JUL-1995 10:46:20.27

TO: Pronita Gupta (Gupta_P)
READ:NOT READ

IND_TO: Pronita Gupta (GUPTA_P) (OMB)
READ:21-JUL-1995 12:13:16.20

TEXT:

I's like a short staff meeting this afternoon when everyone is
back, in part on the issues presented by the Dole Gingrich letter
to Clinton.

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

ATT CREATION TIME/DATE:21-JUL-1995 09:53:00.00

ATT BODYPART TYPE:B

ATT CREATOR: Barry White

ATT SUBJECT: leg update See the Dole/Gingrich letter

ATT TO: Larry R. Matlack (MATLACK_L)

ATT TO: Keith J. Fontenot (FONTENOT_K)

ATT TO: Lisa B. Fairhall (FAIRHALL_L)

TEXT:

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

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

ATT CREATION TIME/DATE:20-JUL-1995 23:15:00.00

ATT CREATOR: Charles S. Konigsberg

ATT SUBJECT: ~~CONFIDENTIAL~~--AMR DAILY

ATT TO: Alice M. Rivlin (RIVLIN_A)

ATT CC: Charles S. Konigsberg (KONIGSBERG_C)

ATT CC: Jacob J. Lew (LEW_J)

ATT CC: Patrick J. Griffin (GRIFFIN_P)

ATT CC: Martha Foley (FOLEY_M)

ATT CC: Ann M. Cattalini (CATTALINI_A)

ATT CC: Erin A. O'Connor (OCONNOR_E)

ATT CC: James C. Murr (MURR_J)

ATT CC: James J. Jukes (JUKES_J)

ATT CC: Janet R. Forsgren (FORSGREN_J)

ATT CC: Ronald K. Peterson (PETERSON_RK)

ATT CC: LAWRENCE J. HAAS (HAAS_L)

ATT CC: Robert G. Damus (DAMUS_R)

ATT CC: Barry B. Anderson (ANDERSON_B)

ATT CC: Gordon Adams (ADAMS_G)

ATT CC: T J Glauthier (GLAUTHIER_T)

ATT CC: Kenneth S. Apfel (APFEL_K)

ATT CC: Nancy-Ann E. Min (MIN_N)

ATT CC: Robert E. Litan (LITAN_R)

ATT CC: Joseph Minarik (MINARIK_J)

ATT CC: Sally Katzen (KATZEN_S)

ATT CC: Lydia Muniz (MUNIZ_L)

ATT CC: Charles E. Kieffer (KIEFFER_C)

**DETERMINED TO BE AN ADMINISTRATIVE
MARKING Per E.O. 13526**

Sec. 3.2(C) Initials: JK Date: 6-12-2018
2017-1074-F

ATT CC: Kristen E. Panerali	(PANERALI_K)
ATT CC: John A. Koskinen	(KOSKINEN_J)
ATT CC: Steven Kelman	(KELMAN_S)
ATT CC: G. Edward DeSeve	(DESEVE_G)
ATT CC: John B. Arthur	(ARTHUR_J)
ATT CC: William A. Halter	(HALTER_W)
ATT CC: Jill M. Blickstein	(BLICKSTEIN_J)
ATT CC: Chantale Wong	(WONG_C)
ATT CC: Laura D. Tyson	(TYSON_L)
ATT CC: Thomas O'Donnell	(ODONNELL_T)
ATT CC: David J. Lane	(LANE_D)
ATT CC: John Gibbons	(GIBBONS_J)
ATT CC: M. Jill Gibbons	(GIBBONS_M)
ATT CC: Ronald E. Jones	(JONES_RE)
ATT CC: Ingrid M. Schroeder	(SCHROEDER_I)
ATT CC: Jeffrey A. Weinberg	(WEINBERG_J)
ATT CC: James A. Brown	(BROWN_JA)
ATT CC: Constance J. Bowers	(BOWERS_C)
ATT CC: Melissa Y. Cook	(COOK_MY)
ATT CC: Anna M. Briatico	(BRIATICO_A)
ATT CC: Christopher J. Mustain	(MUSTAIN_C)
ATT CC: Robert J. Pellicci	(PELLICCI_R)
ATT CC: James C. Crutchfield	(CRUTCHFIEL_J)
ATT CC: Elyse H. Fitter	(FITTER_E)
ATT CC: Michael L. Goad	(GOAD_M)
ATT CC: Annette E. Rooney	(ROONEY_A)
ATT CC: Dena B. Weinstein	(WEINSTEIN_D)

ATT CC: Stacey L. Rubin	(RUBIN_S)
ATT CC: Jennifer N. Palmieri	(PALMIERI_J)
ATT CC: Karin L. Kizer	(KIZER_K)
ATT CC: Margaret R. Shaw	(SHAW_M)
ATT CC: Deborah F. Kramer	(KRAMER_D)
ATT CC: Diane G. Limo	(LIMO_D)
ATT CC: Alice E. Shuffield	(SHUFFIELD_A)
ATT CC: Janet L. Graves	(GRAVES_J)
ATT CC: James I. Blount	(BLOUNT_J)
ATT CC: Lara L. Roholt	(ROHOLT_L)
ATT CC: Philip R. Dame	(DAME_P)
ATT CC: Alan B. Rhinesmith	(RHINESMITH_A)
ATT CC: Kenneth L. Schwartz	(SCHWARTZ_K)
ATT CC: Barry T. Clendenin	(CLENDENIN_B)
ATT CC: Robert B. Rideout	(RIDEOUT_R)
ATT CC: Philip A. DuSault	(DUSAULT_P)
ATT CC: Phebe N. Vickers	(VICKERS_P)
ATT CC: Kathleen Peroff	(PEROFF_K)
ATT CC: Ron Cogswell	(COGSWELL_R)
ATT CC: Barry White	(WHITE_B)
ATT CC: Richard P. Emery Jr.	(EMERY_R)
ATT CC: Barbara C. Chow	(CHOW_B)
ATT CC: Robert E. Barker	(BARKER_R)
ATT CC: Mark Gearan	(GEARAN_M)
ATT CC: Donald A. Baer	(BAER_D)
ATT CC: Ann F. Walker	(WALKER_A)
ATT CC: Todd Stern	(STERN_T)

ATT CC: Kelly Musick (MUSICK_K)
ATT CC: Nancy L. Brandel (BRANDEL_N)
ATT CC: Christopher F. Walker (WALKER_C)
ATT CC: Deborah L. Shaw (SHAW_D)
ATT CC: Gene B. Sperling (SPERLING_G)
ATT CC: Timothy J. Keating (KEATING_T)
ATT CC: Kathryn Higgins (HIGGINS_K)
ATT CC: Stephen B. Silverman (SILVERMAN_S)
ATT CC: Bruce N. Reed (REED_B)
ATT CC: Jeremy D. Benami (BENAMI_J)
ATT CC: Douglas B. Sosnik (SOSNIK_D)
ATT CC: Karen L. Hancox (HANCOX_K)
ATT CC: Shelley N. Fidler (FIDLER_S)
ATT CC: Janet L. Himler (HIMLER_J)
ATT CC: Daniel Tate (TATE_D)

TEXT:

\d

PRINTER FONT 12_POINT_ROMAN

TO: ALICE RIVLIN
cc-

-Lew, Griffin, Tyson, Foley, OMB/2d Floor, DADs,
LRD,

Gibbons, Cabinet Affairs, CEQ

FROM: CHUCK KONIGSBERG

SUBJECT: STATUS REPORT ON PENDING LEGISLATION

PRINTER FONT 14_POINT_HELVETICA

Congress on Thursday -- Reg Reform cloture fails:

PRINTER FONT 12_POINT_COURIER

Dole fell two votes short of getting cloture on Reg. Reform early
this evening (58

-40). Senate passed HR 1854, the Legislative
Branch Appropriations Bill by voice vote. House passed HR 2058,
the China Policy Act (416

-10); tabled HJ Res 96, Disapproval of
Most Favored Nation Treatment to China (321

-107); and began
consideration of HR 1976, the Agriculture Appropriations Act.
PRINTER FONT 14_POINT_HELVETICA
Item Veto and Transportation Appropriations:

* Need approval from 7:30am meeting--

PRINTER FONT 12_POINT_COURIER

Should the following sentence be included in the
Transportation Appropriations SAP: "The Administration
strongly supports a possible floor amendment to the bill
which would give the President line

-item veto authority [to
eliminate wasteful spending]." (House Democratic
Leadership staff believes that the rule will permit Solomon
to offer the House

-passed item veto legislation as a floor
amendment.)

(The Transportation SAP is in your morning folder.)

PRINTER FONT 14_POINT_HELVETICA

Rescission Bill:

PRINTER FONT 12_POINT_COURIER

At this hour, the Senate has just entered into a unanimous
consent agreement providing for a debate tonight on a Wellstone
and a Moseley

-Braun amendment to the rescission bill; additional
debate in the morning; to be followed at 11am by motions to table
the amendments; to be followed by a final vote on the bill
(however if the motions to table are defeated, Dole reserves the
right to put the bill back on the calendar).

PRINTER FONT 14_POINT_HELVETICA

Debt Limit:

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I've attached, as an FYI to the distribution list, the July 18
letter Gingrich and Dole sent to the President on debt limit.
Treasury is still in the process of clearing a response --
they'll send it over to us for review on Friday.

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Lock

-Box:

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House Rules Committee marked up lock box this afternoon. OMB

staff is reviewing the committee language. House Floor action possible next Wednesday.

July 18, 1995

The Honorable William J. Clinton
The President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500
Dear Mr. President:

We thought the House

-Senate bipartisan leadership meeting on Tuesday, July 11, produced some positive results. We concluded that we should avoid a confrontation that would disrupt essential government services while recognizing our pledge to bring forward legislation consistent with our budget targets.

We have stated frequently that we would make every effort to send to you all 13 appropriations bills before the September 30 deadline. We will do everything in our power to meet this obligation.

We will also send to you a reconciliation bill containing permanent changes in law that will meet the seven

-year balanced budget targets. In all likelihood, this bill will not reach your desk until mid

-October.

It is the timing of this legislation and expiration of the current debt ceiling which is the matter we would like you to address. As you may recall, at our meeting Secretary Rubin stated that the debt ceiling would expire on October 1. If so, there is no doubt we could face a crisis. We do not believe the House or Senate can muster the votes to pass any debt ceiling extension without the enactment of a reconciliation bill that meets our balanced budget targets. That being the case, the exact day the debt ceiling expires is critical.

It is our understanding that the Congressional Budget Office as well as Wall Street analysts believe that the debt ceiling will expire later than October 1, possibly as late as early November.

If we are to ensure that the government continues to meet its obligations, we must have absolute confidence in the date on which the debt ceiling will expire. We ask you personally to inform us in writing of this date so that we can act accordingly in scheduling the reconciliation bill and a long

-term debt extension.

Thank you for considering this matter. We hope to have an expeditious reply.

Very truly yours,
(signed)

(signed)

Bob Dole
Majority Leader

Newt Gingrich
Speaker

United States Senate

United States House
of Representatives

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SENATE FLOOR SCHEDULE:

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Friday, July 21:

-Rescission bill.

-Military Construction Appropriations.

Week of July 24:
MONDAY--

-S 101, Lobbying Reform and Gift Ban
[SAP?]

-S 641, Ryan White AIDS program
[SAP being developed]

TUESDAY--

-Continue consideration of S 21, Lifting U.S. Arms Embargo
applicable to Bosnia; Dole has temporarily delayed a vote on
this matter.

[No SAP currently planned]

DOLE'S LIST TO BE DONE BEFORE RECESS:

-Continue consideration of S 343, Regulatory Reform?
[SAP containing multi

-agency veto threat sent 7/10]

-Possible Appropriations Bills

- Mil Con
- Interior
- Energy
- Treasury/Postal
- Defense
- Agriculture

-S 908, Foreign Relations Revitalization Act
[SAP containing multi

-agency veto threat sent 6/28/95]

-S 961, Foreign Aid Reauthorization

-S 1026, Defense Authorization

-HR 4, Welfare Reform

NOTE - DOLE ANNOUNCED THAT SATURDAY SESSIONS ARE POSSIBLE JULY 29, AUGUST 5, AND AUGUST 12. RECESS - DELAYED TO AUGUST 12.

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HOUSE RULES COMMITTEE SCHEDULE:

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Friday, July 21: Rule for CJS Approps and Alaska Oil.

[SAP pending at this hour]

Tuesday, July 25: Rules for VA/HUD Approps and Lock

-Box

HOUSE FLOOR SCHEDULE:

Friday, July 21:

- Complete HR 1976, Agriculture Appropriations

[SAP transmitted 7/18-

-OMB and Sec. of Agriculture would
recommend veto]

- HR 2002, Transportation Appropriations (subject to a rule)

[SAP transmitted 7/19-

-serious objections]

Week of July 24:

- Commerce/Justice/State Appropriations

[SAP being developed]

- VA/HUD Appropriations

[SAP being developed]

- Lock

-Box (possibly Wednesday)

[Position under consideration]

- HR 70, Export of Alaska North Slope Oil

[SAP pending]

Corrections Calendar (Tuesday):

- HR 1943, San Diego Coastal Corrections Act

[SAP pending]

Floor action between July 4th and August Recess:

- Finish Appropriations

- Telecommunications

- Anti

-Terrorism

Other pending legislation:

HR 1332, the Omnibus Insular Areas Act, may be taken up.

[SAP being developed with a DOI veto recommendation.]
(If you have questions about the House or Senate legislative schedules, contact Lydia Muniz at OMB Legislative Affairs, 54790.)

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APPROPRIATIONS STATUS
REPORT
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Supplemental/Rescission Bill (HR 1944)-

-Passed House June 29. Awaiting Senate action.
Agriculture (HR 1976)--House Floor began Thurs 7/20. SAP cleared and sent Tuesday, 7/18: Ag/OMB veto threat.

C/J/S--House Rules Comm. on Friday, 7/21. Rules SAP 7/20: Attorney General, Commerce, OMB veto threat.

Defense--House full committee markup on Friday 7/21. Senate action expected week of July 24. OMB letter sent 7/20: does not support level of funding, diminishes authority to conduct foreign affairs, undermines goal of balanced budget.

DC--House markup in September. Senate markup in September.

Energy/Water (HR 1905)--OMB letter on House subcomm. bill, 6/20: strongly opposed. Passed House July 12, 400

-27. Senate subcomm. markup 7/25; full committee markup 7/27. OMB letter 7/20: strongly oppose House

-passed.

Foreign Ops (HR 1868)--SAP, 6/22: not oppose at this time, but "great difficulty supporting HR 1868 if improvements are not made." Passed House July 11, 333

-89. Senate action not expected until September.

Interior (HR 1977)--SAP, 7/12: Interior/OMB veto threat. House passed July 18, 244

-181. Senate action expected week of July 24.

Labor/HHS/Ed--House full comm markup will continue 7/21. Panetta said on 7/11 if the subcomm. chairman's mark reaches the President's desk in its current form, "he will veto." OMB letter on subcomm. bill sent 7/19: President would veto.

Leg Branch (HR 1854)--Passed House June 22, 337

-87. Senate floor action

began 7/20.

Mil Con (HR 1817)--SAP-

-6/15: would support if modified. Passed House
June 21, 319

-105. OMB letter on House

-passed bill 7/18: Administration
strongly objects to certain provisions. Senate floor action 7/21.

Transportation (HR 2002)--House floor action on 7/21. House Rules SAP
7/19: serious objections. Floor SAP in clearance. Senate action expected
week of July 24.

Treasury/Postal (HR 2020)--House Floor SAP, 7/17: OMB, other senior WH
officials, OPM veto threat. House passed 7/19, 216

-211. Senate subcomm.
and full comm. markups scheduled for 7/25 and 7/27.
VA/HUD/Independent Agencies-

-Panetta said on 7/11 if the House subcomm.
bill reaches President's desk in its current form, "he will veto." OMB
letter, 7/17: "senior advisors" veto recommendation. House full committee
marked

-up 7/18. House Rules and Floor action week of 7/24.

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BUDGET RECONCILIATION STATUS REPORT

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Changes from previous day indicated by asterisk (*).

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House: (Sept. 22 reporting deadline)

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Agriculture--

Banking--

Commerce --

Econ & Educational Opp--

Govt Reform--

Internat'l Rel--

Judiciary--

Nat'l Sec--

Resources--

Transportation--

Veterans--

Ways & Means--Not expected to mark

-up until September.

Expected to incorporate by reference pieces of the House

-passed welfare reform and tax bills.

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Senate: (Sept. 22 reporting deadline for spending cuts, but 5 days following CBO certification for tax cuts)

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Agriculture--

Armed Services--

Banking--

Commerce--

Energy--

Environment & PW--

Finance--Not expected to mark

-up until September. Finance has the heaviest load in the Congress, with all of Medicare, Medicaid, most of welfare, and all the tax cuts to report. Moreover, with an 11

-9 split, the Republicans need every vote to report out a Reconciliation package; however, the Republicans may have trouble holding Chafee's vote. In addition, Pressler is up for election next year and D'Amato has the seniors vote to worry about.

Govt Affairs--

Judiciary--

Labor--

Veterans--

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SUMMARY of ADMINISTRATION OPPOSITION

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[Prepared by OMB/LRD and OMB/LA]

(Note: For details on the legislation listed below, including the basis for opposition, see the "STATUS OF MAJOR LEGISLATION" List that follows - note the item #; for appropriations items, see the "APPROPRIATIONS STATUS REPORT".)

Changes from previous day indicated by asterisk (*).

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Vetoed:

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Rescissions/Supplemental - HR 1158

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Presidential Veto Threats:

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Labor/HHS/Ed Approps. - OMB letter, 7/19: President would veto

Assault Weapons Ban

Clean Water Amendments of 1995 - HR 961 [Item # 202]
Davis

-Bacon - S 141 [Item #303]

Foreign Affairs Authorization/Merge AID, ACDA, USIA into State - HR 1561
[Item #102]

Loser Pays - Civil Litigation - HR 988 [Item #9]

National Security Bill - HR 872 [Item #101]
Product Liability/Civil Litigation - HR 956 [Item #8]

Student Loans

Takings/Private Property Protection - HR 925 and S 605 [Item #6]
Tax Fairness and Deficit Reduction Act - HR 1215 [Item #3]
100,000 cops - HR 728, Law Enforcement Block Grants [Item #4]
Welfare Reform - HR 4 [Item #301]

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Multiple Agency Veto Threats:

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*Commerce, Justice, State Approps - Rules SAP sent 7/20

Agriculture Appropriations - HR 1976; SAP sent 7/18

Treasury, Postal Appropriations - HR 2020; SAP sent 7/17

VA/HUD - OMB letter 7/17

Interior Appropriations - HR 1977; SAP sent 7/12

Comprehensive Regulatory Reform Act of 1995 - S 343 [Item #5]

Foreign Relations Authorization/Merge AID, ACDA, USIA into State - S 908
[Item #102]

Regulatory Moratorium - HR 450 [Item #7]

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Single Agency Veto Threats:

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Financial Institutions Regulatory Relief Act of 1995 - HR 1362 [Item #16]

Food Stamps - Block Grant, HR 4, HR 1997, and S 904 [Items #201, 301, & 310]

Jerusalem Embassy - S 770 and HR 1595 [Item #104]

Mining Law - S 506 [Item #207]
National Defense Authorization Act - HR 1530 [Item #103]
National Highway System Designation Act of 1995 - S 440 [Item #14]
Service Contract Repeal Act - [Item #304]
Teamwork for Employees & Managers Act - HR 743 [Item #307]
Utah Wilderness - HR 1745 [Item #208]

OSHA Reform - HR 1834 [Item #311]

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Strongly Oppose:

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*Energy & Water Appropriations - HR 1905, OMB letter sent 7/20

Transportation Appropriations - HR 2002, Rules SAP 7/19 "serious objections"

Energy & Water Appropriations - HR 1905; OMB letter 7/20

Federal Retirement Reform - HR 1215 and HR 1185 [Item #401]

Highway Off

-Budget - HR 842 [Item #15]
HUD Elimination Act - S 435 [Item #13]
Livestock Grazing Act - S 852 [Item #209]
National Highway System Designation Act of 1995 - S 440 [Item #14]
Pipeline Safety Act - HR 1323 [Item #21]
Risk Assessment - HR 1022 [Item #5]
Telecommunications - S 652 [Item #11]

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Oppose:
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*Defense Appropriations - OMB letter 7/20

Military Construction - HR 1817, OMB letter 7/18

Lorton Closure - HR 461 [Item #17]
Regulatory Sunset and Review Act of 1995 - HR 994 [Item #20]
Service Contract Repeal Act - HR 246 [Item #304]

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Oppose Unless Amended:

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Foreign Ops Approps - HR 1868; SAP sent 6/22

Securities Litigation Reform - HR 1058 [Item #10]
Violent Criminal Incarceration - HR 667 [Item #4]

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STATUS OF MAJOR (Non

-Appropriations) LEGISLATION

PRINTER FONT 10_POINT_ROMAN

[Prepared by OMB/LRD]

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(Note: Parentheticals indicate who is tracking; bills
grouped by RMO)

[Changes from previous day indicated by asterisk (*)]

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GENERAL GOVERNMENT & FINANCE:

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1. Budget Resolution: (Konigsberg)

House completed action on HConRes 67 on 5/18, passing the Kasich
budget plan 238

-193. Senate completed action on 5/25, passing the
Domenici budget 57

-42. Budget Resolution conference agreement
passed the House on 6/29 by a vote of 239

-194, and passed the Senate
the same day by a vote of 54

-46 (party line).

2. Item Veto: (Konigsberg/J. Gibbons)

House passed HR 2 (enhanced rescission) on February 6, (294

-134).

Senate passed S 4 (separate enrollment) on March 23, (69

-29).

Conference: On June 20, the Senate requested a conference and
appointed conferees.

3. Tax Fairness and Deficit Reduction Act: (R. Jones)

House passed HR 1215 on April 5, (246

-188) including tax cuts (child

credit, IRAs, repeal taxes on soc.sec., neutral cost recovery,
corporate AMT, cap gains, expensing, adoptions, marriage penalty
credit, long

-term care incentives); raise soc. sec. earnings limit;
spending caps; Medicare extenders; spectrum extender; uranium
enrichment; Federal retirement reforms; and automatic sequester of
amounts taxpayers dedicate to debt reduction. SAP--"If...presented
...in its current form, the Secretary of the Treasury and the

Director of OMB would recommend a veto." Senate not expected to take up HR 1215, as passed by the House, however components of the bill may be considered in the context of Reconciliation. Basis for opposition: Bill is fiscally irresponsible and would provide disproportionate tax benefits to the wealthy at the expense of programs for average Americans.

4. Crime Bills: (R. Jones)

House split their original crime bill into 7 smaller pieces and passed 6 of them--

? HR 665, requiring restitution for victims of federal crimes, passed February 7 (431

-0); SAP--"supports passage."

? HR 666, allowing federal prosecutors to use improperly obtained evidence if police officers acted in "good faith"; would apply with and w/o warrants. Passed February 8, (289

-142). SAP

-support only if amended to apply only where warrants have been obtained.
? HR 729, containing reforms affecting federal habeas corpus review of state criminal judgments and collateral review of federal judgements, and requiring federal juries to impose death sentences in certain cases. Passed February 8 (297

-132). SAP-

-support if DOJ concerns addressed.

? HR 667, would replace the prison funding program enacted in '94 Act with allocations based on sentencing criteria; and would limit prisoner litigation. Passed February 10, (265

-156). SAP-

-oppose unless amended. Basis for opposition: Proposed distribution of prison grants is inferior to current program; drug court program would be repealed.
? HR 668, to expedite the deportation of aliens who commit serious crimes and reimburse states for incarceration of criminal aliens. Passed February 10, (380

-20). SAP-

-support if amended to offset the increased direct spending (\$600m/yr).
? HR 728, combining last year's grants for 100,000 cops and crime prevention into block grants. Passed February 14, (238

-192).
SAP-

-Presidential veto threat. Basis for opposition: Bill repeals police grants program, which provides for 100,000 cops. It also eliminates many crime prevention programs.

Senate action on crime legislation not yet scheduled. However, habeas corpus provisions related to those in HR 729 are included in the Senate

-passed anti

-terrorism bill (S 735, discussed below).

*5. Reg Reform/Risk Assessment: (H. Fitter)

House passed HR 1022, Risk Benefit and Cost Benefit Act of 1995 on February 28th (286

-141), requiring Federal agencies to perform highly detailed analyses of the risks that proposed health, safety and environmental regulations seek to address. SAP sent to the House on February 27, 1995, strongly oppose HR 1022. Basis for opposition:

HR 1022 would impose overly broad, prescriptive, and costly analytical requirements on the regulatory process, encourage excessive litigation, and supersede the substantive requirements of many existing health, safety, and environmental laws (i.e., the so

-called supermandate).

Senate - Senate Floor action on S 343 began on 6/28. A 7/17/95 cloture vote failed (48

-46); a second cloture vote on 7/18/95 also failed (53

-47). A third cloture vote is scheduled for 6:20 PM 7/20/95. A SAP was transmitted on 7/10/95: veto threat by Secretaries of Labor, Agriculture, Health and Human Services, Housing and Urban Development, Transportation, the Treasury, and the Interior, and the Administrator of EPA, and the Director of OMB. In addition, in a 6/23/95 letter to Senators Dole and Daschle, OMB OIRA Administrator Katzen stated "we continue to have serious concerns with S 343, and I would recommend that the President veto it if it were presented to him in its current form." Basis for opposition: Would impair rather than improve the regulatory process by generating additional costs, paperwork, litigation, and delay.

6. Private Property Rights/Takings: (M. Goad)

On March 3rd, the House passed HR 925 (277

-148), subsequently incorporated the bill into HR 9, and then passed HR 9 (277

-141).
HR 925 would require certain Federal agencies to compensate

financially landowners if regulatory actions (taken under Endangered Species Act, and wetlands, farm, and water rights laws) cause a decrease of at least 20 percent in the fair market value of any portion of the landowners' properties. The agencies would be required to offer to purchase the property if the regulatory action causes a decrease of more than 50 percent in the property's value. SAP on HR 925-

-strongly oppose (3/1/95). On April 7th, POTUS said, "I will also veto the House

-passed requirement that government pay property owners billions of dollars every time we act to defend our national heritage of seashores or wetlands or open spaces." Basis for opposition: Undermines Federal authority to protect the general welfare; expands the traditional concept of Fifth Amendment "takings"; creates new direct spending; and imposes an unlimited fiscal burden in the form of an arbitrary, automatic compensation

requirement for reductions in property values that are attributable to Federal actions.

The Senate Judiciary Committee held an April 6th hearing on S 605 (Dole/ Hatch). (S 605 has a 33 percent threshold, and would apply to all Federal agencies.) In testimony presented at the hearing, Justice threatened veto. In separate letters sent to Sen. Hatch in May and June, Agriculture, Army

-Civil Works, Defense, EPA, GSA, HHS, Interior, Justice, Transportation, and Treasury advised that they would recommend veto. In a June 7th letter to Sens. Hatch, Biden, Dole, and Daschle, OMB Director Rivlin advised that, due to the significant increase in Federal spending that would result if S 605 were enacted, she would recommend veto. The Committee has not yet scheduled the mark up of S 605, but may do so at any time. The Senate Environment and Public Works (EPW) Committee held a June 27th hearing at which Interior and Justice advised that they would recommend veto of S 605 and HR 925. In an additional EPW hearing on July 12th, EPA, Army (Corps), and OMB advised that they would recommend a veto of S.605 or similar legislation. The Committee may hold an additional hearing later this month. Basis for opposition: Same as opposition to House bill.

7. Reg Moratorium/Waiting Period: (J. Weinberg)
House passed HR 450 on Feb. 24 by 276

-146. The bill would establish a "moratorium period" -- Nov. 20, 1994 through Dec. 31, 1995 or enactment of reg reform, whichever is earlier -- during which a Federal agency may not take any "regulatory rulemaking action" unless it falls within a specified emergency exception (i.e. military or foreign affairs functions, international trade agreements, agency management, certain banking regulatory matters, implementation of the internal revenue laws; matters relating to

loans, grants, benefits, or contracts). Also exempted: regs determined by OIRA to be necessary because of an imminent threat to health or safety or other emergency or necessary for the enforcement of criminal laws. SAP--"The President has stated that a moratorium on regulations, as provided for in H.R. 450, is not acceptable....the Secretaries of Agriculture, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, Transportation, and the Treasury, the Attorney General, and the Administrator of the Environmental Protection Agency would recommend that it be vetoed." (In addition, POTUS said on 4/7/95, "if Republicans send me a bill that would let unsafe planes fly or contaminated water continue to find itself into city water systems, I will veto it." Veto threat reiterated in Earth Day speech, 4/21/95.) Basis for opposition: Would prevent the issuance of meritorious rules.
Senate passed S. 219 on March 29 by 100

-0; under the Senate version, regs would not go into effect for 45 days, during which time Congress could enact a disapproval resolution. A March 29 statement by the President called the 45

-day review period "the right way to reform regulation."

Conference: On June 16, the Senate requested a conference and appointed conferees.

8. Product Liability/Civil Litigation/Medical Malpractice: (I. Schroeder)
House passed HR 956 on March 10 (265

-161). It would cap punitive damages in all civil cases and would cap non

-economic (pain and suffering) damages in suits against health providers and insurers. Basis for opposition: Product liability reform should generally be left to the States; punitive damages shouldn't be arbitrarily capped; and differential treatment of "economic" and "noneconomic" (e.g., "pain and suffering" damages is inappropriate. (March 6th Reno/Mikva letter.)

Senate passed HR 956 on May 10 (61

-37). It would cap punitive damage awards by juries in product liability cases at \$250,000 or twice compensatory damages (economic and non

-economic damages), whichever is greater. Judges could override those limits in "egregious" cases. Punitive damage awards in product liability cases could not exceed \$250,000 for small businesses. Basis for opposition: A May 10th White House statement said the Senate

-passed

liability bill "in its present form does not go far enough toward balancing the interests of consumers with those of manufacturers and sellers." The statement also stated the Administration's concerns regarding the limits on punitive damages adopted by the Senate and reiterated the Administration's opposition to provisions which would abolish joint and several liability. (A provision limiting punitive damage awards in all civil lawsuits, which was the subject of a May 4th Presidential veto threat, was later limited to product liability cases only.)

Conference not scheduled and conferees have not been appointed. Media reports indicate that Speaker Gingrich may defer conference until the fall.

According to press reports, the Senate may take action on a separate bill to curb medical liability late this summer.

9. Loser Pays - Civil Litigation: (I. Schroeder)

House passed HR 988 on March 7 (232

-193). Basis for opposition: The bill, which would affect only Federal civil suits involving parties from different States, would impose a modified "loser pays" rule, intended to encourage parties to settle out of court. The President said on 4/7/95 that he "will veto any bill with a 'loser pay' requirement such as that was in the House bill." In the Senate, provisions similar to those of HR 988 were added to -- and subsequently deleted from -- the product liability bill (HR 956) on the Senate floor.

10. Shareholder Suits: (I. Schroeder)

House passed HR 1058 on March 8 (325

-99). Basis for opposition:

Could lead to inadequate deterrence against financial fraud. (March 6th Reno/Mikva letter.)

Senate passed HR 1058 on 6/28/95 (69

-30). SAP sent to Senate on

6/23/95 states that the Senate version (previously S. 240) "is now a substantial improvement on [the House version of] H.R. 1058, which the Administration could not support." The statement recommended amendments to: (1) clarify that safe harbors should not protect purposefully misleading statements; (2) restore liability for aiding and abetting in private action that follow a SEC action; and (3) extend the statute of limitations for private securities fraud actions to five years after a violation occurs. The SAP opposed a provision in the bill that would establish proportionate liability for reckless defendants and recommends replacing it with an amendment that would require culpable solvent defendants to pay up to two times their proportionate share of the damages, when a portion of the award is uncollectible.

Conference not scheduled.

11. Telecommunications Reform: (J. Weinberg)

House Commerce Committee-

-Ordered reported HR 1555 (38

-5) on May

25th. House Judiciary Committee-

-Ordered reported HR 1528 on May
18th.

House floor action is possible before the August recess.
Significant
leadership

-backed amendments are expected on the House floor.

Senate passed S. 652 on June 15th, 81

-18. SAP strongly opposed
Commerce Committee

-reported bill. White House Press Office issued
an Administration statement on Senate passage of S 652 on June 16:
"The Administration's position on the final legislation will depend
on the extent to which the Administration's concerns have been
addressed satisfactorily during the course of the entire legislative
process." VP said on April 3 that he opposes the Senate Commerce
Committee bill, and on April 4 the VP clarified in a letter, "I did
not say that the President would veto the bill, since it is too
early for such a decision...." Basis for opposition: Would result
in higher phone and cable bills and decrease competition for phone
and cable services.

12. Banking and Insurance Reform: (R. Jones)
House Banking Committee marked up Chairman Leach's HR 1062 on May
18. This bill would permit banks and securities firms to affiliate,
allowing banks to underwrite securities and permitting securities
firms to own banks. HR 1062 was reported by the House Commerce
Committee on June 22. HR 1062 may move to the House floor in tandem
with HR 1858, a banking regulatory relief bill. (See below for
discussion of HR 1858 - Banking Deregulation.)

13. HUD Elimination Act: (A. Briatico)
Although no specific hearings have been held on S. 435, a number of
Senate hearings have been held on "reinventing" HUD. HUD, Justice,
and OMB have sent letters to the Senate Banking, Housing, and Urban
Affairs Committee strongly opposing Title II of S. 435. Title II
would transfer to Justice all of the responsibilities currently
assigned to HUD under the Fair Housing Act. Basis for opposition:
The administration of these authorities is best accomplished by HUD,
which has the infrastructure to handle these responsibilities.

14. National Highway System: (J. Brown)
Senate bill (S. 440) passed the Senate on June 22nd. It would
designate routes for the new National Highway System (NHS). Absent
designation of the NHS, DOT will be unable to obligate \$6.5 billion
in highway funding in FY 1996. Basis for opposition: Repeal of
national maximum speed limit law and motorcycle helmet requirements.

(SAP to Senate, 6/15/95. A provision repealing Davis

-Bacon

-type

labor protections, which was the subject of a Secretary of Labor veto threat in the SAP, was deleted on the Senate floor.) House committee action expected August 2nd.

15. Highway Trust Fund Off

-Budget Bill: (J. Brown)

House bill (HR 842) was ordered reported by House Transport. Cte. on May 3. Will be sequentially referred to Budget and Gov. Reform & Oversight Committees. (The Speaker has stated that he will appoint a task force to study issues raised by this bill.) Basis for opposition: Bill removes four trust funds from the Budget -- inconsistent with unified budget. (Rivlin letter to Chairman Shuster, 3/27/95.) Senate bill (S. 729) was introduced on April 27 by Sens. Baucus and Lott.

16. Banking Deregulation: (R. Jones)

House Banking Committee reported Chairman Leach's HR 1858 (successor to HR 1362) on July 18. This bill may go to the House floor in tandem with HR 1062 (listed above). Basis for opposition: Weakens important safeguards for assuring the safety and soundness of FDIC

-insured depository institutions and would eviscerate the Community Reinvestment Act. (Secretary Rubin issued a veto threat in a 6/29/95 letter to Chairman Leach.) Senate bill (S 650) is pending in the Senate Banking Committee. The Senate bill contains some, but not all, of the troublesome provisions.

17. Lorton Closure: (M.Cook)

The House Government Reform and Oversight D.C. Subcommittee has held a couple of hearings this year on HR 461, the "Lorton Correctional Complex Closure Act." At these hearings, no Administration witnesses were asked to testify. Justice, however, expects Administration witnesses to be invited to testify at future Subcommittee hearings on this matter. On 3/16/95, Justice sent a letter to this Subcommittee opposing HR 461. Basis for opposition: The approach of HR 461 is "seriously flawed" but alternatives, which will be discussed with the Congress, exist to remedy the Lorton issue.

18. Housing for Older Persons Act: (M.Cook)

On April 6, 1995, HR 660 passed the House by a vote of 424 to 5. The Administration sent a SAP on 4/6/95 opposing H.R. 660. The Senate has not taken any action on this bill yet. Basis for opposition: Amends the Fair Housing Act in a way that would loosen the standards used to determine what housing qualifies for the "housing for older persons" exemption, potentially increasing discrimination against families. Therefore, the Administration prefers administrative action to clarify the application of the "housing for older persons" exemption. NOTE: The bill's provisions are identical to those of Title IV of HR 8, the "Senior Citizens' Equity Act," a Contract with America bill.

19. Counterterrorism: (R. Jones)
Senate passed S 735 on June 7 (81

-8) The bill includes many proposals similar or identical to Presidential proposals (e.g., establishes Federal jurisdiction for terrorist acts, expedites removal of alien terrorists from the U.S., implements the international agreement on marking plastic explosives, etc.). Does not include the Administration's language for funding compliance with the 1994 digital telephony legislation. Includes habeas corpus reforms similar to that passed the House as a free standing bill (H.R. 729, listed under crime heading above). House Judiciary Committee reported H.R. 1710 on June 20 (23

-12). The House bill also includes many of the President's proposals, including a funding mechanism for digital telephony. Justice does not expect House floor action until September.

20. Regulatory Sunset and Review: (J. Gibbons)
House bill (HR 994) was approved by a Gov. Reform & Oversight Cte. on 7/18/95 with significant amendments by a vote of 39

-7. Basis for
opposition: Open

-ended in scope, excessively rigid, and contradictory criteria for review of regulations; paperwork requirements are unworkable. (Katzen testimony of 3/28/95 before House Gov. Reform.) Senate action not scheduled, but could be folded into broader regulatory reform legislation.

21. Pipeline Safety: (J. Brown)
House bill (HR 1323) has been reported by Transportation and Commerce Ctes. Basis for opposition: (1) Authorizes less than 44 percent of the FY 1996 Budget request for pipeline safety activities; and (2) imposes burdensome and costly risk assessment procedures on the pipeline safety rulemaking process. (DOT letter, 5/12/95.)

PRINTER FONT 14_POINT_HELVETICA
NATIONAL SECURITY & INTERNATIONAL AFFAIRS:
PRINTER FONT 10_POINT_ROMAN
101. National Security: (A. Rooney)
House passed HR 7 on February 16th (241

-181) (star wars was deleted on the Floor but many objectionable provisions remain which would infringe upon the authority of the President to respond to international crises and conflicts; remove UN peacekeeping as an option for burdensharing; establish an unnecessary Nat'l Security Commission; and mandate policies on NATO membership). On 4/7/95, POTUS said that he would "refuse () to approve the so

-called

peacekeeping legislation passed by the House." SAP (Feb. 13th)-- State, Defense, and the U.S. Ambassador to the UN would recommend a veto. Basis for opposition: Infringes on President's constitutional authorities as Commander in Chief; and virtually eliminates U.S. participation in UN peacekeeping efforts.

Senate Foreign Relations Committee (SFRC) began hearings on March 21st on S 5, Peacekeeping Powers Act (introduced by Dole) and HR 7. Aspects of S 5 were considered on May 17th as part of the SFRC markup of Foreign Affairs Authorization and Consolidation proposal and deleted from the bill as reported. State advises that peacekeeping will be considered separately by the Committee at a later date.

102. Foreign Affairs Authorization and Consolidation: (A. Rooney) House passed HR 1561 on June 8th (222 - 192). On May 23rd, the President expressed serious concerns regarding congressional legislation that would "place new restrictions on how America conducts

its foreign policy and slash our budget in foreign affairs."

Further, the President advised that if HR 1561 passed in its present form, he would veto it. SAP (May 22nd) -- State, DOD, Treasury, the U.S. Ambassador to the UN, AID, USIA, and ACDA would recommend a veto of HR 1561. Basis for opposition: Imposes numerous, far

-reaching restrictions on the conduct of American foreign policy; inappropriately consolidates three foreign affairs agencies (AID; ACDA; USIA) into a "super" State Department; and significantly reduces appropriation authorizations for international affairs programs.

Senate Foreign Relations Committee (SFRC) ordered reported Senator Helms' foreign relations authorization and consolidation proposal (S 908) on May 17th by a vote of 10

-8. On June 7th, SFRC ordered reported Senator Helms' Foreign Aid Reduction Act (S 961) by a vote of 10

-8. S 908 is expected to be considered in late July or early August. SAP (June 28th) -- State, the U.S. Ambassador to the UN, AID, USIA, and ACDA would recommend a veto of S 908. Basis for opposition: Same as opposition to House bill.

103. National Defense Authorization Act: (M. Goad) House passed HR 1530 (300

-126) on June 15th. Sec. Perry, in a June 20th letter to Sen. Thurmond, stated that "[m]any of the provisions . . . are totally unacceptable. Unless they are eliminated or radically modified, they threaten the prospects for the bill itself." SAP on HR 1530-

-strongly opposes (6/13/95).

Basis for opposition: Raises serious constitutional, national security, budget, personnel, and management concerns.

Senate Armed Services Committee reported S 1026, the companion bill, on July 12th. The Senate is expected to take up the bill before the August recess.

104. Jerusalem Embassy: (A. Rooney)

S 770/HR 1595 would require the United States to move its embassy to Jerusalem. On June 20th, Secretary Christopher sent a letter to Senator Dole and Speaker Gingrich stating that he would recommend a veto of the legislation. No action scheduled on either bill. Basis for opposition: Potentially very damaging to the success of the Middle East peace process and infringes on the President's constitutional prerogatives in foreign policy.

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NATURAL RESOURCES, ENERGY & SCIENCE

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201. Farm Bill: (C. Crutchfield)

Traditionally a 5

-year measure, this legislation will reauthorize a slew of farm, nutrition, rural development, and other USDA programs. The Administration's Farm Bill guidance assumes savings in farm programs of \$1.5 billion over five years. The 1996 Budget Resolution calls for cuts in farm programs of \$8.5 billion over 5 years and \$13.4 billion over 7 years. House and Senate Agriculture committees are currently drafting bill language. Although some markups on discretionary titles are scheduled for late July, committee action on mandatory provisions is not expected until September. (NOTE: In oral remarks before the House and Senate Agriculture committees, Secretary Glickman has stated that the President would veto legislation that block grants Food Stamps. On 7/11/95, a H. Agriculture Subcommittee ordered reported the food and nutrition title of the Farm Bill, HR 1997, which does not contain provisions to block grant Food Stamps.)

202. Clean Water Amendments of 1995: (H. Fitter)

House passed HR 961 on May 16th, by a vote of 240

-185. The bill would ease, overhaul, or revoke a number of current law's anti

-pollution requirements, allow States to continue to rely on

voluntary measures to deal with certain water pollution problems, and restrict the ability of Federal agencies to declare wetlands off limits to development. On May 30, 1995, POTUS stated that the House

-passed bill "will not get past my desk." SAP, sent on May 9, 1995, contained multiple agency veto threat (OMB, Justice, EPA, Interior). Basis for opposition: The bill would reduce water quality protection; eliminate fundamental wetlands protections; create enormous new costs (the bill includes a "mandatory compensation" takings provision similar to that contained in HR 925); fail to address effectively non

-point source pollution; and
paralyze the Federal Government's ability to issue regulations and guidance to protect the Nation's waters. Senate Environment Chairman Chafee has indicated that Clean Water Act reauthorization is not one of his top priorities.

203. Endangered Species: (M. Goad)

On July 13th, the Departments of Commerce and the Interior testified on the Endangered Species Act (ESA) before the Senate Environment and Public Works Committee. The Committee will hold additional oversight hearings on July 20th and 27th. CEQ expects that, once the oversight hearings are concluded, Sen. Kempthorne (R) ID will introduce a bill to reauthorize the ESA.

On May 25th, the Departments of Agriculture, Commerce, and the Interior testified before the House Endangered Species Task Force on possible changes to the ESA. CEQ and Interior advise that the House Task Force will not complete drafting legislation to amend the ESA until after the August recess.

204. Safe Drinking Water: (H. Fitter)

Reauthorization of the 1974 law designed to keep contaminants out of the nation's water supply. State and local officials want a State revolving loan fund for water supply projects and relief from testing requirements. House Commerce staff and Senate Environment and Public Works staff, respectively, are attempting to complete draft bills.

205. Interstate Waste: (H. Fitter)

Senate passed S 534 on May 16th, by a vote of 94

-6. S. 534 would

give states more power to restrict both intra and interstate garbage dumping.

206. Superfund Reform: (H. Fitter)

The taxes which fund the hazardous waste clean

-up program expire at

the end of 1995. There is support among some Republicans to scale back retroactive liability (which would shift much of the costs to the government). Senate Environment Subcommittee Chair Bob Smith has circulated a "Superfund Reform Outline" containing principles for Superfund reform. A Senate bill may be introduced before the August recess. A July 11, 1995, EPA Administrator Browner letter to Senator Smith stated that the outline "incorporates proposals that are unfair, unworkable, or insufficiently protective of human health and the environment." (EPA is especially concerned about the outline's repeal of strict, joint, and several retroactive liability.) Browner's letter further advised, "we do not believe this outline will establish a viable basis on which to attract the broad support that is needed if we are to achieve Superfund reform in the limited time left in this calendar year." House Transportation and Commerce subcommittee on Hazardous Material has held numerous subcommittee hearings on Superfund reform. On July 17th, Subcommittee Chairman Oxley unveiled his superfund reform

proposal which is similar to the Smith outline.

207. Mining Law: (C. Crutchfield)

Senate Energy and Natural Resources Committee is considering changes to Craig's bill (S 506) to win over committee members, such as Johnston, that have proposed a compromise version (S 639). Chairman Murkowski has postponed mark up of the bill indefinitely and indicated the issue would be dropped this session if a compromise is not reached soon. Interior Secretary Babbitt stated in a 5/22/95 letter to Chairman Murkowski that he would recommend a veto of S 506. Basis for opposition: S 506 does not provide for meaningful reform. It would (1) grant rights to purchase valuable Federal mineral lands at bargain

-basement prices; (2) deprive Federal land managers of authority to protect the environment; and (3) result in little or no return to Federal taxpayers for use of publicly

-owned

mineral deposits. Justice also strongly opposed S 506 in a 6/12/95 letter because it would increase litigation over public liability for cleanup. House has not scheduled action.

*208. Utah Wilderness: (C. Crutchfield)

House National Parks Subcommittee on 7/18/95 approved for full Committee action legislation (HR 1745) designating certain Federal lands in Utah as wilderness. Interior testified 6/29/95 before the Subcommittee that the Secretary would recommend a veto of HR 1745. Basis for opposition: The bill would (1) fail to designate enough land as wilderness; (2) open up for development too much land currently protected as wilderness study areas; and (3) allow road construction and other activities that are incompatible with wilderness designation. Senate Energy and Natural Resources Committee has begun consideration of identical legislation (S 884) introduced by Sens. Hatch and Bennett. Interior testified on 7/13/95 before the Committee that the Secretary would recommend a veto of S 884. Basis for opposition: Same as House.

*209. Livestock Grazing: (C. Crutchfield)

Senate Energy and Natural Resources Committee ordered reported S 852 on 7/19/95. Interior testified before the Committee on 6/22/95 that it strongly opposed S. 852, introduced by Sen. Domenici and 15 cosponsors to supersede Interior's new regulations for livestock grazing on Federal lands. In a 7/18/95 letter to the Committee, USDA Forest Service also strongly opposed amendments that apply provisions in S. 852 to National Forest System lands. Basis for opposition: S 852 would (1) establish grazing as a dominant use for public lands over recreation, wildlife protection, and other concerns; (2) limit public involvement in the management of public lands; and (3) raise a number of questions over water rights, fee levels, and compliance with environmental statutes. In testimony on

7/11/95 before the House National Parks Subcommittee, Interior strongly opposed the companion bill (HR 1713).

HUMAN RESOURCES

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301. Welfare Reform: (M. Cook)

HR 4 (SAP, 3/21/95 said oppose, but in a 4/13/95 CNN interview, POTUS said "I'd be happy to veto"). Basis for opposition: denial of cash benefits to unwed parents under age 18; funding cuts to Food Stamp and other nutrition programs; funding cuts and removal of Federal oversight of State child protection systems; inadequate resources and requirements for States to move people from welfare to work; and inadequate resources for States in times of recession. House passed H.R. 4 on March 23 (234

-199) which would replace

current welfare programs with 5 block grants to States (cash welfare; child welfare; child care; school meals; family nutrition). House SAP opposed H.R. 4 because it would: fail to reform welfare by moving people from welfare to work; reduce Federal funding in ways that would impair the health and nutrition of children and families; and is not tough enough on parents who owe child support, and too tough on innocent children.

Senate Finance Committee reported its version of H.R. 4 on June 9. The bill block grants AFDC, imposes a five

-year time limit on

benefits, tightens eligibility for SSI, and strengthens child support enforcement. HHS cited concerns with the bill in a May 24 letter to the Committee. Senator Packwood indicated May 15 that the bill would be considered as a stand

-alone bill unless it is

filibustered. In that case, the bill would be considered as a component of the budget reconciliation bill. The Senate Labor and Human Resources Committee ordered reported S. 850 (Child Care and Development Block Grant amendments) on May 26. The measure is expected to be included in the final Senate welfare reform package. HHS supported S. 850 in a May 24 letter to the Committee, but cited concerns with potential cuts in other child care programs. The Senate Agriculture Committee marked up S. 904, a Food Stamp and nutrition programs bill on June 14. S. 904 also is expected to be included in the final Senate welfare reform package. USDA commended the Committee for not block granting food and nutrition programs, but cited concerns with the bill's reduction in Food Stamp funding and repeal of Regulation E coverage for Electronic Benefit Transfers.

Senate floor action -- scheduled for week of August 7th.

302. Social Security Earnings Test: (M. Cook)

House-

-increase in earnings limit to \$30,000 included in HR 1215, which passed on April 5, (246

-188). Senate action unclear.

303. Davis

-Bacon Repeal: (C. Bowers)

H.R. 500 and S. 141 would repeal the Davis

-Bacon Act of 1931. The

act requires Federal contractors working on jobs valued at more than \$2000 to pay their workers the "local prevailing wage," which is often the union rate. A House Economic & Education Opportunities Subcommittee referred H.R. 500 to full committee on March 2. Senate Labor & Human Resources Committee reported S. 141 on May 12. A provision to repeal Davis

-Bacon coverage of Federal Highway projects

was dropped from S. 440, the National Highway bill (see entry above). Basis for opposition: repeal of Davis

-Bacon requirements

would depress workers' wages. President quoted on 4/6/95 as saying he would veto S. 141; Reich letter -- would recommend veto 3/18/95. (Also Reich letter and Senate SAP on S. 440 stated Labor would recommend veto.

304. Service Contract Repeal Act: (B. Pellicci)

Press reported that VP indicated on 2/20/95 that President would

veto such legislation. Basis for opposition: repeal of Service Contract Act would depress workers' wages. HR 246 was marked up by a House EEO subcommittee on 3/03/95.

305. Minimum Wage Increase: (A. Briatico)

On 2/13/95, President transmitted to Congress a proposal to raise the minimum wage in two 45 cent steps -- raising the rate to \$4.70 per hour on July 4, 1995 and to \$5.15 per hour on July 4, 1996. President's proposal introduced as S. 413 and H.R. 940. Senator Kassebaum indicated on April 21 that the Senate Labor and Human Resources Committee will hold hearings on increasing the minimum wage. No date has been set.

306. Striker Replacement: (B. Pellicci)

On 3/8/95, President issued an Executive Order to deny Federal contracts to employers that permanently replace striking workers. H.R. 1176 and S. 603 would nullify the Executive Order. The House Economic and Educational Opportunities Committee reported H.R. 1176 on June 27.

307. Teamwork for Employees and Managers Act: (B. Pellicci)

HR 743 and S295. (Reich letter: recommend veto, 3/6/95 and 6/21/95; press reported that VP said on 02/20/95 that President would veto such legislation.) Basis for opposition: would allow employers to establish company unions or alternative, company

-dominated organizations where unions already exist. HR 743 was ordered reported on 6/22/95 by the House EEO Committee. No action has been taken to date on S 295.

308. Social Security Solvency: (M. Cook)

The "Strengthening Social Security Act of 1995" (S. 825), one of the

"Simpson/Kerrey" bills, is designed to secure the long

-term solvency

of the Social Security program. It would: (1) accelerate the currently scheduled increase of the normal retirement age; (2) limit COLAs to certain Social Security beneficiaries; (3) adjust, for a limited period, Social Security COLA estimates based on CPI; (4) modify the formula for determining the primary insurance amount (the basic monthly benefit payable to a worker) to make it more progressive; (5) allow future beneficiaries to divert up to 2 percentage points of their payroll taxes to place in their own personal investment plan; (6) reduce gradually spousal benefits starting in 2000; (7) redirect revenue obtained through the taxation of Social Security benefits from the HI Trust Fund to the OASDI Trust Fund; and (8) invest a portion of the OASDI Trust Fund assets in a stock fund index. On June 27, 1995, a Senate Finance Subcommittee held a hearing on the solvency of the Social Security system. To date, the Administration has not taken a position on S. 825. No comparable bill has been introduced in the House.

309. Employment, Training, and Retraining: (C. Bowers)
House Economic and Educational Opportunities (EEO) Committee reported H.R. 1617 (The Consolidated and Reformed Education, Employment and Rehabilitation Systems, or 'CAREERS' Act) on May 17, 1995.

Senate Labor and Human Resources Committee reported S. 143 (Workforce Development Act) on June 21, 1995.

Both bills would consolidate numerous Federal education and job training programs into four grants to States -- for youth development and career preparation, adult training, adult education and literacy, and vocational rehabilitation. These bills differ significantly from the President's proposal to restructure education and job training programs (the G.I. Bill for America's Workers), and they reduce substantially Federal resources for these functions. It is expected that H.R. 1617 will be linked on the House Floor with H.R. 1720 (Privatization Act of 1995), which was reported by the

House EEO Committee on June 22, 1995. H.R. 1720 would privatize Sallie Mae and Connie Lee and eliminate numerous higher education programs. The Administration proposes to privatize these GSEs and eliminate the higher education programs, but its privatization initiatives differ in certain respects from H.R. 1720.

Negotiations over possible amendments to all of these bills are ongoing. It is likely that Administration statements for Floor consideration will support the objectives but either oppose specific features or suggest further amendments to align with the President's proposal. House or Senate Floor action could occur in August.

310. Food Stamps - Block Grant: (M. Cook)

Sec. Glickman stated before S. Ag. Cte., 5/23/95, that he strongly opposes block granting food stamps and that the President has indicated his intention to veto such legislation. Basis for opposition: would jeopardize the health and nutrition of low

-income

families.

Any changes made to the Food Stamp program are expected to be done within the context of Welfare Reform. Neither HR 4 (the Welfare Reform bill), as passed by the House, nor S 904 (which is expected to be rolled into the Senate version of HR 4), as ordered reported by the Senate, contain provisions that would block grant Food Stamps. In addition, HR 1997 (the food and nutrition title of the Farm Bill), as approved by a H. Agriculture Subcommittee on 7/11/95, also does not contain provisions that would block grant Food Stamps.

311. OSHA Reform: (C. Bowers)

The House Economic and Educational Opportunities Committee, Subcommittee on Workforce Protections, held a hearing June 28, 1995, on H.R. 1834 (Ballenger), the "Safety and Health Improvement and Regulatory Reform Act of 1995." Labor testified against H.R. 1834.

Basis for Opposition: Would redirect funding away from enforcement activities, jeopardize the health and safety of American workers by weakening enforcement and regulatory authority, and particularly threaten miners by revising Federal mine safety and enforcement. On July 12, 1995, Secretary Reich held a press conference on the House appropriation subcommittee actions affecting the Department of Labor. In response to a question, Secretary Reich stated that he "will strongly recommend a veto of the Ballenger bill . . . [which] amounts to a wrecking ball rather than reform." H.R. 1834 is pending in the subcommittee.

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HEALTH & PERSONNEL

PRINTER FONT 10_POINT_ROMAN

401. Federal Retirement Reform Act: (M. Cook)

HR 1215 and HR 1185 both include Federal retirement reform provisions. The Administration's position on such reforms has been articulated in the President's 4/5/95 letter on HR 1215 to Speaker Gingrich and in OMB's 3/15/95 letter on HR 1185 to Speaker Gingrich. Basis for opposition: Reduces retirement benefits of Federal employees to finance a tax cut for the wealthy.

On 3/15/95, the full H. Government Reform and Oversight Committee began consideration of HR 1185. It, however, recessed before taking action on the bill. NOTE: Title IV of HR 1215, as passed by the House on 4/5/95 (246

-188), contains provisions similar to those of HR 1185. To date, the Senate has taken no action on a stand

-alone retirement bill. On June 19, 1995, however, the FBI and DEA testified before a S. Governmental Affairs subcommittee opposing changes in retirement benefits for Federal employees. Modifications to Federal retirement programs are likely to be included in reconciliation legislation.

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MAJOR LEGISLATION ENACTED

PRINTER FONT 10_POINT_ROMAN

? Unfunded Mandates Reform Act of 1995 (PL 104

-4). President signed

3/22/95.

? Defense Supplemental Appropriations (PL 104

-6). President signed

4/10/95.

? Permanently Extend the Tax Deductibility for Health Insurance Costs for
Self

-Employed Individuals (PL 104

-7). President signed 4/11/95.

? HR 1345, DC Financial Responsibility and Management Assistance Act of
1995

(PL 104

-8). President signed 4/17/95.

? Paperwork Reduction (PL 104

-13). President signed 5/22/95.

? Medicare SELECT (PL 104

-18). President signed 7/7/95.

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

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

CREATOR: Lisa B. Fairhall (FAIRHALL_L) (OMB)

CREATION DATE/TIME:21-JUL-1995 10:47:47.19

SUBJECT: weekly

TO: Mary Cassell (Cassell_M) (OMB)

READ:21-JUL-1995 10:48:45.81

TO: Judy L. Grew (GREW_J) (OMB)

READ:31-JUL-1995 10:35:30.78

TO: Patricia A. Smith (SMITH_P) (OMB)

READ:21-JUL-1995 17:37:20.68

TO: Leslie S. mustain (mustain_l) (OMB)

READ:21-JUL-1995 11:04:48.24

TO: S. Aromie Noe (NOE_S) (OMB)

READ:21-JUL-1995 11:19:21.76

TO: Janet Looney (Looney_J) (OMB)

READ:21-JUL-1995 10:48:32.66

TO: Pronita Gupta (Gupta_P)

READ:NOT READ

IND_TO: Pronita Gupta (GUPTA_P) (OMB)

READ:21-JUL-1995 12:13:39.84

TEXT:

Barry has requested the weekly items in early today, since Ken is leaving early.

Please have items in by 2:30.

Pat -- Barry has asked for a bullet on the transmittal of the ramp-up/Sallie Mae bill.

Mary -- can you do something short on the Kassebaum Youth Block Grant bill?

Any other candidates?

Keep them short.

Thanks.

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

CREATOR: Charles S. Konigsberg (KONIGSBERG_C) (OMB)

CREATION DATE/TIME:23-JUL-1995 17:40:49.51

SUBJECT: ~~CONFIDENTIAL~~--AMR DAILY

**DETERMINED TO BE AN ADMINISTRATIVE
MARKING Per E.O. 13526**

Sec. 3.2(C) Initials: JK Date: 6-12-2018

2017-1074-F

TO: Alice M. Rivlin (RIVLIN_A) (OMB)

READ:24-JUL-1995 18:13:50.84

CC: Charles S. Konigsberg (KONIGSBERG_C) (OMB)

READ:24-JUL-1995 09:53:36.89

CC: Jacob J. Lew (LEW_J) (OMB)

READ:NOT READ

CC: Patrick J. Griffin (GRIFFIN_P) Autoforward to: Erin A. O'Connor

(OCONNOR_E)

(WHO)

READ:24-JUL-1995 09:16:26.15

CC: Martha Foley (FOLEY_M) (OMB)

READ:24-JUL-1995 09:36:51.31

CC: Ann M. Cattalini (CATTALINI_A) (WHO)

READ:24-JUL-1995 08:41:26.05

CC: Erin A. O'Connor (OCONNOR_E) Autoforward to: Stacey L. Rubin

(RUBIN_S)

(WHO)

READ:24-JUL-1995 08:46:10.68

CC: James C. Murr (MURR_J) (OMB)

READ:24-JUL-1995 08:20:10.98

CC: James J. Jukes (JUKES_J) (OMB)

READ:24-JUL-1995 09:06:46.43

CC: Janet R. Forsgren (FORSGREN_J) (OMB)

READ:24-JUL-1995 11:29:38.31

CC: Ronald K. Peterson (PETERSON_RK) (OMB)

READ:24-JUL-1995 08:18:01.92

CC: LAWRENCE J. HAAS (HAAS_L) (OMB)

READ:24-JUL-1995 12:18:03.11

CC: Robert G. Damus (DAMUS_R) (OMB)

READ:31-JUL-1995 17:57:50.53

CC: Barry B. Anderson (ANDERSON_B) (OMB)

READ:24-JUL-1995 09:34:50.97

CC: Gordon Adams (ADAMS_G) (OMB)

READ:24-JUL-1995 09:35:04.91

CC: T J Glauthier (GLAUTHIER_T) (OMB)
READ:24-JUL-1995 07:47:10.80

CC: Kenneth S. Apfel (APFEL_K) (OMB)
READ:NOT READ

CC: Nancy-Ann E. Min (MIN_N) (OMB)
READ:NOT READ

CC: Robert E. Litan (LITAN_R) (OMB)
READ:24-JUL-1995 17:49:41.24

CC: Joseph Minarik (MINARIK_J) (OMB)
READ:24-JUL-1995 08:28:21.70

CC: Sally Katzen (KATZEN_S) (OMB)
READ:24-JUL-1995 14:13:15.60

CC: Lydia Muniz (MUNIZ_L) (OMB)
READ:24-JUL-1995 09:48:12.70

CC: Charles E. Kieffer (KIEFFER_C) (OMB)
READ:24-JUL-1995 09:32:15.89

CC: Kristen E. Panerali (PANERALI_K) (OMB)
READ:24-JUL-1995 09:14:00.63

CC: John A. Koskinen (KOSKINEN_J) (OMB)
READ:23-JUL-1995 18:12:43.10

CC: Steven Kelman (KELMAN_S) (OMB)
READ:24-JUL-1995 09:51:22.82

CC: G. Edward DeSeve (DESEVE_G) (OMB)
READ:NOT READ

CC: John B. Arthur (ARTHUR_J) (OMB)
READ:24-JUL-1995 07:07:09.53

CC: William A. Halter (HALTER_W) (OMB)
READ:24-JUL-1995 09:29:16.33

CC: Jill M. Blickstein (BLICKSTEIN_J) (OMB)
READ:23-JUL-1995 18:00:38.34

CC: Chantale Wong (WONG_C) (OMB)
READ:24-JUL-1995 12:08:10.40

CC: Laura D. Tyson (TYSON_L) Autoforward to: Thomas O'Donnell (O'DONNELL_T)
(OPD)
READ:24-JUL-1995 10:02:46.95

CC: Thomas O'Donnell (ODONNELL_T) (OPD)

READ:24-JUL-1995 10:02:46.95

CC: David J. Lane (LANE_D) (OPD)

READ:23-JUL-1995 19:18:40.08

CC: John Gibbons (GIBBONS_J) Autoforward to: Remote Addressee (

gjack@ccmail.ostp.eop.gov@inet) (STP)

READ:NOT READ

CC: M. Jill Gibbons (GIBBONS_M) (OMB)

READ:24-JUL-1995 09:40:59.29

CC: Ronald E. Jones (JONES_RE) (OMB)

READ:28-JUL-1995 10:12:40.23

CC: Ingrid M. Schroeder (SCHROEDER_I) (OMB)

READ:24-JUL-1995 09:16:23.31

CC: Jeffrey A. Weinberg (WEINBERG_J) (OMB)

READ:24-JUL-1995 08:22:38.47

CC: James A. Brown (BROWN_JA) (OMB)

READ:24-JUL-1995 11:37:06.90

CC: Constance J. Bowers (BOWERS_C) (OMB)

READ:24-JUL-1995 09:13:22.60

CC: Melissa Y. Cook (COOK_MY) (OMB)

READ:24-JUL-1995 08:34:57.85

CC: Anna M. Briatico (BRIATICO_A) (OMB)

READ:24-JUL-1995 09:27:10.35

CC: Christopher J. Mustain (MUSTAIN_C) (OMB)

READ: 2-AUG-1995 11:41:07.44

CC: Robert J. Pellicci (PELLICCI_R) (OMB)

READ:24-JUL-1995 08:15:27.96

CC: James C. Crutchfield (CRUTCHFIEL_J) (OMB)

READ:24-JUL-1995 10:42:49.70

CC: Elyse H. Fitter (FITTER_E) (OMB)

READ:24-JUL-1995 09:21:10.58

CC: Michael L. Goad (GOAD_M) (OMB)

READ:NOT READ

CC: Annette E. Rooney (ROONEY_A) (OMB)

READ:24-JUL-1995 09:20:33.56

CC: Dena B. Weinstein (WEINSTEIN_D) (OPD)

READ:24-JUL-1995 07:52:47.18

CC: Stacey L. Rubin (RUBIN_S) (WHO)
READ:24-JUL-1995 08:46:10.68

CC: Jennifer N. Palmieri (PALMIERI_J) (OMB)
READ:24-JUL-1995 11:02:05.54

CC: Karin L. Kizer (KIZER_K) (OMB)
READ:24-JUL-1995 12:16:24.26

CC: Margaret R. Shaw (SHAW_M) (OMB)
READ:24-JUL-1995 16:39:56.84

CC: Deborah F. Kramer (KRAMER_D) (OMB)
READ:24-JUL-1995 11:13:00.41

CC: Diane G. Limo (LIMO_D) (OMB)
READ:24-JUL-1995 08:55:07.47

CC: Alice E. Shuffield (SHUFFIELD_A) (OMB)
READ:24-JUL-1995 09:19:33.30

CC: Janet L. Graves (GRAVES_J) (OMB)
READ:24-JUL-1995 09:12:58.55

CC: James I. Blount (BLOUNT_J) (OMB)
READ:23-JUL-1995 18:25:09.95

CC: Lara L. Roholt (ROHOLT_L) (OMB)
READ:24-JUL-1995 08:56:46.61

CC: Philip R. Dame (DAME_P) (OMB)
READ:24-JUL-1995 08:04:43.26

CC: Alan B. Rhinesmith (RHINESMITH_A) (OMB)
READ:24-JUL-1995 11:19:01.52

CC: Kenneth L. Schwartz (SCHWARTZ_K) (OMB)
READ:24-JUL-1995 10:27:37.99

CC: Barry T. Clendenin (CLENDENIN_B) (OMB)
READ:23-JUL-1995 18:40:56.01

CC: Robert B. Rideout (RIDEOUT_R) (OMB)
READ:24-JUL-1995 09:05:46.68

CC: Philip A. DuSault (DUSAULT_P) (OMB)
READ:24-JUL-1995 09:23:33.48

CC: Phebe N. Vickers (VICKERS_P) (OMB)
READ:24-JUL-1995 07:58:41.55

CC: Kathleen Peroff (PEROFF_K) (OMB)
READ:24-JUL-1995 09:13:58.44

CC: Ron Cogswell (COGSWELL_R) (OMB)
READ:24-JUL-1995 08:36:15.87

CC: Barry White (WHITE_B) (OMB)
READ:24-JUL-1995 09:03:09.34

CC: Richard P. Emery Jr. (EMERY_R) (OMB)
READ:24-JUL-1995 07:54:17.94

CC: Barbara C. Chow (CHOW_B) (WHO)
READ:24-JUL-1995 08:35:29.51

CC: Robert E. Barker (BARKER_R) (OMB)
READ:24-JUL-1995 08:04:34.70

CC: Mark Gearan (GEARAN_M) Autoforward to: Angus S. King (KING_A) (WHO)
READ:24-JUL-1995 09:33:52.88

CC: Donald A. Baer (BAER_D) (WHO)
READ:NOT READ

CC: Ann F. Walker (WALKER_A) (WHO)
READ:NOT READ

CC: Todd Stern (STERN_T) (WHO)
READ:NOT READ

CC: Kelly Musick (MUSICK_K) (OMB)
READ:24-JUL-1995 10:17:45.46

CC: Nancy L. Brandel (BRANDEL_N) (OMB)
READ:24-JUL-1995 17:33:04.99

CC: Christopher F. Walker (WALKER_C) (WHO)
READ:24-JUL-1995 07:46:24.26

CC: Deborah L. Shaw (SHAW_D) (OMB)
READ:24-JUL-1995 08:19:42.95

CC: Gene B. Sperling (SPERLING_G) Autoforward to: Elena R. Mccoy (MCCOY_ER)
(PDONE)
READ:24-JUL-1995 07:48:39.01

CC: Timothy J. Keating (KEATING_T) (WHO)
READ:24-JUL-1995 09:21:27.06

CC: Kathryn Higgins (HIGGINS_K) (WHO)
READ:24-JUL-1995 18:18:31.39

CC: Stephen B. Silverman (SILVERMAN_S) (WHO)
READ:NOT READ

CC: Bruce N. Reed (REED_B) (OPD)

READ:24-JUL-1995 09:05:05.03

CC: Jeremy D. Benami (BENAMI_J) (OPD)
READ:24-JUL-1995 08:12:10.29

CC: Douglas B. Sosnik (SOSNIK_D) (WHO)
READ:24-JUL-1995 09:32:40.79

CC: Karen L. Hancox (HANCOX_K) (WHO)
READ:24-JUL-1995 08:14:14.76

CC: Shelley N. Fidler (FIDLER_S) (CEQ)
READ:24-JUL-1995 15:27:30.93

CC: Janet L. Himler (HIMLER_J) (OMB)
READ:24-JUL-1995 08:17:31.52

CC: Daniel Tate (TATE_D) (WHO)
READ:NOT READ

CC: John C. Angell (ANGELL_J) (WHO)
READ:24-JUL-1995 10:26:01.73

TEXT:

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PRINTER FONT 12_POINT_ROMAN

TO: ALICE RIVLIN
cc-

-Lew, Griffin, Tyson, Angell, Foley, OMB/2d Floor,
DADs, LRD, Gibbons, Cabinet Affairs, CEQ
FROM: CHUCK KONIGSBERG
SUBJECT: STATUS REPORT ON PENDING LEGISLATION

PRINTER FONT 14_POINT_HELVETICA

Congress on Friday:

PRINTER FONT 12_POINT_COURIER

Senate passed the rescission bill 90

-7 (after defeating the two
Wellstone/Moseley

-Braun amendments 57

-40 (LIHEAP) and 65

-32

(Education Infrastructure and Job Training). Senate also passed
Mil Con Approps. 84

-10. House passed Agriculture Appropriations,
313

-78. House began, but did not complete consideration, of
Transportation Appropriations.

PRINTER FONT 14_POINT_HELVETICA

Debt Limit:

PRINTER FONT 12_POINT_COURIER

The Rivlin/Rubin response to the 157 House Members' letter on the
debt ceiling was sent to the Hill on Friday. I've attached, as
an FYI to the distribution list, the text of the response.
The Rubin response to the Dole/Gingrich debt ceiling letter is
still under review.

PRINTER FONT 14_POINT_HELVETICA

Lock

-Box:

PRINTER FONT 12_POINT_COURIER

House Floor consideration will NOT occur this week. We are
proceeding with an analysis of the Rules Committee bill and
developing options for an Administration position.

PRINTER FONT 14_POINT_HELVETICA

SAPs - Transmittal of 2 NON

-controversial SAPs:

PRINTER FONT 12_POINT_COURIER

Late Friday afternoon, a SAP was transmitted to the Senate on S.
641, the Ryan White CARE Reauthorization Act: "The
Administration strongly supports S. 641, consistent with the
attached July 5th letter from the President to the Senate
Majority Leader."

Sunday afternoon, a SAP was transmitted to the House on HR 70:
"The Administration supports House passage of the substitute to
H.R. 70 recommended by the Resources Committee, which would
authorize the export of Alaska North Slope (ANS) oil under
certain condition."

PRINTER FONT 10_POINT_ROMAN

The Department of the Treasury The Office of Management and Budget

[157 signatories of June 30 House letter]

U.S. House of Representatives

Washington, D.C. 20515

Dear XXXX:

The President has asked us to respond to your June 30 letter stating
your unwillingness to vote to increase the debt ceiling until legislation
is enacted to balance the budget by 2002.

The Administration, in the strongest possible terms, respectfully
urges you to de

-couple the issues of the debt ceiling and balancing the
budget.

As the President has made clear, he shares with Congress the goal of balancing the budget. There are, however, two very different balanced budget plans before the American people. The President's 10

-year plan is a responsible, reasonable approach to raise the living standards of average Americans, which should be the goal of all fiscal policy. By contrast, the budget resolution would balance the budget too quickly and provide a huge tax cut for the wealthy, forcing deep cuts in Medicare, education, and other priorities.

The American people have a right to expect that we conduct the effort to balance the budget in an orderly, careful, and thoughtful manner. They have a right to expect a full, open policy debate about the choices -- how deep the reductions in Medicare should be; what type and how large a tax cut we can afford; and how deep the cuts in domestic spending should be.

While the budget resolution gives committees until late September to report Reconciliation legislation, the Treasury Department estimates we will reach the debt ceiling in October. Thus, we face the specter of last

-minute legislative brinkmanship to complete work on Reconciliation just before reaching the debt ceiling. Such a last

-minute rush, which threatens the shutdown of vital services to our citizens and the financial integrity of the market for Treasury securities, is in no one's interest.

A much wiser course would be to separate the budget deliberations from the debt ceiling. We note that the congressional budget resolution called for an increase to not more than \$5.5 trillion, an amount which would not be reached until sometime in 1997. We recommend that Congress take action

on the debt limit in advance of October, in order to maintain the financial operations of the government while there is an orderly debate on the budget.

The President is prepared to work with Congress throughout August to avoid a fiscal crisis in the fall. We look forward to your cooperation.

Sincerely,

Robert E. Rubin

Alice M. Rivlin

PRINTER FONT 14_POINT_HELVETICA
SENATE FLOOR SCHEDULE:

PRINTER FONT 12_POINT_COURIER
Week of July 24:
MONDAY--(under a unanimous consent agreement)

-Lobbying Bill (No SAP)

-Gift Ban Bill (No SAP)
TUESDAY--

-Complete consideration of S 21, Lifting U.S. Arms Embargo applicable to Bosnia. (Under a unanimous consent agreement, 1st degree amendments are limited to 10)

[No SAP currently planned]

BALANCE OF WEEK--

-Complete S 641, Ryan White AIDS program

[SAP transmitted 7/21 - strongly support]

-Possibly return to S. 343, Reg. Reform

[SAP containing multi

-agency veto threat sent 7/10]

-Possibly S 908, Foreign Relations Revitalization Act

[SAP containing multi

-agency veto threat sent 6/28/95]

DOLE'S LIST TO BE DONE BEFORE RECESS:

-Possible Appropriations Bills

- Interior

- Energy

- Treasury/Postal

- Defense

- Agriculture

-S 961, Foreign Aid Reauthorization

-S 1026, Defense Authorization

-HR 4, Welfare Reform

NOTE - DOLE ANNOUNCED THAT SATURDAY SESSIONS ARE POSSIBLE JULY 29, AUGUST 5, AND AUGUST 12. RECESS - DELAYED TO AUGUST 12.

HOUSE FLOOR SCHEDULE:

Week of July 24:

- HR 70, Export of Alaska North Slope Oil

[SAP transmitted 7/23/95]

- Complete HR 2002, Transportation Appropriations

[SAP transmitted 7/19-

-serious objections]

- Commerce/Justice/State Appropriations, HR 2076

(subject to a Rule) [SAP being developed]

- VA/HUD Appropriations

[SAP being developed]

Corrections Calendar (Tuesday):

- HR 1943, San Diego Coastal Corrections Act

[SAP pending]

Floor action between July 4th and August Recess:

- Lock

-Box

[Position under consideration]

- Finish Appropriations

- Telecommunications

- Anti

-Terrorism

Other pending legislation:

HR 1332, the Omnibus Insular Areas Act, may be taken up.

[SAP being developed with a DOI veto recommendation.]

(If you have questions about the House or Senate legislative schedules, contact Lydia Muniz at OMB Legislative Affairs, 54790.)

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PRINTER FONT 14_POINT_HELVETICA

APPROPRIATIONS STATUS

REPORT

PRINTER FONT 10_POINT_ROMAN

Supplemental/Rescission Bill (HR 1944)-

-Passed House June 29. Awaiting

Senate action.

Agriculture (HR 1976)--House passed on 7/21 313

-78. SAP cleared and sent

Tuesday, 7/18: Ag/OMB veto threat.

C/J/S--House Rules Comm. on Friday, 7/21. Rules SAP 7/20: Attorney

General, Commerce, OMB veto threat.

Defense--House full committee markup on Tuesday 7/22. Senate action expected week of July 24. OMB letter sent 7/20: does not support level of funding, diminishes authority to conduct foreign affairs, undermines goal of balanced budget.

DC--House markup in September. Senate markup in September.

Energy/Water (HR 1905)--OMB letter on House subcomm. bill, 6/20: strongly opposed. Passed House July 12, 400

-27. Senate subcomm. markup 7/25; full committee markup 7/27. OMB letter 7/20: strongly oppose House

-passed.

Foreign Ops (HR 1868)--SAP, 6/22: not oppose at this time, but "great difficulty supporting HR 1868 if improvements are not made." Passed House July 11, 333

-89. Senate action not expected until September.

Interior (HR 1977)--SAP, 7/12: Interior/OMB veto threat. House passed July 18, 244

-181. Senate action expected week of July 24.

Labor/HHS/Ed--House full comm markup will continue 7/24. Panetta said on 7/11 if the subcomm. chairman's mark reaches the President's desk in its current form, "he will veto." OMB letter on subcomm. bill sent 7/19: President would veto.

Leg Branch (HR 1854)--Passed House June 22, 337

-87. Senate floor action began 7/20.

Mil Con (HR 1817)--SAP-

-6/15: would support if modified. Passed House June 21, 319

-105. OMB letter on House

-passed bill 7/18: Administration strongly objects to certain provisions. Passed Senate 7/21 84

-10. Transportation (HR 2002)-

-House floor action on 7/21. House Rules SAP 7/19: serious objections. Floor SAP sent 7/21-

-serious objections. Senate action expected week of July 24.

Treasury/Postal (HR 2020)--House Floor SAP, 7/17: OMB, other senior WH officials, OPM veto threat. House passed 7/19, 216

-211. Senate subcomm. and full comm. markups scheduled for 7/25 and 7/27. VA/HUD/Independent Agencies-

-Panetta said on 7/11 if the House subcomm. bill reaches President's desk in its current form, "he will veto." OMB letter, 7/17: "senior advisors" veto recommendation. House full committee marked

-up 7/18. House Rules and Floor action week of 7/24.

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PRINTER FONT 14_POINT_HELVETICA
BUDGET RECONCILIATION STATUS REPORT

PRINTER FONT 10_POINT_ROMAN

Changes from previous day indicated by asterisk (*).

PRINTER FONT 14_POINT_HELVETICA

House: (Sept. 22 reporting deadline)

PRINTER FONT 12_POINT_COURIER

Agriculture--

Banking--

Commerce --

Econ & Educational Opp--

Govt Reform--

Internat'l Rel--

Judiciary--

Nat'l Sec--

Resources--

Transportation--

Veterans--

Ways & Means--Not expected to mark

-up until September.

Expected to incorporate by reference pieces of the House

-passed welfare reform and tax bills.

PRINTER FONT 14_POINT_HELVETICA

Senate: (Sept. 22 reporting deadline for spending cuts, but 5 days following CBO certification for tax cuts)

PRINTER FONT 12_POINT_COURIER

Agriculture--

Armed Services--

Banking--

Commerce--

Energy--

Environment & PW--

Finance--Not expected to mark

-up until September. Finance has the heaviest load in the Congress, with all of Medicare, Medicaid, most of welfare, and all the tax cuts to report. Moreover, with an 11

-9 split, the Republicans need every vote to report out a Reconciliation package; however, the Republicans may have trouble holding Chafee's vote. In addition, Pressler is up for election next year and D'Amato has the seniors vote to worry about.

Govt Affairs--

Judiciary--

Labor--

Veterans--

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PRINTER FONT 14_POINT_HELVETICA
SUMMARY of ADMINISTRATION OPPOSITION
PRINTER FONT 10_POINT_ROMAN
[Prepared by OMB/LRD and OMB/LA]

(Note: For details on the legislation listed below, including the basis for opposition, see the "STATUS OF MAJOR LEGISLATION" List that follows - note the item #; for appropriations items, see the "APPROPRIATIONS STATUS REPORT".)

Changes from previous day indicated by asterisk (*).

PRINTER FONT 14_POINT_HELVETICA
Veto:

PRINTER FONT 10_POINT_ROMAN
Rescissions/Supplemental - HR 1158

PRINTER FONT 14_POINT_HELVETICA
Presidential Veto Threats:

PRINTER FONT 10_POINT_ROMAN
*Labor/HHS/Ed Approps. - OMB letter, 7/19: President would veto

Assault Weapons Ban

Clean Water Amendments of 1995 - HR 961 [Item # 202]
Davis

-Bacon - S 141 [Item #303]

Foreign Affairs Authorization/Merge AID, ACDA, USIA into State - HR 1561
[Item #102]

Loser Pays - Civil Litigation - HR 988 [Item #9]

National Security Bill - HR 872 [Item #101]
Product Liability/Civil Litigation - HR 956 [Item #8]

Student Loans

Takings/Private Property Protection - HR 925 and S 605 [Item #6]
Tax Fairness and Deficit Reduction Act - HR 1215 [Item #3]
100,000 cops - HR 728, Law Enforcement Block Grants [Item #4]
Welfare Reform - HR 4 [Item #301]

PRINTER FONT 14_POINT_HELVETICA
Multiple Agency Veto Threats:
PRINTER FONT 10_POINT_ROMAN
*Agriculture Appropriations - HR 1976; SAP sent 7/18

*Commerce, Justice, State Approps - Rules SAP sent 7/20
Treasury, Postal Appropriations - HR 2020; SAP sent 7/17
VA/HUD - OMB letter 7/17
Interior Appropriations - HR 1977; SAP sent 7/12

Comprehensive Regulatory Reform Act of 1995 - S 343 [Item #5]

Foreign Relations Authorization/Merge AID, ACDA, USIA into State - S 908
[Item #102]

Regulatory Moratorium - HR 450 [Item #7]

PRINTER FONT 14_POINT_HELVETICA

Single Agency Veto Threats:

PRINTER FONT 10_POINT_ROMAN

Financial Institutions Regulatory Relief Act of 1995 - HR 1362 [Item #16]
Food Stamps - Block Grant, HR 4, HR 1997, and S 904 [Items #201, 301, & 310]
Jerusalem Embassy - S 770 and HR 1595 [Item #104]
Mining Law - S 506 [Item #207]
National Defense Authorization Act - HR 1530 [Item #103]
National Highway System Designation Act of 1995 - S 440 [Item #14]
Service Contract Repeal Act - [Item #304]
Teamwork for Employees & Managers Act - HR 743 [Item #307]
Utah Wilderness - HR 1745 [Item #208]

OSHA Reform - HR 1834 [Item #311]

PRINTER FONT 14_POINT_HELVETICA

Strongly Oppose:

PRINTER FONT 10_POINT_ROMAN

*Energy & Water Appropriations - HR 1905, letter sent 7/20

Transportation Appropriations - HR 2002, SAP sent 7/21 "serious objections"

Energy & Water Appropriations - HR 1905; letter sent 6/20

Federal Retirement Reform - HR 1215 and HR 1185 [Item #401]

Highway Off

-Budget - HR 842 [Item #15]
HUD Elimination Act - S 435 [Item #13]
Livestock Grazing Act - S 852 [Item #209]
National Highway System Designation Act of 1995 - S 440 [Item #14]
Pipeline Safety Act - HR 1323 [Item #21]
Risk Assessment - HR 1022 [Item #5]
Telecommunications - S 652 [Item #11]

PRINTER FONT 14_POINT_HELVETICA

Oppose:

PRINTER FONT 10_POINT_ROMAN

*Defense Appropriations - Letter sent 7/20

*Military Construction - HR 1817, Letter 7/18

Lorton Closure - HR 461 [Item #17]
Regulatory Sunset and Review Act of 1995 - HR 994 [Item #20]
Service Contract Repeal Act - HR 246 [Item #304]

PRINTER FONT 14_POINT_HELVETICA
Oppose Unless Amended:

PRINTER FONT 10_POINT_ROMAN
Foreign Ops Approps - HR 1868; SAP sent 6/22

Securities Litigation Reform - HR 1058 [Item #10]
Violent Criminal Incarceration - HR 667 [Item #4]

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PRINTER FONT 14_POINT_HELVETICA
STATUS OF MAJOR (Non

-Appropriations) LEGISLATION
PRINTER FONT 10_POINT_ROMAN
[Prepared by OMB/LRD]
PRINTER FONT 12_POINT_ROMAN
(Note: Parentheticals indicate who is tracking; bills
grouped by RMO)

[Changes from previous day indicated by asterisk (*)]

PRINTER FONT 14_POINT_HELVETICA
GENERAL GOVERNMENT & FINANCE:

PRINTER FONT 10_POINT_ROMAN
1. Budget Resolution: (Konigsberg)
House completed action on HConRes 67 on 5/18, passing the Kasich
budget plan 238

-193. Senate completed action on 5/25, passing the
Domenici budget 57

-42. Budget Resolution conference agreement passed
the House on 6/29 by a vote of 239

-194, and passed the Senate the
same day by a vote of 54

-46 (party line).
2. Item Veto: (Konigsberg/J. Gibbons)
House passed HR 2 (enhanced rescission) on February 6, (294

-134).

Senate passed S 4 (separate enrollment) on March 23, (69

-29).

Conference: On June 20, the Senate requested a conference and appointed conferees.

3. Tax Fairness and Deficit Reduction Act: (R. Jones)

House passed HR 1215 on April 5, (246

-188) including tax cuts (child credit, IRAs, repeal taxes on soc.sec., neutral cost recovery, corporate AMT, cap gains, expensing, adoptions, marriage penalty credit, long

-term care incentives); raise soc. sec. earnings limit; spending caps; Medicare extenders; spectrum extender; uranium enrichment; Federal retirement reforms; and automatic sequester of amounts taxpayers dedicate to debt reduction. SAP--"If...presented ...in its current form, the Secretary of the Treasury and the Director of OMB would recommend a veto." Senate not expected to take up HR 1215, as passed by the House, however components of the bill may be considered in the context of Reconciliation. Basis for opposition: Bill is fiscally irresponsible and would provide disproportionate tax benefits to the wealthy at the expense of programs for average Americans.

4. Crime Bills: (R. Jones)

House split their original crime bill into 7 smaller pieces and passed 6 of them--

? HR 665, requiring restitution for victims of federal crimes, passed February 7 (431

-0); SAP--"supports passage."

? HR 666, allowing federal prosecutors to use improperly obtained evidence if police officers acted in "good faith"; would apply with and w/o warrants. Passed February 8, (289

-142). SAP

-support only if amended to apply only where warrants have been obtained. ? HR 729, containing reforms affecting federal habeas corpus review of state criminal judgments and collateral review of federal judgements, and requiring federal juries to impose death sentences in certain cases. Passed February 8 (297

-132). SAP-

-support if DOJ concerns addressed.

? HR 667, would replace the prison funding program enacted in '94 Act with allocations based on sentencing criteria; and would limit prisoner

litigation. Passed February 10, (265

-156). SAP-

-oppose unless amended. Basis for opposition: Proposed distribution of prison grants is inferior to current program; drug court program would be repealed.
? HR 668, to expedite the deportation of aliens who commit serious crimes and reimburse states for incarceration of criminal aliens.
Passed February 10, (380

-20). SAP-

-support if amended to offset the increased direct spending (\$600m/yr).
? HR 728, combining last year's grants for 100,000 cops and crime prevention into block grants. Passed February 14, (238

-192).
SAP-

-Presidential veto threat. Basis for opposition: Bill repeals police grants program, which provides for 100,000 cops. It also eliminates many crime prevention programs.

Senate action on crime legislation not yet scheduled. However, habeas corpus provisions related to those in HR 729 are included in the Senate

-passed anti

-terrorism bill (S 735, discussed below).
5. Reg Reform/Risk Assessment: (H. Fitter)
House passed HR 1022, Risk Benefit and Cost Benefit Act of 1995 on February 28th (286

-141), requiring Federal agencies to perform highly detailed analyses of the risks that proposed health, safety and environmental regulations seek to address. SAP sent to the House on February 27, 1995, strongly oppose HR 1022. Basis for opposition: HR 1022 would impose overly broad, prescriptive, and costly analytical requirements on the regulatory process, encourage excessive litigation, and supersede the substantive requirements of many existing health, safety, and environmental laws (i.e., the so

-called supermandate).
Senate - Senate Floor action on S 343 began on 6/28. A 7/17/95 cloture vote failed (48

-46); a second cloture vote on 7/18/95 also failed (53

-47); a third cloture vote failed (58

-40) on 7/20/95. A

SAP was transmitted on 7/10/95: veto threat by Secretaries of Labor, Agriculture, Health and Human Services, Housing and Urban Development, Transportation, the Treasury, and the Interior, and the Administrator of EPA, and the Director of OMB. In addition, in a 6/23/95 letter to Senators Dole and Daschle, OMB OIRA Administrator Katzen stated "we continue to have serious concerns with S 343, and I would recommend that the President veto it if it were presented to him in its current form." Basis for opposition: Would impair rather than improve the regulatory process by generating additional costs, paperwork, litigation, and delay.

6. Private Property Rights/Takings: (M. Goad)

On March 3rd, the House passed HR 925 (277

-148), subsequently incorporated the bill into HR 9, and then passed HR 9 (277

-141).

HR 925 would require certain Federal agencies to compensate financially landowners if regulatory actions (taken under Endangered Species Act, and wetlands, farm, and water rights laws) cause a decrease of at least 20 percent in the fair market value of any portion of the landowners' properties. The agencies would be required to offer to purchase the property if the regulatory action causes a decrease of more than 50 percent in the property's value. SAP on HR 925-

-strongly oppose (3/1/95). On April 7th, POTUS said, "I will also veto the House

-passed requirement that government pay property owners billions of dollars every time we act to defend our national heritage of seashores or wetlands or open spaces." Basis for opposition: Undermines Federal authority to protect the general welfare; expands the traditional concept of Fifth Amendment "takings"; creates new direct spending; and imposes an unlimited fiscal burden in the form of an arbitrary, automatic compensation requirement for reductions in property values that are attributable to Federal actions.

The Senate Judiciary Committee held an April 6th hearing on S 605

(Dole/ Hatch). (S 605 has a 33 percent threshold, and would apply to all Federal agencies.) In testimony presented at the hearing, Justice threatened veto. In separate letters sent to Sen. Hatch in May and June, Agriculture, Army

-Civil Works, Defense, EPA, GSA, HHS, Interior, Justice, Transportation, and Treasury advised that they would recommend veto. In a June 7th letter to Sens. Hatch, Biden, Dole, and Daschle, OMB Director Rivlin advised that, due to the significant increase in Federal spending that would result if S 605 were enacted, she would recommend veto. The Committee has not yet

scheduled the mark up of S 605, but may do so at any time. The Senate Environment and Public Works (EPW) Committee held a June 27th hearing at which Interior and Justice advised that they would recommend veto of S 605 and HR 925. In an additional EPW hearing on July 12th, EPA, Army (Corps), and OMB advised that they would recommend a veto of S.605 or similar legislation. The Committee may hold an additional hearing later this month. Basis for opposition: Same as opposition to House bill.

7. Reg Moratorium/Waiting Period: (J. Weinberg)
House passed HR 450 on Feb. 24 by 276

-146. The bill would establish a "moratorium period" -- Nov. 20, 1994 through Dec. 31, 1995 or enactment of reg reform, whichever is earlier -- during which a Federal agency may not take any "regulatory rulemaking action" unless it falls within a specified emergency exception (i.e. military or foreign affairs functions, international trade agreements, agency management, certain banking regulatory matters, implementation of the internal revenue laws; matters relating to loans, grants, benefits, or contracts). Also exempted: regs determined by OIRA to be necessary because of an imminent threat to health or safety or other emergency or necessary for the enforcement of criminal laws. SAP--"The President has stated that a moratorium on regulations, as provided for in H.R. 450, is not acceptable....the Secretaries of Agriculture, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, Transportation, and the Treasury, the Attorney General, and the Administrator of the Environmental Protection Agency would recommend that it be vetoed." (In addition, POTUS said on 4/7/95, "if Republicans send me a bill that would let unsafe planes fly or contaminated water continue to find itself into city water systems, I will veto it." Veto threat reiterated in Earth Day speech, 4/21/95.) Basis for opposition: Would prevent the issuance of meritorious rules.
Senate passed S. 219 on March 29 by 100

-0; under the Senate version, regs would not go into effect for 45 days, during which time Congress could enact a disapproval resolution. A March 29 statement by the President called the 45

-day review period "the right way to reform regulation."

Conference: On June 16, the Senate requested a conference and appointed conferees.

8. Product Liability/Civil Litigation/Medical Malpractice: (I. Schroeder)
House passed HR 956 on March 10 (265

-161). It would cap punitive damages in all civil cases and would cap non

-economic (pain and suffering) damages in suits against health providers and insurers.
Basis for opposition: Product liability reform should generally be

left to the States; punitive damages shouldn't be arbitrarily capped; and differential treatment of "economic" and "noneconomic" (e.g., "pain and suffering" damages is inappropriate. (March 6th Reno/Mikva letter.)

Senate passed HR 956 on May 10 (61

-37). It would cap punitive damage awards by juries in product liability cases at \$250,000 or twice compensatory damages (economic and non

-economic damages), whichever is greater. Judges could override those limits in "egregious" cases. Punitive damage awards in product liability cases could not exceed

\$250,000 for small businesses. Basis for opposition: A May 10th White House statement said the Senate

-passed liability bill "in its present form does not go far enough toward balancing the interests of consumers with those of manufacturers and sellers." The statement also stated the Administration's concerns regarding the limits on punitive damages adopted by the Senate and reiterated the Administration's opposition to provisions which would abolish joint and several liability. (A provision limiting punitive damage awards in all civil lawsuits, which was the subject of a May 4th Presidential veto threat, was later limited to product liability cases only.)

Conference not scheduled and conferees have not been appointed. Media reports indicate that Speaker Gingrich may defer conference until the fall.

According to press reports, the Senate may take action on a separate bill to curb medical liability late this summer.

9. Loser Pays - Civil Litigation: (I. Schroeder)
House passed HR 988 on March 7 (232

-193). Basis for opposition: The bill, which would affect only Federal civil suits involving parties from different States, would impose a modified "loser pays" rule, intended to encourage parties to settle out of court. The President said on 4/7/95 that he "will veto any bill with a 'loser pay' requirement such as that was in the House bill." In the Senate, provisions similar to those of HR 988 were added to -- and subsequently deleted from -- the product liability bill (HR 956) on the Senate floor.

10. Shareholder Suits: (I. Schroeder)
House passed HR 1058 on March 8 (325

-99). Basis for opposition:
Could lead to inadequate deterrence against financial fraud. (March 6th Reno/Mikva letter.)

Senate passed HR 1058 on 6/28/95 (69

-30). SAP sent to Senate on 6/23/95 states that the Senate version (previously S. 240) "is now a substantial improvement on [the House version of] H.R. 1058, which the Administration could not support." The statement recommended amendments to: (1) clarify that safe harbors should not protect purposefully misleading statements; (2) restore liability for aiding and abetting in private action that follow a SEC action; and (3) extend the statute of limitations for private securities fraud actions to five years after a violation occurs. The SAP opposed a provision in the bill that would establish proportionate liability for reckless defendants and recommends replacing it with an amendment that would require culpable solvent defendants to pay up to two times their proportionate share of the damages, when a portion of the award is uncollectible.

Conference not scheduled.

11. Telecommunications Reform: (J. Weinberg)

House Commerce Committee-

-Ordered reported HR 1555 (38

-5) on May

25th. House Judiciary Committee-

-Ordered reported HR 1528 on May

18th.

House floor action is possible before the August recess. Significant leadership

-backed amendments are expected on the House floor.

Senate passed S. 652 on June 15th, 81

-18. SAP strongly opposed

Commerce Committee

-reported bill. White House Press Office issued an Administration statement on Senate passage of S 652 on June 16: "The Administration's position on the final legislation will depend on the extent to which the Administration's concerns have been addressed satisfactorily during the course of the entire legislative process."

VP said on April 3 that he opposes the Senate Commerce Committee bill, and on April 4 the VP clarified in a letter, "I did not say that the President would veto the bill, since it is too early for such a decision...." Basis for opposition: Would result in higher phone and cable bills and decrease competition for phone and cable services.

12. Banking and Insurance Reform: (R. Jones)

House Banking Committee marked up Chairman Leach's HR 1062 on May 18.

This bill would permit banks and securities firms to affiliate, allowing banks to underwrite securities and permitting securities firms to own banks. HR 1062 was reported by the House Commerce Committee on June 22. HR 1062 may move to the House floor in tandem

with HR 1858, a banking regulatory relief bill. (See below for discussion of HR 1858 - Banking Deregulation.)

13. HUD Elimination Act: (A. Briatico)

Although no specific hearings have been held on S. 435, a number of Senate hearings have been held on "reinventing" HUD. HUD, Justice, and OMB have sent letters to the Senate Banking, Housing, and Urban Affairs Committee strongly opposing Title II of S. 435. Title II would transfer to Justice all of the responsibilities currently assigned to HUD under the Fair Housing Act. Basis for opposition: The administration of these authorities is best accomplished by HUD, which has the infrastructure to handle these responsibilities.

14. National Highway System: (J. Brown)

Senate bill (S. 440) passed the Senate on June 22nd. It would designate routes for the new National Highway System (NHS). Absent designation of the NHS, DOT will be unable to obligate \$6.5 billion in highway funding in FY 1996. Basis for opposition: Repeal of national maximum speed limit law and motorcycle helmet requirements. (SAP to Senate, 6/15/95. A provision repealing Davis

-Bacon

-type

labor protections, which was the subject of a Secretary of Labor veto threat in the SAP, was deleted on the Senate floor.) House committee

action expected August 2nd.

15. Highway Trust Fund Off

-Budget Bill: (J. Brown)

House bill (HR 842) was ordered reported by House Transport. Cte. on May 3. Will be sequentially referred to Budget and Gov. Reform & Oversight Committees. (The Speaker has stated that he will appoint a task force to study issues raised by this bill.) Basis for opposition: Bill removes four trust funds from the Budget -- inconsistent with unified budget. (Rivlin letter to Chairman Shuster, 3/27/95.) Senate bill (S. 729) was introduced on April 27 by Sens. Baucus and Lott.

16. Banking Deregulation: (R. Jones)

House Banking Committee reported Chairman Leach's HR 1858 (successor to HR 1362) on July 18. This bill may go to the House floor in tandem with HR 1062 (listed above). Basis for opposition: Weakens important safeguards for assuring the safety and soundness of FDIC

-insured depository institutions and would eviscerate the Community Reinvestment Act. (Secretary Rubin issued a veto threat in a 6/29/95 letter to Chairman Leach.) Senate bill (S 650) is pending in the Senate Banking Committee. The Senate bill contains some, but not all, of the troublesome provisions.

17. Lorton Closure: (M.Cook)

The House Government Reform and Oversight D.C. Subcommittee has held a couple of hearings this year on HR 461, the "Lorton Correctional

Complex Closure Act." At these hearings, no Administration witnesses were asked to testify. Justice, however, expects Administration witnesses to be invited to testify at future Subcommittee hearings on this matter. On 3/16/95, Justice sent a letter to this Subcommittee opposing HR 461. Basis for opposition: The approach of HR 461 is "seriously flawed" but alternatives, which will be discussed with the Congress, exist to remedy the Lorton issue.

18. Housing for Older Persons Act: (M.Cook)

On April 6, 1995, HR 660 passed the House by a vote of 424 to 5. The Administration sent a SAP on 4/6/95 opposing H.R. 660. The Senate has not taken any action on this bill yet. Basis for opposition:

Amends the Fair Housing Act in a way that would loosen the standards used to determine what housing qualifies for the "housing for older persons" exemption, potentially increasing discrimination against families. Therefore, the Administration prefers administrative action to clarify the application of the "housing for older persons" exemption. NOTE: The bill's provisions are identical to those of Title IV of HR 8, the "Senior Citizens' Equity Act," a Contract with America bill.

19. Counterterrorism: (R. Jones)

Senate passed S 735 on June 7 (81

-8) The bill includes many proposals similar or identical to Presidential proposals (e.g., establishes Federal jurisdiction for terrorist acts, expedites removal of alien terrorists from the U.S., implements the international agreement on marking plastic explosives, etc.). Does not include the Administration's language for funding compliance with the 1994 digital telephony legislation. Includes habeas corpus reforms similar to that passed the House as a free standing bill (H.R. 729, listed under crime heading above). House Judiciary Committee reported H.R. 1710 on June 20 (23

-12). The House bill also includes many of the President's proposals, including a funding mechanism for digital telephony. Justice does not expect House floor action until September.

20. Regulatory Sunset and Review: (J. Gibbons)

House bill (HR 994) was approved by a Gov. Reform & Oversight Cte. on 7/18/95 with significant amendments by a vote of 39

-7. Basis for

opposition: Open

-ended in scope, excessively rigid, and contradictory criteria for review of regulations; paperwork requirements are unworkable. (Katzen testimony of 3/28/95 before House Gov. Reform.) Senate action not scheduled, but could be folded into broader regulatory reform legislation.

21. Pipeline Safety: (J. Brown)

House bill (HR 1323) has been reported by Transportation and Commerce Ctes. Basis for opposition: (1) Authorizes less than 44 percent of

the FY 1996 Budget request for pipeline safety activities; and (2) imposes burdensome and costly risk assessment procedures on the pipeline safety rulemaking process. (DOT letter, 5/12/95.)

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NATIONAL SECURITY & INTERNATIONAL AFFAIRS:

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101. National Security: (A. Rooney)

House passed HR 7 on February 16th (241

-181) (star wars was deleted

on the Floor but many objectionable provisions remain which would infringe upon the authority of the President to respond to international crises and conflicts; remove UN peacekeeping as an option for burdensharing; establish an unnecessary Nat'l Security Commission; and mandate policies on NATO membership). On 4/7/95, POTUS said that he would "refuse () to approve the so

-called

peacekeeping legislation passed by the House." SAP (Feb. 13th)-- State, Defense, and the U.S. Ambassador to the UN would recommend a veto. Basis for opposition: Infringes on President's constitutional authorities as Commander in Chief; and virtually eliminates U.S. participation in UN peacekeeping efforts.

Senate Foreign Relations Committee (SFRC) began hearings on March 21st on S 5, Peacekeeping Powers Act (introduced by Dole) and HR 7. Aspects of S 5 were considered on May 17th as part of the SFRC markup of Foreign Affairs Authorization and Consolidation proposal and deleted from the bill as reported. State advises that peacekeeping will be considered separately by the Committee at a later date.

102. Foreign Affairs Authorization and Consolidation: (A. Rooney) House passed HR 1561 on June 8th (222 - 192). On May 23rd, the President expressed serious concerns regarding congressional legislation that would "place new restrictions on how America conducts its foreign policy and slash our budget in foreign affairs." Further, the President advised that if HR 1561 passed in its present form, he would veto it. SAP (May 22nd) -- State, DOD, Treasury, the U.S. Ambassador to the UN, AID, USIA, and ACDA would recommend a veto of HR 1561. Basis for opposition: Imposes numerous, far

-reaching

restrictions on the conduct of American foreign policy; inappropriately consolidates three foreign

affairs agencies (AID; ACDA; USIA) into a "super" State Department; and significantly reduces appropriation authorizations for international affairs programs.

Senate Foreign Relations Committee (SFRC) ordered reported Senator Helms' foreign relations authorization and consolidation proposal (S 908) on May 17th by a vote of 10

-8. On June 7th, SFRC ordered reported Senator Helms' Foreign Aid Reduction Act (S 961) by a vote of 10

-8. S 908 is expected to be considered in late July or early August. SAP (June 28th) -- State, the U.S. Ambassador to the UN, AID, USIA, and ACDA would recommend a veto of S 908. Basis for opposition: Same as opposition to House bill.

103. National Defense Authorization Act: (M. Goad)

House passed HR 1530 (300

-126) on June 15th. Sec. Perry, in a June 20th letter to Sen. Thurmond, stated that "[m]any of the provisions . . . are totally unacceptable. Unless they are eliminated or radically modified, they threaten the prospects for the bill itself." SAP on HR 1530-

-strongly opposes (6/13/95). Basis for opposition: Raises serious constitutional, national security, budget, personnel, and management concerns. Senate Armed Services Committee reported S 1026, the companion bill, on July 12th. The Senate is expected to take up the bill before the August recess.

104. Jerusalem Embassy: (A. Rooney)

S 770/HR 1595 would require the United States to move its embassy to Jerusalem. On June 20th, Secretary Christopher sent a letter to Senator Dole and Speaker Gingrich stating that he would recommend a veto of the legislation. No action scheduled on either bill. Basis for opposition: Potentially very damaging to the success of the Middle East peace process and infringes on the President's constitutional prerogatives in foreign policy.

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NATURAL RESOURCES, ENERGY & SCIENCE
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201. Farm Bill: (C. Crutchfield)

Traditionally a 5

-year measure, this legislation will reauthorize a slew of farm, nutrition, rural development, and other USDA programs. The Administration's Farm Bill guidance assumes savings in farm programs of \$1.5 billion over five years. The 1996 Budget Resolution calls for cuts in farm programs of \$8.5 billion over 5 years and \$13.4 billion over 7 years. House and Senate Agriculture committees are currently drafting bill language. Although some markups on discretionary titles are scheduled for late July, committee action on mandatory provisions is not expected until September. (NOTE: In oral remarks before the House and Senate Agriculture committees, Secretary Glickman has stated that the President would veto legislation that block grants Food Stamps. On 7/11/95, a H. Agriculture Subcommittee ordered reported the food and nutrition title of the Farm Bill, HR 1997, which does not contain provisions to block grant Food Stamps.)

202. Clean Water Amendments of 1995: (H. Fitter)

House passed HR 961 on May 16th, by a vote of 240

-185. The bill

would ease, overhaul, or revoke a number of current law's anti

-pollution requirements, allow States to continue to rely on voluntary measures to deal with certain water pollution problems, and restrict the ability of Federal agencies to declare wetlands off limits to development. On May 30, 1995, POTUS stated that the House

-passed bill "will not get past my desk." SAP, sent on May 9, 1995, contained multiple agency veto threat (OMB, Justice, EPA, Interior). Basis for opposition: The bill would reduce water quality protection; eliminate fundamental wetlands protections; create enormous new costs (the bill includes a "mandatory compensation"

takings provision similar to that contained in HR 925); fail to address effectively non

-point source pollution; and paralyze the Federal Government's ability to issue regulations and guidance to protect the Nation's waters. Senate Environment Chairman Chafee has indicated that Clean Water Act reauthorization is not one of his top priorities.

203. Endangered Species: (M. Goad)

On July 13th, the Departments of Commerce and the Interior testified on the Endangered Species Act (ESA) before the Senate Environment and Public Works Committee. The Committee will hold additional oversight hearings on July 20th and 27th. CEQ expects that, once the oversight hearings are concluded, Sen. Kempthorne (R) ID will introduce a bill to reauthorize the ESA.

On May 25th, the Departments of Agriculture, Commerce, and the Interior testified before the House Endangered Species Task Force on possible changes to the ESA. CEQ and Interior advise that the House Task Force will not complete drafting legislation to amend the ESA until after the August recess.

204. Safe Drinking Water: (H. Fitter)

Reauthorization of the 1974 law designed to keep contaminants out of the nation's water supply. State and local officials want a State revolving loan fund for water supply projects and relief from testing requirements. House Commerce staff and Senate Environment and Public Works staff, respectively, are attempting to complete draft bills.

205. Interstate Waste: (H. Fitter)

Senate passed S 534 on May 16th, by a vote of 94

-6. S. 534 would give states more power to restrict both intra and interstate garbage dumping.

206. Superfund Reform: (H. Fitter)

The taxes which fund the hazardous waste clean

-up program expire at the end of 1995. There is support among some Republicans to scale

back retroactive liability (which would shift much of the costs to the government). Senate Environment Subcommittee Chair Bob Smith has circulated a "Superfund Reform Outline" containing principles for Superfund reform. A Senate bill may be introduced before the August recess. A July 11, 1995, EPA Administrator Browner letter to Senator Smith stated that the outline "incorporates proposals that are unfair, unworkable, or insufficiently protective of human health and the environment." (EPA is especially concerned about the outline's repeal of strict, joint, and several retroactive liability.) Browner's letter further advised, "we do not believe this outline will establish a viable basis on which to attract the broad support that is needed if we are to achieve Superfund reform in the limited time left in this calendar year." House Transportation and Commerce subcommittee on Hazardous Material has held numerous subcommittee hearings on Superfund reform. On July 17th, Subcommittee Chairman Oxley unveiled his superfund reform proposal which is similar to the Smith outline.

207. Mining Law: (C. Crutchfield)

Senate Energy and Natural Resources Committee is considering changes to Craig's bill (S 506) to win over committee members, such as Johnston, that have proposed a compromise version (S 639). Chairman Murkowski has postponed mark up of the bill indefinitely and indicated the issue would be dropped this session if a compromise is not reached soon. Interior Secretary Babbitt stated in a 5/22/95 letter to Chairman Murkowski that he would recommend a veto of S 506. Basis for opposition: S 506 does not provide for meaningful reform. It would (1) grant rights to purchase valuable Federal mineral lands at bargain

-basement prices; (2) deprive Federal land managers of

authority to protect the environment; and (3) result in little or no return to Federal taxpayers for use of publicly

-owned mineral

deposits. Justice also strongly opposed S 506 in a 6/12/95 letter because it would increase litigation over public liability for cleanup. House has not scheduled action.

208. Utah Wilderness: (C. Crutchfield)

House National Parks Subcommittee on 7/18/95 approved for full Committee action legislation (HR 1745) designating certain Federal lands in Utah as wilderness. Interior testified 6/29/95 before the Subcommittee that the Secretary would recommend a veto of HR 1745.

Basis for opposition: The bill would (1) fail to designate enough land as wilderness; (2) open up for development too much land currently protected as wilderness study areas; and (3) allow road construction and other activities that are incompatible with wilderness designation. Senate Energy and Natural Resources Committee has begun consideration of identical legislation (S 884) introduced by Sens. Hatch and Bennett. Interior testified on 7/13/95 before the Committee that the Secretary would recommend a veto of S 884. Basis for opposition: Same as House.

209. Livestock Grazing: (C. Crutchfield)

Senate Energy and Natural Resources Committee ordered reported S 852 on 7/19/95. Interior testified before the Committee on 6/22/95 that it strongly opposed S. 852, introduced by Sen. Domenici and 15 cosponsors to supersede Interior's new regulations for livestock grazing on Federal lands. In a 7/18/95 letter to the Committee, USDA Forest Service also strongly opposed amendments that apply provisions in S. 852 to National Forest System lands. Basis for opposition: S. 852 would (1) establish grazing as a dominant use for public lands over recreation, wildlife protection, and other concerns; (2) limit public involvement in the management of public lands; and (3) raise a number of questions over water rights, fee levels, and compliance with environmental statutes. In testimony on 7/11/95 before the House National Parks Subcommittee, Interior strongly opposed the companion bill (HR 1713).

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HUMAN RESOURCES

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301. Welfare Reform: (M. Cook)

HR 4 (SAP, 3/21/95 said oppose, but in a 4/13/95 CNN interview, POTUS said "I'd be happy to veto"). Basis for opposition: denial of cash benefits to unwed parents under age 18; funding cuts to Food Stamp and other nutrition programs; funding cuts and removal of Federal oversight of State child protection systems; inadequate resources and requirements for States to move people from welfare to work; and inadequate resources for States in times of recession.

House passed H.R. 4 on March 23 (234

-199) which would replace current welfare programs with 5 block grants to States (cash welfare; child welfare; child care; school meals; family nutrition). House SAP opposed H.R. 4 because it would: fail to reform welfare by moving people from welfare to work; reduce Federal funding in ways that would impair the health and nutrition of children and families; and is not tough enough on parents who owe child support, and too tough on innocent children.

Senate Finance Committee reported its version of H.R. 4 on June 9. The bill block grants AFDC, imposes a five

-year time limit on benefits, tightens eligibility for SSI, and strengthens child support enforcement. HHS cited concerns with the bill in a May 24 letter to the Committee. Senator Packwood indicated May 15 that the bill would be considered as a stand

-alone bill unless it is filibustered. In that case, the bill would be considered as a component of the budget reconciliation bill. The Senate Labor and Human Resources Committee ordered reported S. 850 (Child Care and Development Block Grant amendments) on May 26. The measure is expected to be included in the

final Senate welfare reform package. HHS supported S. 850 in a May 24 letter to the Committee, but cited concerns with potential cuts in other child care programs. The Senate Agriculture Committee marked

up S. 904, a Food Stamp and nutrition programs bill on June 14. S. 904 also is expected to be included in the final Senate welfare reform package. USDA commended the Committee for not block granting food and nutrition programs, but cited concerns with the bill's reduction in Food Stamp funding and repeal of Regulation E coverage for Electronic Benefit Transfers.

Senate floor action -- scheduled for week of August 7th.

302. Social Security Earnings Test: (M. Cook)

House-

-increase in earnings limit to \$30,000 included in HR 1215, which passed on April 5, (246

-188). Senate action unclear.

303. Davis

-Bacon Repeal: (C. Bowers)

H.R. 500 and S. 141 would repeal the Davis

-Bacon Act of 1931. The

act requires Federal contractors working on jobs valued at more than \$2000 to pay their workers the "local prevailing wage," which is often the union rate. A House Economic & Education Opportunities Subcommittee referred H.R. 500 to full committee on March 2. Senate Labor & Human Resources Committee reported S. 141 on May 12. A provision to repeal Davis

-Bacon coverage of Federal Highway projects

was dropped from S. 440, the National Highway bill (see entry above).

Basis for opposition: repeal of Davis

-Bacon requirements would

depress workers' wages. President quoted on 4/6/95 as saying he would veto S. 141; Reich letter -- would recommend veto 3/18/95. (Also Reich letter and Senate SAP on S. 440 stated Labor would recommend veto.

304. Service Contract Repeal Act: (B. Pellicci)

Press reported that VP indicated on 2/20/95 that President would veto such legislation. Basis for opposition: repeal of Service Contract Act would depress workers' wages. HR 246 was marked up by a House EEO subcommittee on 3/03/95.

305. Minimum Wage Increase: (A. Briatico)

On 2/13/95, President transmitted to Congress a proposal to raise the minimum wage in two 45 cent steps -- raising the rate to \$4.70 per hour on July 4, 1995 and to \$5.15 per hour on July 4, 1996.

President's proposal introduced as S. 413 and H.R. 940. Senator Kassebaum indicated on April 21 that the Senate Labor and Human Resources Committee will hold hearings on increasing the minimum wage. No date has been set.

306. Striker Replacement: (B. Pellicci)

On 3/8/95, President issued an Executive Order to deny Federal contracts to employers that permanently replace striking workers.

H.R. 1176 and S. 603 would nullify the Executive Order. The House

Economic and Educational Opportunities Committee reported H.R. 1176 on June 27.

307. Teamwork for Employees and Managers Act: (B. Pellicci) HR 743 and S295. (Reich letter: recommend veto, 3/6/95 and 6/21/95; press reported that VP said on 02/20/95 that President would veto such legislation.) Basis for opposition: would allow employers to establish company unions or alternative, company

-dominated

organizations where unions already exist. HR 743 was ordered reported on 6/22/95 by the House EEO Committee. No action has been taken to date on S 295.

308. Social Security Solvency: (M. Cook)

The "Strengthening Social Security Act of 1995" (S. 825), one of the "Simpson/Kerrey" bills, is designed to secure the long

-term solvency

of the Social Security program. It would: (1) accelerate the

currently scheduled increase of the normal retirement age; (2) limit COLAs to certain Social Security beneficiaries; (3) adjust, for a limited period, Social Security COLA estimates based on CPI; (4) modify the formula for determining the primary insurance amount (the basic monthly benefit payable to a worker) to make it more progressive; (5) allow future beneficiaries to divert up to 2 percentage points of their payroll taxes to place in their own personal investment plan; (6) reduce gradually spousal benefits starting in 2000; (7) redirect revenue obtained through the taxation of Social Security benefits from the HI Trust Fund to the OASDI Trust Fund; and (8) invest a portion of the OASDI Trust Fund assets in a stock fund index. On June 27, 1995, a Senate Finance Subcommittee held a hearing on the solvency of the Social Security system. To date, the Administration has not taken a position on S. 825. No comparable bill has been introduced in the House.

309. Employment, Training, and Retraining: (C. Bowers)

House Economic and Educational Opportunities (EEO) Committee reported H.R. 1617 (The Consolidated and Reformed Education, Employment and Rehabilitation Systems, or 'CAREERS' Act) on May 17, 1995.

Senate Labor and Human Resources Committee reported S. 143 (Workforce Development Act) on June 21, 1995.

Both bills would consolidate numerous Federal education and job training programs into four grants to States -- for youth development and career preparation, adult training, adult education and literacy, and vocational rehabilitation. These bills differ significantly from the President's proposal to restructure education and job training programs (the G.I. Bill for America's Workers), and they reduce substantially Federal resources for these functions.

It is expected that H.R. 1617 will be linked on the House Floor with H.R. 1720 (Privatization Act of 1995), which was reported by the House EEO Committee on June 22, 1995. H.R. 1720 would privatize Sallie Mae and Connie Lee and eliminate numerous higher education programs. The Administration proposes to privatize these GSEs and eliminate the higher education programs, but its privatization

initiatives differ in certain respects from H.R. 1720.

Negotiations over possible amendments to all of these bills are ongoing. It is likely that Administration statements for Floor consideration will support the objectives but either oppose specific features or suggest further amendments to align with the President's proposal. House or Senate Floor action could occur in August.

310. Food Stamps - Block Grant: (M.Cook)

Sec. Glickman stated before S. Ag. Cte., 5/23/95, that he strongly opposes block granting food stamps and that the President has indicated his intention to veto such legislation. Basis for opposition: would jeopardize the health and nutrition of low

-income
families.

Any changes made to the Food Stamp program are expected to be done within the context of Welfare Reform. Neither HR 4 (the Welfare Reform bill), as passed by the House, nor S 904 (which is expected to be rolled into the Senate version of HR 4), as ordered reported by the Senate, contain provisions that would block grant Food Stamps. In addition, HR 1997 (the food and nutrition title of the Farm Bill), as approved by a H. Agriculture Subcommittee on 7/11/95, also does not contain provisions that would block grant Food Stamps.

311. OSHA Reform: (C. Bowers)

The House Economic and Educational Opportunities Committee, Subcommittee on Workforce Protections, held a hearing June 28, 1995, on H.R. 1834 (Ballenger), the "Safety and Health Improvement and Regulatory Reform Act of 1995." Labor testified against H.R. 1834. Basis for Opposition: Would redirect funding away from enforcement activities, jeopardize the health and safety of American workers by weakening enforcement and regulatory authority, and particularly threaten miners by revising Federal mine safety and enforcement. On

July 12, 1995, Secretary Reich held a press conference on the House appropriation subcommittee actions affecting the Department of Labor. In response to a question, Secretary Reich stated that he "will strongly recommend a veto of the Ballenger bill . . . [which] amounts to a wrecking ball rather than reform." H.R. 1834 is pending in the subcommittee.

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HEALTH & PERSONNEL

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401. Federal Retirement Reform Act: (M. Cook)

HR 1215 and HR 1185 both include Federal retirement reform provisions. The Administration's position on such reforms has been articulated in the President's 4/5/95 letter on HR 1215 to Speaker Gingrich and in OMB's 3/15/95 letter on HR 1185 to Speaker Gingrich. Basis for opposition: Reduces retirement benefits of Federal employees to finance a tax cut for the wealthy.

On 3/15/95, the full H. Government Reform and Oversight Committee began consideration of HR 1185. It, however, recessed before taking action on the bill. NOTE: Title IV of HR 1215, as passed by the House on 4/5/95 (246

-188), contains provisions similar to those of HR
1185. To date, the Senate has taken no action on a stand

-alone
retirement bill. On June 19, 1995, however, the FBI and DEA
testified before a S. Governmental Affairs subcommittee opposing
changes in retirement benefits for Federal employees. Modifications
to Federal retirement programs are likely to be included in
reconciliation legislation.

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MAJOR LEGISLATION ENACTED

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? Unfunded Mandates Reform Act of 1995 (PL 104

-4). President signed
3/22/95.
? Defense Supplemental Appropriations (PL 104

-6). President signed
4/10/95.
? Permanently Extend the Tax Deductibility for Health Insurance Costs for
Self

-Employed Individuals (PL 104

-7). President signed 4/11/95.
? HR 1345, DC Financial Responsibility and Management Assistance Act of
1995
(PL 104

-8). President signed 4/17/95.
? Paperwork Reduction (PL 104

-13). President signed 5/22/95.
? Medicare SELECT (PL 104

-18). President signed 7/7/95.

**Clinton Presidential Records
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[EMAIL] and Tape Restoration Project [Email]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies a responsive email, already made available within another collection.

Collection: 2012-0774-F

Bucket: Default

Creation Date: 1995-07-24

Subject: CONFIDENTIAL--AMR DAILY

Creator: Charles S. Konigsberg KONIGSBERG_C OMB
