FAX TRANSMITTAL SHEET

DEPARTMENT OF LABOR · UNITED STATES OF AMERICA ·

RECEIVER TELECOPIER NUMBER: (202) 456-2878

TO: Sylvia Matthews

FROM: Michael Warren

DATE: 5-23-93 TIME: 11:11 p.m

PAGE NUMBER ONE OF 18 PAGES

TRANSMITTER TELECOPIER: (202) 219-7659

ADDITIONAL COMMENTS:
Hi Slyvia! I hope all is well with you. Here are the DOL's Issue Management Reports for this week. Give me a call if you have any questions or just to say hi.

Michael

IF YOU HAVE QUESTIONS REGARDING THIS FAX CALL: (202) 219-8271

ISSUE MANAGEMENT

SUBJECT: Conference on the Workplace of the Future

Summary of Initiative:

The President has directed the Departments of Labor and Commerce to organize a Conference on the Workplace of the Future. The purpose of the Conference is to assemble representatives of labor and management from "high performance" companies and public organizations. Experts from academia and management consulting firms will also be invited, as well as Federal, State, and local officials. The President has committed to attending this conference. The event is scheduled to take place in mid-July, subject to the President's schedule. The conference will be the kick-off event for a series of DOL initiatives to promote high performance work organizations. The MacArthur Foundation has committed to funding $100,000 of the conference cost.

Measure of Success

The goals of this conference are to:

-- Highlight the success stories of high performance organizations in order to raise public awareness of the dramatic changes taking place in the American workplace;

-- Identify barriers to development and implementation of high performance work organization;

-- Develop public and private strategies and partnerships for encouraging more American companies to adopt high performance workplace practices;

-- Demonstrate President Clinton's commitment to fostering productive partnerships between government, business, and labor, and promoting change in the American workplace.

Strategic Plan

We are developing an outreach strategy to ensure that the conference is substantively successful. This strategy involves discussions with business, labor, academics, and consultants. We are also pursuing a communications strategy to ensure that the message of the conference (i.E., better, more fulfilling jobs mean better, more successful organizations) is well defined and widely received.

Presidential Involvement

The President has expressed a strong desire to attend a significant part of this conference. We are attempting to schedule the conference for Monday, July 19 in Chicago. One of the key decisions is for the President to confirm is attendance on July 19. We would hope he could spend at least 2-3 hours at the conference. He may also wish to visit a high performance work organization while he is in town.

Agency Lead and Coordination

DOL is working with the Commerce Department and several White House staff members on this conference. DOL has been assigned to take the lead in this effort.

Weekly Update/Forecast

The major actions that need to be taken in the next two weeks include the following:

-- Lock in date for conference/confirm President's availability;

-- Send out first round of invitations (about 400);

-- Publicly announce conference;

-- Continue outreach efforts;

-- Continue developing background and other briefing materials.

Key Contacts

Department of Labor -- Rob Portman

Department of Commerce -- Melissa Moss

Domestic Policy -- Kathi Way, Mike Schmidt

NEC -- Bonnie Deane

Communications -- Julia Moffett

Political Affairs -- Joan Baggett

Public Liaison -- Amy Zisook

ISSUE MANAGEMENT

SUBJECT: Dislocated Workers Program

Summary of Initiative

To create a comprehensive program to help working people who have lost their jobs with little prospect of being called back obtain the job counseling, placement help, training, and income support to find a new job. Assistance would be available to all dislocated workers regardless of the cause of their job loss, be it related to trade, military restructuring, environmental regulation, new technology or the decline of a particular business or industry.

Measure of Success

1. Increased FY 94 appropriations and new legislative authority to construct such a comprehensive program with the resources to serve the growing numbers of structurally unemployed Americans.

2. Quality job counseling and training services to the 400,000 unemployed Americans to be served in 1993-94 and the nearly 1 million workers we would expect to assist in succeeding years.

Strategic Plan

Decisions on the FY94 budget to be made over the next weeks are critical to determining whether sufficient resources will exist to meet the needs of a variety of displaced workers within existing statutes. New legislation will be required this fall to enable the Administration to meet its broad commitment to help all displaced workers regardless of cause of dislocation, have access to the resources to find a new job.

Agency Lead and Coordination

ETA in the Department of Labor is expected to take the lead working closely with a broad range of federal agencies through the NEC Interagency Task Force on Dislocated Workers and other mechanisms.

ISSUE MANAGEMENT

SUBJECT: Comprehensive Work Force Investment Package

Summary of Initiative

This is an initiative to create a new employment opportunity system for Americans to help them manage their working lives successfully in an increasingly turbulent economy. The system would consist of a number of elements that come together to provide this new set of employment opportunities:

* A modification of the current unemployment system to transform it into a re-employment system designed to help workers unlikely to be called back to their old jobs find new ones.

* One-stop job services that help people sort through the maze of 125 different federal training programs to get good information, determine their likely eligibility for different programs, obtain job search and placement services, and select training programs if they offer a strong bridge to a next job.

* School-to-work efforts and skill standards that will help build paths from school to first jobs with a future for the 75% of American young people who do not graduate from college.

Measures of Success

1. FY 94 appropriations for one-stop job services and school-to-work that will permit the first steps in building these system elements using existing legislative authority.

2. Enactment of new legislative authority this fall to enable the Administration to promote the development of this employment opportunity system in all fifty states over the next four years.

Strategic Plan

Begin these initiatives that comprise the Comprehensive Work Force Investment Act with investments in FY94 under existing legislative authority. Then begin to move them to scale with new legislative authority in the fall of 1993 through either an omnibus package or a set of separate but related bills.

Agency Lead and Coordination

ETA in the Department of Labor has lead responsibility for the one-stop job services and the unemployment insurance reform initiatives, and shares a lead role with the Department of Education on school-to-work and skill standards.

ISSUE MANAGEMENT

SUBJECT: OSHA REFORM

Summary

We want to amend the Occupational Safety and Health Act to decrease the continued high costs of workplace injuries and illnesses by: 1) increasing the role of employer and employee worksite-based efforts (as opposed to waiting for government inspections); 2) improving the training of employers, employees and public health professionals in hazard recognition and abatement; 3) strengthening economic incentives to promote hazard abatement; 4) streamlining OSHA's standard-setting efforts; and 5) establishing a penalty structure strong enough to induce compliance.

There are several reasons for making this an Administration priority. The costs of preventable injuries and illness to our health care and disability programs are substantial, and can seriously impede productivity gains. Moreover, OSHA's standards are always at the center of any discussion of regulatory reform. This federalized program receives only a fraction of the resources that other health prevention and environmental programs receive. In addition, reform of OSHA is a priority of organized labor and the chairmen of the House (Ford) and Senate (Kennedy) labor committees.

Measure of Success

Enactment of legislation is the basic measure of success; doing so without creating a major political issue for 1994 is a broader measure.

Strategic Plan

We are not developing an Administration bill; rather, we have committed to expressing our views by taking a position on proposed legislation (H.R. 1280 and S.575) supported by organized labor and the Democratic committee leadership. Labor is strongly pressing for us to get behind those bills, which have been several years in development. The business community, however, refuses to consider the Ford and Kennedy bills as a starting point, and an alternative is being prepared for introduction by the Minority. Accordingly, a Task Force has been established within the Department of Labor to develop background information for our decisionmakers, to hear the views of various interest groups who want to talk to us before we take a position, and to give us some time to get an OSHA Assistant Secretary on board.

At this time, we are anticipating that the Administration may have to take a position on the Ford bill as early as this Fall. Final action will be scheduled before the 1994 elections.

Level of Presidential/Vice Presidential Involvement

The Secretary of Labor has clearly established himself as the Administration's spokesman on this issue. Nevertheless, despite efforts to bring the interested parties together, OSHA reform will be a high profile issue for some members of Congress, and could become the high profile labor-management issue for the Congress in an election year, making direct involvement unavoidable.

Agency Lead and Coordination

The Secretary of Labor will have the lead on this initiative. Many other agencies will have some interest. For example, the Health and Human Services Department is the home of the National Institute for Occupational Safety and Health. The Justice Department will be affected by amendments that will alter the Act's criminal provisions. The legislation is likely to affect jurisdictional arrangements between Labor and agencies that regulate public safety and health (e.g. Department of Transportation, Department of Energy, Agriculture, EPA). Also, the legislation is likely to affect safety and health programs for Federal employees at all agencies, a matter of particular interest to GSA. White House regulatory offices are likely to have a keen interest as well.

In the White House, Sylvia Matthews has the lead in the Policy office, and Lillian Fernandez and Tracey Thornton have responsibility in Legislation.

ISSUE MANAGEMENT

SUBJECT: JOB CORPS EXPANSION

Summary of Initiative

The Job Corps expansion initiative, known as the "50-50" plan, is a multi-year effort to increase the number of Job Corps centers by 50 and the number of training slots by approximately 50% by the year 2001.

Measures of Success

1. FY 94-99 appropriations for new Job Corps center facilities to support the expansion.

2. The measures of success include, by the year 2001, the ability to provide integrated vocational, academic, and social skills training to approximately 62,476 severely disadvantaged 16-24 year old youth annually in primarily residential environments through the operation of 162 Job Corps centers.

Strategic Plan

Begin the effort with funds requested for FY '94 for new centers and with existing available funds for 5 other new centers.

The Job Corps expansion will be achieved through an annual competitive process to select Job Corps center sites.

Eligible applicants to submit proposals for site selection include federal, state, and local jurisdictions. Following site selection, the Department will acquire the properties and build/renovate the facilities; the selection of Job Corps center operators for these sites will occur through a separate competitive procurement process after the facility construction/rehabilitation is underway.

The number of sites selected annually is dependent on funding levels. The proposed schedule is to hold the first competitive site selection process this summer and select a minimum of 5 (based on already available funds) with an additional 11 sites if Congress approves the FY 94 investment budget. Anticipate we would be ready to announce successful bidders for the centers by February 1994.

The plan calls for the 50 new center sites to be selected over a 6 year period and for these new centers to be fully operational by 2001.

ISSUE MANAGEMENT

SUBJECT: Pension Benefit Guaranty Corporation (PBGC) Legislation

Summary of Initiative

The PBGC guarantees payment of workers' pensions if their pension plans are terminated with assets insufficient to pay benefits. The previous Administration claimed that the PBGC's financial situation was analogous to the savings and loan crisis.

The PBGC's current assets are sufficient to pay benefits for many years. It's financial situation is not of a crisis nature. There is, however, a serious long-term problem - a $2.7 billion deficit, which most certainly will grow given the pace of bankruptcies in industries with "underfunded" plans - that must be addressed while the situation is still manageable.

The PBGC financial situation has attracted and will continue to attract considerable Congressional and press attention.

Measure of Success

Legislation amending the pension laws is needed to protect workers and put the PBGC on a sound financial footing. Such legislation should be proposed by September and enacted this year or next year.

Strategic Plan

Secretary Reich established an inter-agency task force to review the issues and to make recommendations. We expect that the recommendation will be for legislation to be submitted in September.

Congressman Pickle had proposed to attach PBGC legislation, modeled after the prior Administration's proposal, to the Reconciliation package; but Congressman Ford, Chairman of the House Education and Labor Committee, with Administration support, asked Congressman Rostenkowski, Chairman of the Ways and Means Committee, to keep the Pickle legislation off of Reconciliation in return for a promise to work with the Administration and the tax committees in preparing legislation according to the Administration's timetable.

We anticipate the following timetable:

- Completion of the Task Force's public and Congressional staff meetings by June 1.

- Recommendations of the Task Force by July 1.

- Clearance within the Administration by August 1.

- Detailed discussions with Congressional staff and interest groups completed by September 1.

- Administration bill submitted to Congress by September 30.

The bill will have to go to the tax and labor committees in both the Senate and the House. In addition, any bankruptcy provisions will have to go to the judiciary committees. It is, therefore, too early to predict any timetable after introduction of the bill.

Both employers and unions are likely to oppose any bill - employers because the bill will require increased payments and unions because the bill could affect benefit protections.

The tax and labor committees are also likely to have different perspectives. One major difference may be whether any legislation should retroactively affect any benefit increases that may be negotiated in the automobile industry over the next few months.

Level of Presidential/Vice Presidential Involvement

A representative of the National Economic Council sits on the Task Force. It is unclear at this time how much involvement of the President or Vice President will be needed. There are considerable disagreements between the labor and tax committees in Congress and there is strong feeling among the different interest groups because all of the alternative solutions affect workers' benefits, employer costs, or PBGC's solvency. Also the agencies within the government may have differing views as to appropriate legislation.

Agency Lead and Coordination

The PBGC has the lead under the jurisdiction of Secretary Reich (the Chairman of the PBGC's Board) and the Department of Labor. The Departments of the Treasury and Commerce are members of the PBGC's Board and are represented on the Task Force. The OMB and the National Economic Council also have been involved in the Task Force.

Weekly Update/Forecast

The Task Force will complete its public meetings this week. The Task Force will then begin to consider what recommendations to make. No Congressional testimony is scheduled at this point, but continued hearings are likely.

Key Contact

The key contact people at the PBGC are Martin Slate, Executive Director, and Judy Schub, Assistant Executive Director for Legislative Affairs. They can be reached at 778-8810.

ISSUE MANAGEMENT

SUBJECT: STRIKER REPLACEMENT

SUMMARY

The striker replacement legislation would prohibit employers from using permanent replacements for lawful economic strikers, and would prohibit them from discriminating against the strikers upon their return to work. This should be an Administration priority for three reasons: the practice of using permanent replacements is destructive of good labor-management relations, employee morale, and productivity; the President made a campaign promise to sign the bill if it made it to his desk; and it is a very high priority of one of our most important constituencies, organized labor.

MEASURE OF SUCCESS

Enactment of S.55/H.R.5.

STRATEGIC PLAN

The three House Committees to which H.R.5 was referred have completed hearings as of May 19, and the House and Senate labor committees have marked up and ordered the bill reported.

Energy and Commerce will mark up during the week of May 24, and Public Works is expected to do the same. Floor consideration in the House is unlikely before the week of June 14. Floor consideration in the Senate is expected some time in July.

The key action point thus far was the Secretary's testimony in support of the bill. The next will be lobbying for passage, especially in the Senate, where S.55 is two or three votes short of being filibuster-proof.

The key decision point will come if we are unable to win passage of the bill without amendment. Will we support a compromise, and if so, what?

LEVEL OF PRESIDENTIAL INVOLVEMENT

Passage will require the President's personal intervention with Senators Bumpers and Pryor, and possibly with Senators Hollings or Boren -- all of whom voted against cloture on

S.55 in the 102nd Congress and whose votes may be needed this year.

AGENCY LEAD

Labor has the lead, though the legislation is principally a Congressional initiative.

WEEKLY UPDATE

Mark-ups are expected in the week of May 24 in both the Energy and Commerce and Public Works Committees.

KEY CONTACTS

WH Policy -- Sylvia Matthews
WH Communications --
WH Legislative -- Lillian Fernandez, Tracey Thornton

Consultant -- John Hoyt

Done

ISSUE MANAGEMENT

SUBJECT: Family and Medical Leave Act (FMLA) -- promulgation of regulations and implementation of FMLA

Summary of Initiative

Congress passed FMLA on February 5, 1993, and imposed certain deadlines for the publication of regulations (June 5, 1993) and the effective date (August 5, 1993). DOL has been working on an expedited basis to meet these deadlines and to develop a public education and outreach plan to ensure successful implementation of FMLA when it becomes effective on August 5.

Measure of Success

1. Publication of implementing regulations by June 5.

2. Degree to which regulations are perceived to have addressed the spirit and letter of FMLA; amount of public criticism of the impact of the regulations will be a good measure.

3. Development and implementation of an effective and highly visible public outreach/education campaign from June through August to inform employers and employees of the requirements of FMLA.

Strategic Plan

May 27 -- OMB clearance of FMLA regulations.

June 4 -- FMLA regulations published in the Federal Register (statutorily required by June 5).

June 3-11 -- Briefings for key Congressional staff and interest groups.

June through August- public education/outreach through a) distribution of informational and educational materials to various interest groups who in turn will share information with their members; b) provide speakers to national and regional conferences and meetings and c) distribution of media materials such as Public Service Announcements and video materials.

August (first week) -- public education through media events, involving the President, Vice-President and/or the Secretary of Labor.

Level of Presidential/Vice Presidential Involvement

A proposal will be submitted outlining possible media events involving the President and the Vice President to occur on or around August 5 (the implementation date) to increase public awareness of FMLA.

Agency Lead and Coordination

DOL's Wage and Hour Division has primary responsibility for this initiative; Commerce will be asked to assist in communicating with the business community.

Weekly Update/Forecast

1. Regulations will be formally submitted to OMB for clearance by May 24, 1993; any disputes must be resolved by May 28 in order to meet the deadline for publication in the Federal Register.

2. Briefing for interested parties will be scheduled for June 3-June 11.

Key Contacts

White House Policy -- ?

White House Communications -- ?

White House Legislative -- ?

Agency -- DOL: Tom Williamson (Solicitor); John Fraser (Acting Asst. Secretary, Employment Standards Administration); Geri Palast (Congressional Affairs); Anne Lewis (Public Affairs); Maria Echaveste (Wage/Hour designee).

DEPARTMENT OF ENERGY
Washington, DC 20585

OFFICE OF THE SECRETARY

May 27, 1993

MEMORANDUM FOR SYLVIA MATTHEWS
NATIONAL ECONOMIC COUNCIL

FROM: RICHARD ROSENZWEIG RR

Pardon the delay. I apologize. Attached is the Issues Management document that you were requesting. I may have some slight changes to send you tomorrow, but this is basically the complete document.

Attachment

DEPARTMENT OF ENERGY

ISSUES MANAGEMENT

Issues Management
Department of Energy

Contents

Issues Management
Department of Energy

Superconducting Super Collider (SSC)

Summary of Initiative

This initiative is a major science project designed to uncover some of the oldest scientific secrets still unknown to man. The level of effort is dictated by the campaign's strong support of the SSC and the criticism that the Administration will receive in Texas and Louisiana if the Administration does not state its support of the project during the appropriations process and the Congress does not fund the project.

Measure of Success

Success will be determined by whether or not the Congress provides funding for the SSC during an extremely tight fiscal year. The project will likely be funded at the $600 million level by the House Energy and Water Appropriations Subcommittee and be killed by a vote on the House floor. This is what happened last year during the FY 93 appropriations process.

The Senate will likely attempt to restore funding in its companion bill and attempt to prevail in conference. This was the chain of events which occurred in fiscal year 1993. However, given the budget climate and several negative reports on management of the SSC, continued funding will be more difficult to achieve this year. It is also unclear whether the Senate will support the project as vigorously as in the past since they believe that the Administration has not clearly articulated its support for the project since the Inauguration.

Strategic Plan

The key decision points will be driven by the appropriations process. The House Energy and Water Appropriations Subcommittee will mark up its FY 1994 bill during the second week of June and go to the floor by the end of June. The Senate subcommittee will likely mark up in July and move the bill to the floor by August. This will lead to a September conference committee.

In order to build support for the project, the Department is attempting to educate members of Congress on the project by arranging visits to the site.

In addition, the Administration must determine if it is going to publicly state its support for the project. Without Administration support, Congressional support is uncertain at best. Another factor which will influence congressional behavior will be whether the Administration requests foreign support for the project. The Administration's budget request will add approximately $2 billion to the cost of the program due to stretching out construction of the program from 1999 to 2003. Many in Congress had wanted the Administration to seek Japanese support of the effort to finance the increased cost of the project. Without foreign support, congressional support is unlikely. If the Administration wants to continue construction of the SSC, the Administration at the management level must move to secure Japanese support. Senior officials from the Japanese government have been in town several times since the inauguration and have not been asked to support the project.

This debate will end by the completion of the appropriations process which will conclude by October 1. If the project is to be terminated, a decision must be made as to whether the project should be terminated or delayed to a point where funding is available to restart the project.

Level of Presidential/Vice Presidential Involvement

If the Administration wants to maintain this project, the President and Vice President would be called upon to communicate their support to members of Congress, particularly to senior members of the Appropriations Committee and to the Japanese.

Agency Lead and Coordination

The Department will play a major role in this effort given the Department funds the effort. The Office of Science and Technology will play a role given the scientific nature of the effort. Also, if foreign support is sought, the U.S. Trade Representative and the State Department would need to be involved.

Key Contacts

White House Policy	Tom Kyle (NEC)
White House Communications	Lorraine Vores
White House Legislative Affairs	Lorraine Miller
Agencies	William Taylor (DOE)
	Rich Rosenzweig (DOE)
	Director of Energy Research (DOE)
	Skip Johns (OSTP)

Issues Management
Department of Energy

Domestic Energy Initiative

Summary of Initiative

The Secretary has stated her intent to develop a list of policy options capable of stimulating production in domestic energy industries, mainly the natural gas and oil industries. The Department will collaborate with affected cabinet agencies (Treasury, Agriculture, Interior and EPA) and affected interests on this effort.

The initiative is important for substantive and political reasons. From a substantive perspective, oil imports now represent 50% of domestic demand adversely impacting national security, comprise the largest element of the nation's trade deficit (larger, even, than our automobile-related trade deficit with Japan), and have caused the loss of approximately 450,000 jobs in these sectors since the 1980s (larger, too, than job loss in the U.S. auto industry). From a political perspective, the Administration did not campaign as anti-energy industry democrats and got reasonable support from these sectors. However, the industry does not believe that this is a pro-energy Administration based upon the perception that the environment is a far more important priority.

Measure of Success

Prior to developing the policy options, it is difficult to determine the measure of success. However, it is likely that the initiatives would result in legislative and regulatory measures.

Strategic Plan

The Secretary announced this initiative on May 6 in a speech to a joint session of the Louisiana Legislature. She articulated that the Administration would develop a plan within 90 days designed to stimulate exploration and production. While there are no external factors driving this timetable, this will diffuse the perception that this is an anti-energy industry Administration and will respond to the Nation's security interests in dealing with rising oil imports.

In the near future, the Secretary will convene a meeting of the affected agencies (especially EPA and the Interior) to review policy options and attempt to develop a package of legislative and regulatory options to be considered by the Administration.

The affected agencies will also meet extensively with affected interests to gain their input into the process. After development of the plan, an implementation plan will be developed. From a strategic standpoint, the Administration may consider not moving on implementation of the program until the economic program is through the Congress.

Level of Presidential/Vice Presidential Involvement

In the 90-day process leading up to the development of a plan, little or no time of the President or Vice President would be required. However, we plan to hold roundtable forums with the energy executives who supported the campaign in order to bring them into the process. We believe that this provides an opportunity for the President to attend a meeting with these executives to show that the Administration is aware of their problems, is listening to them and intends to do something to help.

If the Administration determines that this is a priority after developing a plan and the plan's benefits need to be communicated to the public, the President and Vice President would need to be involved in communicating this message.

Agency Lead

The Department of Energy will lead this effort and coordinate with the Departments of the Interior, Agriculture, the Treasury and the Environmental Protection Agency.

Key Contacts

White House Policy	Bill Burton Don Saltrag Heather Ross (NEC)
White House Communications	Lorraine Vores
White House Legislative Affairs	Not applicable yet
Agencies	Susan Tierney (DOE) Office of Tax Analysis (Treasury) Mike Vandenbergh (EPA) Brooks Geager (Interior)

Issues Management
Department of Energy

Alternative Fuel Vehicle Task Force

Summary of Initiative

This initiative results from an Executive Order signed by the President on Earth Day to expedite conversion of the federal fleet to alternative fuel vehicles and to develop an infrastructure to help the market for alternative fuels with an emphasis on compressed natural gas.

The Administration is pursuing this as a priority because successful conversion of the federal fleet will stimulate important markets for natural gas, reduce reliance on imported foreign oil, drive American technology, and create jobs.

Measure of Success

The measure of success would be achieving the goals for federal activities to purchase new vehicles established in the Executive Order, exceeding the requirements of the Energy Policy Act of 1992 by 50%.

Longer-term measures of success will be coordinating state and federal actions on this issue and helping to develop an infrastructure convenient to the public.

Strategic Plan

The Executive Order called for a task force to develop an implementation plan within 90 days to achieve the stated goals of the Order. By late July 1993 a plan will be presented to the Secretary of Energy and the President. The first meeting of the task force will be held on June 8 in Austin, Texas. This meeting is being held in conjunction with a larger meeting on these issues which will ensure significant attendance of representatives from industry and the media. We are also asking the task force to coordinate actions to achieve the goals of the Order in local and regional markets to the extent practical.

The task force will report back to the President and the Secretary within one year of implementing the plan on the success of the conversion effort.

Level of Presidential/Vice Presidential Involvement

Little of the President and Vice President's time is required to develop or implement this plan. However, the plan will be developed and presented to the President and the Secretary within 90 days. This will present an excellent opportunity for the President and Vice President to attend a related event. This will highlight to key constituencies in the energy and environmental communities that the commitment to convert the federal fleet is an important priority.

Agency Lead

The Department of Energy funds, staffs and houses the task force. All federal agencies, including the Departments of Defense, Transportation, and Agriculture, the Environmental Protection Agency, and the General Services Administration will be involved in this effort.

Key Contacts

White House Policy	Bill Burton Don Saltrag
White House Communications	Lorraine Vores
White House Legislative Affairs	William Taylor
Agencies	Sue Tierney (DOE) Interagency Energy Policy Committee (The 656 Committee) Membership includes: Bob San Martin, Chair (DOE) Agriculture Commerce Defense General Services Administration Housing and Urban Development Interior NASA U.S. Postal Service Transportation Veterans Affairs Environmental Protection Agency

Issues Management
Department of Energy

Implementation of the Energy Policy Act of 1992

Summary of the Issue

The Congress passed the Energy Policy Act of 1992. The Act affects all facets of energy production and consumption. As the Congress expended great effort to pass the bill, members and affected interests want the legislation to be implemented efficiently. From the Administration's perspective, funding the energy efficiency and renewable energy programs are particularly important for political and substantive reasons. Funding of these initiatives reduces emissions of greenhouse gases by a significant amount, and the programs are of great importance to major constituencies of the Administration. Absent full funding of these programs, development of the National Action Plan necessary to stabilize emissions of greenhouse gases as committed to in the President's Earth Day speech will become far more expensive.

Measure of Success

Successful implementation of the Energy Policy Act will be measured by funding of the renewable and efficiency programs and commercializing renewable and energy efficiency technologies. None of the three items listed under this heading is necessary to ensure successful programmatic implementation.

Strategic Plan

Successful implementation of the Energy Policy Act depends upon adequate funding and a results-oriented implementation program. Maintaining the investment package and funding increases included in the FY 94 budget package, which includes increases of approximately 30-35% for the efficiency and renewable programs, are critical to success. From our discussions with the Office of Management and Budget and the appropriations committees of jurisdiction, we believe that funding will remain relatively similar to the amount proposed by the President. These issues will be decided during the appropriations process and concluded by the beginning of the fiscal year.

Successful implementation of the programs will also depend on adequate funding in the out years.

Level of Presidential/Vice Presidential Involvement

There is likely to be minimal time required of the President and Vice President on these issues to ensure success, with the exception of making some decisions during the budget process.

Agency Lead

The Department of Energy is the lead agency on this initiative. We coordinate with the Office of Environmental Policy on these issues.

Key Contacts

White House Policy	Bill Burton Don Saltrag Mark Chupka (Environmental Policy)
White House Communications	Lorraine Vores
White House Legislative Affairs	William Taylor
Agencies	Sue Tierney (DOE) Bob San Martin (DOE)

S

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

FAX

OFFICE OF
THE ADMINISTRATOR

For: KATHY ZOI
OFFICE OF ENVIRONMENTAL POLICY
456-2710

From: Mike Vandenbergh Bob Hickmott
Office of the Deputy Administrator
Phone: **(202) 260-4724**
Fax: **(202) 260-4852**

Date: May 25, 1993

Pages to Follow: 16

Comments:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
THE ADMINISTRATOR

MEMORANDUM

SUBJECT: Response to May 17 Memo - Issue Management

FROM: Robert W. Hickmott
Associate Administrator

Michael P. Vandenbergh
Senior Policy Advisor

TO: Mark Gearan
John Podesta
Christine Varney

Following is the issue management information you requested from EPA regarding seven areas: environmental technology initiative, safe drinking water, Clean Water Act reauthorization, incinerator policy initiative, Delaney Clause, Resource Conservation and Recovery Act, and Superfund. This memorandum includes only limited information on the strategic plans for each. We are preparing additional information on the strategic plans and will forward it to you shortly.

cc: Dwight Holton
Todd Stern
Steve Silverman

Environmental Technology Initiative

Summary of Initiative

The Administration's overall environmental technology program is designed to help break the historical tension between environmental protection and economic growth. As currently envisioned, the initiative has several key elements for EPA, including: 1) federal investments in new technologies; 2) development of a FCCSET Panel on environmental technology; and 3) an interagency effort involving Commerce, Energy and EPA.

- The new environmental technology investments identified in the President's Budget for EPA include $36 million for FY94 and additional amounts for later years. Working with OSTP, EPA has proposed to leverage a part of these funds by making grants to other Federal agencies to foster the development of environmental technology and to focus on three critical areas: pollution prevention technologies for small businesses, improving international competitiveness of U.S. environmental technologies, and development of "critical" technologies to address pressing environmental threats.

- The Administration also is developing a FCCSET Panel chaired by OSTP. The Panel will coordinate innovative environmental technology promotion efforts across the federal government.

- The Commerce, Energy and EPA effort was convened to map out a strategy to support the development of a competitive U.S. environmental technology industry with a particular emphasis on export enhancement. The group has begun to catalogue current environmental technology activities in the three agencies.

In addition, legislation has been introduced in the Senate by Senator Mikulski (the Chair of our Appropriations Committee) and others that would enhance government support for the private sector in developing, testing and diffusing environmental technologies. The National Environmental Technology Act would authorize the amount of funding assigned to EPA's environmental technology initiative in the President's Budget to promote environmental technology through several steps, including establishment of a National Environmental Technologies Institute within EPA. Representative Studds has introduced a bill in the House to support development of U.S. trade in environmental technologies.

Measures of Success

- Long Term

  1) Creation of a well integrated federal effort to develop and promote U.S. environmental technology.

  2) Increased public support for environmental protection resulting from an awareness of the economic benefits of environmental technologies.

3) Economic growth from successful Federal assistance to private industry in developing and commercializing environmental technologies.

4) Reduction of government and private party cleanup costs through technological innovation.

- Short Term

1) Establishment of a structure within EPA to successfully use the proposed EPA environmental technology funds.

2) Development (by OSTP and the affected agencies) of a coordinated federal plan for environmental technologies.

Strategic Plan

- Continue to integrate and focus environmental technology programs government-wide through the FCCSET Panel, the Commerce-led inter-agency initiative, and EPA activities.
- Work with the Senate Environment and Public Works Committee to improve the Mikulski legislation and align it with Administration initiatives.
- Draft an EPA policy on promotion of technological innovation in rulemaking and enforcement activities.

Level of Presidential/Vice Presidential Involvement

The President's budget already has taken a significant step in this area. Additional Presidential and Vice Presidential activity should not be necessary in the near term. As initiatives begin, however, there may be significant opportunities for the President and the Vice President to focus broad media attention on this area and generate public support.

Agency Lead and Coordination

OSTP is coordinating the overall government effort. Commerce will take the lead in developing the part of the effort directed toward improving competitiveness, commercialization, and export. EPA will have lead responsibility for technology development and demonstration and for technology promotion through the effects of the Agency's rulemaking process. DOE will have similar lead responsibilities in the energy area.

Key Contacts

OSTP - Mike Nelson
EPA - David Gardiner, Mike Vandenbergh
Commerce - Jonathan Sallet
Energy - Sue Tierney

White House Communications - No one to date
White House Legislative - No one to date

Weekly Update/Forecast

- This week, EPA will testify on the Studds bill.
- The Senate Environment and Public Works Committee is expected to mark up the National Environmental Technology Act after the Memorial Day recess.

Safe Drinking Water Act

Summary of Initiative

Public drinking water systems across the country -- particularly small systems -- are having difficulty overcoming economic and technical challenges to compliance with the Safe Drinking Water Act (SDWA) -- the principal statute aimed at providing Americans with clean drinking water. Recognizing this compliance problem, the President's proposed Budget would establish a State Revolving Fund (SRF) offering below-market interest rates on loans to help municipalities and other local water suppliers comply with SDWA requirements. EPA's objective for this year is to secure legislative authorization for the drinking water SRF.

In response to local government criticism of the cost of meeting SDWA requirements, Senator Chafee has indicated that he also may propose SDWA reforms this year. Although reforms may be necessary, significant SDWA revisions this year could bog down the SRF authorization.

Measures of Success

- In the short term (this year), establishment of a SRF funding mechanism to help municipalities comply with the SDWA.
- In the longer term (next two years), amended Safe Drinking Water legislation that provides reforms for states and localities while making available a broader range of tools to protect public health.

Strategic Plan

- Pass State Revolving Fund authorizing legislation during this session of Congress.
- Continue to build consensus among various stakeholders on a long term drinking water strategy to address, among other issues, concerns of small communities about regulatory burdens.

Level of Presidential/Vice Presidential Involvement

White House support is important to secure appropriations for the Drinking Water State Revolving Fund and authorizing language for the Fund for FY94. The personal involvement of the President and Vice President in the establishment of the SRF should not be necessary, but some involvement may be required when the broader SDWA reauthorization occurs.

Agency Lead

EPA

Key Contacts

EPA - Assistant Administrator for Water (when appointed), Bob Hickmott, Mike Vandenbergh, Chuck Fox, Martha Prothro
White House Policy - Keith Laughlin
White House Communications - No one to date
White House Legislative - No one to date
OMB - Martha Foley, Jennifer Palmieri

Weekly Update/Forecast

- Early this week, EPA expects to transmit to Congress the Administration's "Statement of Principles" which will guide development of legislation to establish the Drinking Water SRF.

- By the end of the week, EPA will provide comments on Drinking Water SRF legislation approved by the House Public Works and Transportation and Energy and Commerce Committees.

Clean Water Act

Summary of Initiative

Risks to water quality have changed significantly over the last decade. Industrial and municipal waste emissions are giving way to polluted run-off from farm and urban areas and sewer overflows as the greatest threats to clean water. In addition, state and local governments increasingly are making water quality decisions on a more comprehensive, ecosystem basis.

EPA is leading a two-part Clean Water Act (CWA) effort to address these concerns. First, EPA plans to work with key congressional leaders to develop an appropriate CWA reauthorization strategy. The environmental groups and Senator Baucus, Chair of the Senate Environment and Public Works Committee, have made CWA reauthorization their first priority. In any reauthorization efforts, wetlands protection strategies are likely to prove extremely controversial.

Second, in the short term, authorization and funding for EPA's new Clean Water State Revolving Fund is a top priority. The President's initial economic stimulus package included $845 million in FY94 funds that were transferred to FY93. These funds were lost with the failure of the stimulus package. The proposed new FY93 supplemental would restore $400 million of the these funds, but still leave EPA's sewage treatment program $445 million short of previous funding levels. To meet the commitments of the President's economic plan, EPA must submit to Congress language authorizing $1.2 billion for the wastewater treatment SRF in FY94.

Measures of Success

- In the short term (this year), creation of a new Clean Water State Revolving Fund to address wastewater treatment needs.
- In the long term (next two years), reauthorization of the Clean Water Act to confront changing threats to water quality, including polluted run-off from urban and agricultural areas, while continuing to protect wetlands.
- Establishment of public input mechanisms and other means to de-polarize the wetlands debate in anticipation of Clean Water Act reauthorization.

Strategic Plan

- Work with Congress to secure a two-year Clean Water SRF authorization sufficient to fund the new SRF in the President's budget without undercutting the overall CWA reauthorization.
- Continue to offer Congressional staff EPA technical assistance in approaching CWA reauthorization.

Level of Presidential/Vice Presidential Involvement

Presidential or Vice Presidential involvement is unlikely to be necessary before late Fall at the earliest when reauthorization efforts advance in Congress.

Agency Lead and Coordination

EPA is the lead agency and is coordinating an interagency task force on the CWA reauthorization. Keith Laughlin at the White House Office of Environmental Policy is coordinating an inter-agency review of wetlands issues to assist in resolving potential conflicts in the CWA reauthorization process. The Army Corps of Engineers, the Department of Agriculture and Department of the Interior also play a significant role in wetlands issues.

Key Contacts

EPA - Assistant Administrator for Water (when appointed), Bob Hickmott, Chuck Fox, Martha Prothro
White House Office of Environmental Policy - Keith Laughlin (Wetlands)
White House Communications - No one to date
White House Legislative - No one to date

Weekly Update/Forecast

- The Senate is expected to introduce CWA reauthorization legislation soon after its Memorial Day recess.

- EPA staff will begin this week to respond to a request from the House Public Works and Transportation Committee for technical assistance on CWA reauthorization.

Incineration Policy Initiative

Summary of Initiative

Last week, Administrator Browner announced a major new hazardous waste initiative to reduce production of hazardous wastes and enhance government regulation of hazardous waste incinerators and industrial furnaces. The policy advances the Administration's pollution prevention policy and responds to growing public concern about the safety of hazardous waste combustion.

Measures of Success

- Within eighteen months, EPA and the states will make specific recommendations for a strategy to reduce national hazardous waste generation.
- Within eighteen months, EPA will develop a proposal to enhance the protectiveness of hazardous waste combustion regulations and policies.
- Within eighteen months to two years, EPA will impose permit controls on, or shut down, the highest priority unpermitted industrial furnaces that burn hazardous waste. Controls should include additional limitations on emissions of dioxins and metals.

Strategic Plan

- The Administrator announced this policy on May 18, 1993.
- In June, the Administrator will convene a task force of high level EPA and state officials to evaluate strategies for hazardous waste reduction and to recommend appropriate changes to federal controls on hazardous waste combustion. The task force will consult with outside groups, formulate recommendations and report to the Administrator in eighteen months.
- EPA's regional offices have been directed to begin immediately imposing controls on unpermitted combustion facilities. Over the next eighteen months, EPA will be devoting the majority of its hazardous waste permitting resources to this effort, rather than to the permitting of new combustion capacity.

Level of Presidential/Vice Presidential Involvement

The President and Vice President have been contacted by the public and by industry regarding hazardous waste incinerators. The current strategy should, over time, address many of the public concerns about these facilities. Additional opportunities for Presidential and Vice Presidential involvement may arise during the incinerator regulatory reform process over the next eighteen months.

Agency Lead and Coordination

EPA and the states are co-regulators of hazardous waste combustion facilities. Questions about individual facilities, and about the waste minimization and combustion strategy should be directed to EPA.

Key Contacts
Office of Environmental Policy - Keith Laughlin
EPA - Assistant Administrator for Solid Waste and Emergency Response (when appointed)
Office of the Administrator - Mike Vandenbergh, Diane Regas

Delaney Clause

Summary of Initiative

The Delaney Clause of the Food, Drug and Cosmetics Act prohibits any carcinogenic pesticide residues that concentrate in processed foods. The Clause does not apply to fresh food, creating a double standard with little basis in sound food safety policy. In July, 1992, the Ninth Circuit Court of Appeals overturned EPA's de minimis interpretation of the Delaney Clause which has allowed residues of carcinogenic pesticides that presented only a negligible risk. Over the next several months, this court decision will force EPA to ban approximately thirty pesticides currently in use -- an action that will be controversial with agriculture and industry interests.

To address this issue, the Administration has publicly commited to work with Congress and other interested parties in developing a legislative proposal to revise the current laws concerning pesticides and their residues. In the Delaney Clause debate, environmental groups will push for significant new pesticide restrictions, including a ban on all carcinogenic pesticides. Industry and agricultural interests will seek a more limited approach.

Measure of Success

- Rapid action to avoid implementing apparently contradictory food safety policies.
- Improved pesticide legislation that eradicates existing double-standards and assures overall safety of the food supply.

Strategic Plan

- Develop a sound legislative proposal by early Fall through a cooperative inter-agency effort involving USDA, FDA, and EPA. (The White House has formed a working group chaired by Bill Galston to bring EPA, FDA and USDA together to this end.)

Level of Presidential/Vice Presidential Involvement

Implementation of the Administration food safety proposal will be controversial and may require the involvement of the President and/or Vice President. Not implementing a food safety proposal also will create controversy, however, as EPA will be forced to ban certain pesticide uses as early as this Summer.

Agency Lead and Coordination

The White House will have the overall lead in developing new food safety policies. EPA, FDA and USDA will also play significant roles in their respective areas.

<u>Key Contacts</u>

EPA - Assistant Administrator for Prevention, Pesticides, and Toxic Substances (when appointed), Bob Sussman, Tom Roberts, Mike Vandenbergh, Ann Hardison
USDA - Ron Blackley, Cindy Sheeley
FDA - Mike Taylor, Bob Lake
White House Policy - Bill Galston
White House Office of Environmental Policy - Pam McElwee
White House Communications - No one to date
White House Legislative - No one to date

Resource Conservation and Recovery Act

Summary of Initiative

Although authorization authority for the Resource Conservation and Recovery Act (RCRA) formally expired in 1988, overall RCRA reauthorization involves many controversial issues and is not among the current top priorities for EPA. Opportunities may exist for the Administration to seek narrow legislative improvements pertaining to recycling, source reduction and U.S. hazardous waste export policy under the Basel Convention. In addition, Congress may press for legislation on interstate shipment of hazardous wastes.

Measures of Success

- Successful implementation of an Executive Order, outlined in the President's Earth Day speech, which will set Administration policy on federal procurement of recycled goods.
- Improvements in recycling activity under RCRA by administrative and, if necessary, legislative action.
- Continued administrative action to strengthen federal hazardous waste incineration policy and reduce public concern about incinerators (see discussion of the EPA incineration initiative).
- Passage of necessary legislation on international transport of waste to fulfill Basel Convention commitments.

Strategic Plan

- EPA will continue to participate in the drafting and implementation of the Executive Order on federal procurement.
- EPA is developing initial positions on interstate and international waste transport and source reduction and recycling, but no action is necessary in the short term.

Level of Presidential/Vice Presidential Involvement

The Executive Order announced by the President in April needs to be finalized. Although the Administration will continue to feel pressure from all sides of the solid and hazardous waste debate, Presidential or Vice Presidential action on RCRA issues is unlikely to be necessary this year.

Agency Lead and Coordination

EPA is the lead agency on RCRA issues. The White House Office of Environmental Policy has taken the lead on the Executive Order effort.

Key Contacts

Office of Environmental Policy - Ken Connally
EPA - Assistant Administrator of Solid Waste and Emergency Response (when appointed), Mike Vandenbergh, Diane Regas, Bob Hickmott
White House Policy -
White House Communications -
White House Legislative -

Superfund

Summary of Initiative

The House and Senate have looked to the Administration to take the lead in Superfund reauthorization efforts. In response, EPA has announced a three-part overall strategy to evaluate Superfund issues during this year as a basis for Administration action. The strategy includes: (1) formation of an outside panel (as a subcommittee of the National Advisory Council for Environmental Policy and Technology or NACEPT) to review public concern about Superfund; (2) formation of an inter-agency task force; and (3) formation of an internal EPA working team to develop administrative and legislative strategies. The administrative Superfund changes should be completed in June. Legislative proposals, if necessary, will be completed by early Fall.

Measures of Success

- Administrative action this year to make EPA implementation of Superfund statutes more efficient and more equitable.
- Development this year of a legislative proposal to respond to concerns expressed by the President and the public that there is a need to reduce Superfund transaction costs and reduce unfairness in the program.

Strategic Plan

- This Summer, conduct public outreach with all stakeholders in the Superfund program to determine what changes are needed.
- This Summer, make Administrative changes to Superfund implementation to respond to widespread dissatisfaction among industry, the public, and Congress.
- This Summer and Fall, develop a legislative proposal to address problem areas in the program that EPA cannot remedy administratively.

Level of Presidential/Vice Presidential Involvement

Superfund issues should not require substantial White House-level involvement until next year. Presidential or Vice Presidential leadership, however, will be important to successful efforts once legislative proposals have been developed.

Agency Lead and Coordination

EPA is taking the lead in developing administrative and legislative strategies for Superfund in coordination with other agencies. The Departments of Defense, Energy, Interior, Treasury and Justice are participating in the inter-agency task force and will play a large role in reauthorization.

Key Contacts

EPA - Assistant Administrator for Solid Waste and Emergency Response (when appointed), Bob Sussman, Bob Hickmott
White House Policy -
White House Communications -
White House Legislative -

Weekly Update/Forecast

- Next week, Administrator Browner will announce the membership of the outside panel established under the EPA three-part plan (the NACEPT Panel).

- In early June, Administrator Browner will be announcing administrative strategies for Superfund reform.

- Senator Lautenberg's Superfund Subcommittee of the Senate Environment and Public Works Committee will be holding hearings on Superfund contract management and voluntary cleanup legislation in June. Also in June, Congressman Swift's Subcommittee on Transportation and Hazardous Materials will hold a hearing on Superfund site remediation selection processes.

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

May 21, 1993

MEMORANDUM FOR MARK GEARAN
JOHN PODESTA
CHRISTINE VARNEY

FROM: John Angell JA

SUBJECT: Issue Management

Please find attached an issue management form from OMB. Please let me know if you would like any additional information.

ISSUE MANAGEMENT

Summary of Initiative

Reconciliation bill

Measure of Success

Enactment

Strategic Plan

The House Budget Committee packaged and reported the reconciliation bill this Thursday. Rules Committee consideration is expected Tuesday or Wednesday of next week, with Floor consideration on Thursday. The reporting date for Committees in the Senate is June 18. Senate floor consideration would take us to the July 4 recess and conference would likely be resolved before the August recess.

Level of Presidential/Vice Presidential Involvement

A high level of involvement is anticipated.

Agency Lead and Coordination

OMB/White House

Weekly Update/Forecast

See above

Key Contacts

OMB - John Angell

WELFARE REFORM

Summary

At the President's request, the Domestic Policy Council has formed an interagency working group co-chaired by Bruce Reed, David Ellwood, and Mary Jo Bane to develop a plan to "end welfare as we know it." The working group is working on legislation to overhaul the current system by expanding work incentives, strengthening child support enforcement, and putting a two-year time limit on welfare.

Measure of Success

Enacting a comprehensive welfare reform plan in this Congress.

Strategic Plan

Our goal is to develop the plan by this fall, for introduction either late this year or in next January's State of the Union. Because welfare reform enjoys bipartisan support, it should be a good election-year issue.

Here's a rough calendar:

* June -- Welfare Event on Presidential Trip: The President would like to spend a day on welfare on one of his next trips -- visiting a successful welfare-to-work program, meeting with welfare recipients, etc. We have identified several good options around the country, and have been working with Rahm and Marcia to try to get on the schedule.

* June -- Announcement of the Working Group: The working group has been working for several weeks, but has never been officially announced, in hopes of a Presidential event. If we can't nail down such an event soon, we recommend announcing the working group in a simple press release to show that the Administration is in fact addressing the issue.

* June, July, August -- Field Hearings: The working group plans to visit a series of welfare reform programs around the country, and hold public hearings similar to those held by the Health Care Task Force. These events will attract public support for welfare reform, and demonstrate that we are consulting with state and local officials and advocacy groups in an open process.

* September -- Presentation of Options to the President: The working group plans to present decision memos to the President in at least three major areas: making work pay; child support enforcement; and education, training, and time limits for welfare recipients.

* Late '93 or January '94 -- Introduction of Welfare Reform Legislation: We are meeting with key Congressional leaders and governors to line up broad, bipartisan support for the President's plan. Rep. Harold Ford and Sen. Breaux will each be holding subcommittee field hearings over the summer to call attention to the need for fundamental reform. Welfare reform is Sen. Moynihan's highest priority. Rep. Rostenkowski is also eager to help when the time comes. We are also working with a task force which the NGA assembled at the President's request.

Presidential Involvement

The President has indicated that in addition to doing a high-profile welfare reform event soon, he would like to be involved in developing the plan. We should meet with him sometime in June to discuss the general direction of the policy. He will need to be involved in more intense decision-making meetings in August and September.

The Vice-President has detailed Elaine Kamarck to the working group, and some elements of the welfare reform plan will involve reinventing government.

Agency Lead and Cooperation

More than half a dozen agencies are participating in the working group (HHS, Education, Labor, HUD, Treasury, Justice, and Agriculture, as well as OMB, CEA, NEC, and DPC). The White House organized the working group; HHS will have responsibility for implementing the policy.

Weekly Forecast

Nothing public is planned until we get an event on the President's schedule or we announce the working group in a press release. In the meantime, work on the policy continues.

Key Contacts

* White House Policy: Bruce Reed, Kathi Way
* White House Communications: Ricki Seidman, Julia Moffett
* White House Legislative: pending
* HHS: Mary Jo Bane, David Ellwood

ISSUE MANAGEMENT
CAMPAIGN FINANCE REFORM

Campaign finance reform -- as part of political reform -- is one of the four key issues identified as priorities for this administration. In early May, the President introduced a reform proposal that was embraced by both the congressional leadership and reform groups.

This issue is crucial in several ways: 1) Through it, the President has made it clear that he wants to change the way business is done in Washington; 2) 19 million Perot voters consider campaign reform to be a priority issue; 3) It is winnable.

Clearly the measure of success would be the passage of campaign finance reform legislation very similar to the President's original proposal.

Strategy

Senator Mitchell has already introduced the bill (which incorporates our plan) in the Senate. Tuesday, May 25 will be the first day for introduction of amendments and voting. The bill is expected to be on the Senate floor for at least a week.

The House is expected to take up the issue in July.

The White House will seek to elevate the issue through the media and by energizing the coalition, always making the enemy the "special interests." The coalition, in turn, will focus on the swing Republicans. Negotiations between the Democrats and Republicans will take place at the senator-to-senator level, without involving WH staff at this point.

A similar strategy will occur as the House takes up the bill.

Use of Administration Officials

As much as possible, the President, through speeches and other public appearances, should continue to tie in campaign finance reform to achieving his other objectives.

The Vice President, however, should be utilized more directly; key activities include: 1) making calls to energize organizations such as AARP; 2) press appearances keeping the issue on the front burner; and 3) targeted and selected lobbying calls.

In addition, the Chief of Staff can be used in a similar fashion.

Finally, Michael Waldman will continue to talk to the press and to Members of Congress.

In the Next Two Weeks

As stated above, we will continue to monitor the efforts of reform groups who are working on this issue, write Presidential letters to various groups of members and evaluate the various amendments to determine their impact on the core of our proposal.

The White House will not, as a general matter, take positions on amendments; however, we will seek to forestall or kill amendments that gut central elements of the plan.

Key Contacts

WH Policy/Communications:	Michael Waldman Liz Bernstein
WH Political:	Joan Baggett
WH Public Liaison:	Mike Lux
WH Legislative:	Steve Ricchetti Karen Hancox Paul Carey

LOBBYING REFORM

The Clinton Administration has been identified as one which rejects business as usual in Washington. In keeping with this ideal, the Administration has embraced and promoted enhanced and increased public disclosure of lobbying activities.

LOBBYING DISCLOSURE ACT OF 1993

The Lobbying Disclosure Act has passed the Senate. The House has held hearings and is not expected to act on the bill until June. Senator Levin and Representative Bryant are sponsors of the Lobbying Disclosure Act of 1993.

♦Plugs Loopholes in Existing Disclosure Statutes
Under the Lobbying Disclosure Act all professional lobbyists must register regardless of whether they lobby the Executive or Legislative Branch.

♦Replaces Existing Disclosure Statutes With A Single Comprehensive Statute
The Lobbying Disclosure Act consolidates all filing into a single form to be filed at a single location.

♦Streamlines Disclosure Requirements to Provide Meaningful Information and Reduce Burdens
Registrants must identify their clients; identify the issues on which they lobby; disclose how much they were paid; identify the federal agencies and congressional committees contacted. Registrants must identify clients with foreign ownership in excess of 20 percent. Former Government employees who within two years of leaving the Government register to lobby must disclose their past Government employment.

♦Establishes a New Office of Lobbying Registration and Public Disclosure to Administer and Enforce the New Disclosure Statute

The bill has been criticized as not being strong enough because, among other things, it fails to limit gifts or require disclosure of gifts from lobbyists to the legislative branch. Critics would like for the bill to either require disclosure of gifts, travel and lodging, receptions, contributions to pet charities in lieu of honoraria <u>or</u> totally ban lobbyists from giving gifts.

However, two controversial amendments offered by Sen. Wellstone and Lautenberg addressed these issues. The Wellstone amendment requires lobbyists to disclose any benefits they provide to congressmen or congressional staff. Sen. Lautenberg's amendment calls for gift rules like those of the executive branch.

The President has indicated his support for these amendments directly in remarks made outside of Washington and indirectly in response to a memo prepared by the DPC.

The bill, as amended, passed the Senate. The House has not set a date for marking up the bill. The Senate amendments have made the bill much more controversial and more difficult to pass. There is not much enthusiasm in the House for changes in the gift acceptance or disclosure rules.

I do not believe the President or Vice-President will need to spend any great portion of time on this negotiation. However, there has been discussion of a Presidential event which focuses on reforming lobbying disclosure.

The Department of Justice will continue to negotiate with the House subcommittee staff concerning enforcement amendments.

<u>Contacts</u>
Donsia Strong, DPC
Bruce Reed, DPC
Michael Waldman, Communications
Steve Ricchetti, Legislative
John Rogovin, DOJ

Done

NATIONAL VOTER REGISTRATION ACT of 1993 PL 103-31
(motor voter)

Requires States to establish procedures allowing individuals to register to vote when they apply for a driver's license, by mail and at various registration sites. Establishes criminal penalties for certain forms of election fraud.

The Act is similar to the "motor voter" bill vetoed by President Bush last year.

The conference report on the enrolled bill passed the House by a vote of 259-164 and the Senate by 62-36.

The effective date of the Act is January 1, 1995, except for States whose constitutions would require them to maintain separate voter lists.

The Act was signed into law May 20, 1993.

EMPOWERMENT ZONES

Summary of Initiative

This proposal would create 10 empowerment zones and 100 enterprise communities through a nationwide challenge grant process. All 110 zones will be eligible for empowerment tax incentives and receive special priority for many innovative federal programs, including community development banks, community policing, and education reform. The 10 Empowerment Zones will qualify for additional tax incentives (approx. $4 billion), including substantial Employment and Training Credits for businesses that employ people who live within the zones. An Enterprise Board -- made up of relevant Cabinet Secretaries -- will provide communities with a single point of contact, both to evaluate the quality of each community's proposal and to provide ample flexibility to help communities use existing federal programs and resources more effectively and efficiently to carry out their own comprehensive strategic plans. The centerpiece of this proposal is a new compact with localities and the private sector to change the way government does business in distressed communities.

Measure of Success

Success would be passage of the President's Empowerment Zone legislation this year. The tax portion of the bill has already been submitted and voted out of the Ways and Means Committee as part of Budget Reconciliation. Members of that Committee added approximately $1 billion in additional tax incentives to the President's proposal.

Strategic Plan

The tax piece of the Empowerment Zone bill will included as part of budget reconciliation. Ways and Means has already acted, and we expect that Senate Finance will take action soon. The waiver and spending portion of the legislation will have to be coordinated with the House and Senate Democratic leadership, because of the potential for joint jurisdiction. We have held some meetings with the leadership in trying to get their cooperation. We expect that the waiver and spending sections of the bill will be referred to the Senate and House Banking Committee, with hopefully limited sequential or joint referral. If all goes according to plan, the House will vote on the tax package the end of this week, the Senate a few weeks later. The waiver and spending portions would be considered in Committee later this month, and floor votes in July. Conference report could be expected to be voted on in the fall.

Level of Presidential Involvement/Vice Presidential Involvement

The President announced this initiative in a teleconference call with several mayors. He also talked about the legislation last week in San Diego.

Agency Lead and Coordination

Treasury, HUD, and Agriculture are the three lead agencies on this initiative. The White House has coordinated these efforts through the Inter-Agency Task Force on Community Empowerment. Justice will also have a major role because of the community policing component in the bill, as will Interior, which will choose the Native American zones. Education and Labor also are involved, as members of the Enterprise Board.

Key Contacts

Bruce Reed & Paul Weinstein (DPC); Gene Sperling, Paul Dimond, Sheryll Cashin (NEC); Andrew Cuomo (HUD); Maurice Foley (Treasury); Bob Nash (Agriculture).

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

Summary of Initiative

This legislation would establish a Community Banking and Credit Fund (The "Fund") that will develop and operate a program of investment in an national network of community development financial institutions. The Fund will provide financial and technical assistance to a whole range of community development financial institutions (CDFIs) -- community development banks south as South Shore, community credit unions, revolving loan funds, micro loan funds, community development corporations, etc. The Fund will also serve as a national information clearinghouse, and be an institutional voice for community reinvestment.

Measure of Success

Success would be passage of the President's legislation to create a network of CDFIs.

Strategic Plan

We will have a final draft of legislation ready by the end of May/first week in June. After that, the President could make his announcement at any time. However, we need to introduce legislation in the next couple of weeks so that Senate Appropriations can fence off $60 million for FY94.

The legislation will likely be referred to the House and Senate Banking Committees. We have been working closely with both Committees on the drafting. We have met with staff and Members of both Committees over the past month. We have also shared the outlines of our proposal with representatives of South Shore, Elk Horn, and community groups.

We hope to have Committee action in June, and floor votes by the end of July. A Conference Report vote could be expected in September.

Level of Presidential Involvement/Vice Presidential Involvement

We plan transmit this legislation from the President, rather than the agencies. We hope to have some type of announcement event, which would also include a statement on the regulatory initiative to make the focus of Community Reinvestment Act (CRA) more on performance rather than paperwork.

Agency Lead and Coordination

Treasury, HUD, Agriculture, and Commerce have been the lead agencies on this initiative. The White House has coordinated these efforts through the Inter-Agency Task Force on Community Empowerment. The Small Business Administration, the banking regulators, and OMB have also played key roles in the development of this legislation.

Key Contacts

Bruce Reed & Paul Weinstein (DPC); Gene Sperling, Paul Dimond, Sheryll Cashin (NEC); Bruce Katz & Mark Gordon (HUD); Frank Newman (Treasury); Larry Parks (Commerce); Bob Nash (Agriculture).

IMMIGRATION ISSUES

I. The United States is experiencing an increase in for-profit alien smuggling.

For the most part the increase is being seen in aliens being smuggled from the Peoples Republic of China. Most often the ships are modified to accommodate human "cargo" in Hong Kong or other parts of East/Southeast Asia, travels to Chinese coastal areas where its passengers are ferried out to in smaller boats and begins the trip east. In some cases, the ship sails directly to the United States; in others, to a nearby country like Mexico (or, it is presumed, to other points south) from which arrangements are made for the migrants to enter the United States by land.

An interagency working group co-chaired by DPC and NSC is reviewing alternatives to alleviating this problem. Among the alternatives being considered are enacting legislation to expedite the procedures by which aliens are screened for asylum; increasing the penalties for smuggling; adding alien smuggling as a predicate for RICO; and reviewing and rescinding the Bush Administration Executive Order calling for enhanced consideration of aliens from PRC.

In addition, we have discussed supporting the costs of repatriating ineligible asylum seekers with the Immigration Emergency Fund which contains $30 million. We will need to take action on some of these issues within the next 30 days. Other initiatives will take longer and will depend on negotiations with Congressional subcommittees and NGOs.

II. Salvadoran TPS

On Friday, May 21, the President provided for "deferred enforced deportation" (DED) for nationals of El Salvador. The DED ensures that Salvadorans who were legislatively granted temporary protected status will be allowed to remain in the United States at least until December, 1994.

The issue will need to be reviewed during mid-1994 to determine whether to continue to allow Salvadoran nationals permission to remain here.

III. Chinese student certification

In 1992, Congress passed the Chinese Student Protection Act providing the Attorney General authority to adjust the status of Chinese nationals if the President has <u>not</u> certified to the Congress that certain conditions have been met.

Chinese students are urging a very liberal interpretation of the relevant laws and regulations as relates to how many Chinese can be adjusted in a year. The Senate drafters disagree and urge a more restrictive approach.

The DOJ and INS are in the process of preparing regulations to carry out the Act. DPC and NSC are coordinating a resolution to this issue.

The regulation should be prepared and reviewed during June, 1993. It will be open to public comment for a period of time before becoming final.

<u>Contacts</u>
Donsia Strong, DPC
Phyllis Coven, DOJ-INS
Randy Beers, NSC
Eric Swartz, NSC

NEA/NEH

Summary of the Initiative: NEA/NEH/IMS are scheduled for reauthorization this Spring. In addition, the community has been eagerly awaiting appointment of Chairs for NEA and NEH and some indication from the new Administration about future policy direction for these groups. Pat Williams has called a hearing for the reauthorization of these offices on June 10. There is no problem anticipated for NEH or IMS reauthorization. The reauthorization of NEA is thought to be complicated by the Justice Department's recent appeal of the Finley case. The timing of that appeal sets an opportunity for discussion during the reauthorization process for public discussion regarding the "decency clause". Without the nomination of a Chair for NEA and, therefore, a policy direction for the Administration there is growing concern in the arts' community.

NEH has identified a Chair. Sheldon Hackney, though not officially nominated at this time, has started to make courtesy visits. The Jacobowitz case has been settled and there is less concern with the confirmation process than originally anticipated.

Measure of Success: Passage of the reauthorization for NEA/NEH/IMS and confirmation of the Chairs nominated will signal success.

Strategic Plan: Legislative affairs is currently working with Sheldon Hackney in preparation for his confirmation hearings. They expect the confirmation hearings to be scheduled two to three weeks following the completion of paperwork. Concerns with the confirmation include the issues at the University of Penn regarding first amendment rights and the continuing work by the Republicans to divert attention from reconciliation and the economic plan.

There is a good chance the reauthorization of NEA could get caught in the bigger issue of what art projects get funded by the NEA. Currently Justice is working on behalf of NEA to "settle" cases for three artists that were denied funding for their projects under the last Administration. Of course, that gives the "right" an opportunity to discuss "decency".

Level of Presidential/Vice Presidential Involvement: Minimal. At some point in this process, it may be necessary for the President to discuss generally his thoughts on art expression.

Agency Lead and Coordination: Melanne Verveer and Bill Gilcher have been the "point" on this issue.

CRIME

Summary of Initiative

Comprehensive Crime Bill -- includes President's 100,000 new police proposal, expands federal death penalty, reforms death penalty appeals process, establishes 10 state-federal "boot camps", and increases other federal, state and local law enforcement aid.

Measure of Success

President signs comprehensive crime legislation, which Congress has been unable to pass for almost four years now. Also, by incorporating the President's new police proposal in this legislation, the Administration can begin putting 100,000 new police on the streets -- and begin to come through on the President's single, most important crime pledge.

Strategic Plan

BIDEN-BROOKS BILL -- Senator Biden and Representative Brooks are interested in introducing a modified version of last year's crime bill that contains the President's police initiative and a politically feasible compromise on habeas corpus reform.

TAKE IMMEDIATE ACTION -- Biden and Brooks are prepared to move quickly. In particular, Senator Biden would like to introduce a crime bill as soon as possible -- before the Memorial Day recess, if possible. His concern is that the Republicans -- who, as always, are looking to use the crime issue against Democrats -- will drop a new crime bill any day now and hold up Senate floor proceedings until the Majority Leader promises to schedule a date for crime bill consideration. As in the past, this will force Democrats to "react" with a crime bill.

ACT AGAINST A RECESS -- In the Senate, the crime bill should go straight to the floor (as in the past), and it should be scheduled the week before a recess. Without a recess, it is difficult to limit debate and finish the bill. The week before the July 4th recess provides the best opportunity.

INCLUDE 100,000 COPS PROPOSAL -- The most significant difference between this bill's and last year's is its inclusion of a program to significantly increase police presence in communities. This will help get votes and allow the President to deliver on this important pledge. DPC -- with the help of DOJ and OMB -- is working to finalize this proposal.

HABEAS COMPROMISE -- Without a compromise on the habeas provisions in the bill, a crime bill stands little chance of passing. Crime bills just don't pass with strong law enforcement opposition, and the key here is to get the National Association of Attorneys General and the National District Attorneys Association, who opposed the bill last year, to sign off on the compromise. Biden and NAAG are reported to be close to a compromise. If they reach agreement, then there will be significant pressure for NDAA and others to sign off on the agreement as well.

NO POLICE OFFICERS BILL OF RIGHTS -- Senator Biden and other members in the Congress may want to add a Police Officers Bill of Rights (POBR) to the crime bill. The President has not taken a final stance on this issue, and the Attorney General was supportive of it in her confirmation hearing. The POBR is a top priority of all the police unions (NAPO, IBPO, IUPA, FOP), but it is vehemently opposed by the Chiefs of Police, Mayors, Cities, etc. Putting the POBR in the crime bill, guarantees strong law enforcement opposition from police management groups, while keeping it out will anger the police unions. Our best bet is to keep it out of the bill by making a commitment to the Police Unions that we will take the issue head on -- positively or negatively -- on its own.

INCLUDE THE BRADY BILL -- Brady is crucial to getting liberal support for the bill. It is also the only gun provision that Brooks (and Foley) will allow on the Bill. We need to keep it as part of the comprehensive bill.

Level of Presidential/Vice Presidential Involvement

The President should publicly unveil his 100,000 cops proposal. He will also have to have a meeting with Biden, Brooks and the AG before this introduction.

Agency Lead and Coordination

DPC -- with DOJ's assistance -- will have the lead role on the 100,000 cops initiative. OMB will also be involved.

Weekly Update/Forecast

Outstanding issues on the Police Proposal include: deciding on the size and cost of the Police Corps; deciding on how much flexibility the Attorney General should have in awarding new police funds; and determining final language on the bill's habeas provisions.

The Police proposal may come up at Dr. Lee Brown's confirmation hearing Tuesday.

Key Contacts

White House Policy: Bruce Reed; Jose Cerda; and Rana Sampson.
White House Communications: Ricki Seidman.
White House Legislative Affairs: Howard Paster.
Department of Justice: Attorney General Reno.

DRUG CZAR'S OFFICE

Summary of Initiative

Office of National Drug Control Policy Reauthorization -- would reauthorize the so-called "Drug Czar's" office, which is otherwise set to expire on November 18th of this year. Also, we must restructure the office to be able to meet the White House 25% cuts.

Measure of Success

The President signs a reauthorization bill prior to the start of the next fiscal year and is, thus, able to meet the 25% cut in White House staff. Members of Congress with an interest in the drug issue are not pleased with our cuts, however, and it will be difficult to sell some key members on reducing the staff to 25.

Strategic Plan

UNDETERMINED -- Discretion to reauthorize the office has been left to the incoming Drug Director. His confirmation hearing is scheduled for tomorrow, and he will need to begin thinking about reorganization and reauthorization as soon as he is confirmed.

Level of Presidential/Vice Presidential Involvement

It does not seem as if much Presidential or Vice Presidential involvement will be required.

Agency Lead and Coordination

Undetermined. It seems as though ONDCP will take the lead, with DPC and OMB also involved.

Weekly Update/Forecast

The entire office's future make-up remains undecided and will be considered by the new Director as soon as he is confirmed.

Dr. Brown's confirmation hearing will be tomorrow morning at 10 am. The reorganization/reauthorization is sure to come up.

Key Contacts

White House Policy: Jose Cerda.
Deputy Chief of Staff's Office: Andre Oliver
Office of National Drug Control Policy, Ricia McMahon.

DRUG STRATEGY

Summary of Initiative

National Drug Control Strategy -- outlines the President's priorities on drug issues; sets measurable short term and long term goals to pursue in drug policy; explains drug funding decisions.

Measure of Success

Releasing a drug strategy as soon as possible that articulates our drug strategy. By statute, the drug strategy was required to be submitted to Congress on February 1st. As it stands, our requests for federal drug control spending are not based on any greater strategy.

Strategic Plan

UNDETERMINED -- Discretion has been left to the incoming Drug Director.

Level of Presidential/Vice Presidential Involvement

The President may want to unveil his first strategy publicly.

Agency Lead and Coordination

ONDCP will take the lead on its own reauthorization, with DPC and OMB also playing a role.

Weekly Update/Forecast

As soon as the new Director is confirmed, the decision can be made on how to proceed: (1) release a quick, interim strategy; or (2) do a full scale review of drug control programs and postpone the drug strategy further.

Dr. Brown's confirmation hearing will be tomorrow morning at 10 am. The drug strategy and the timing of its release is sure to come up.

Key Contacts

White House Policy: Jose Cerda.
Office of National Drug Control Policy, Ricia McMahon.

GUNS

Summary of Initiative

Gun-related Executive Orders -- would ban the import of semiautomatic assault pistols and of "modified" weapons on the current list of banned weapons; and reform, as much as possible under current law, the federal firearms licensing system.

Measure of Success

The President signs two gun-related Executive Orders. If the decision is made (by counsel) to go with Presidential Memoranda, a determination by Treasury that these weapons are not suitable for "sporting purposes" and, thus, cannot be imported. For federal firearms licensing, a decision by ATF to more aggressively enforce laws governing federal firearms licensing.

Strategic Plan

AS PART OF "CRIME WEEK" -- The Executive Orders would be signed during the same week as the President's police proposal introduction or other crime-related events/proposals.

Level of Presidential/Vice Presidential Involvement

The President would do a public signing of the Executive Orders or Presidential Memoranda.

Agency Lead and Coordination

DPC is taking the lead on these gun-related measures. Treasury's enforcement division and ATF will also be involved.

Weekly Update/Forecast

DPC will be meeting this week with Treasury attorneys to deal with outstanding issues on the Executive Orders.

Key Contacts

White House Policy: Bruce Reed, Jose Cerda.
Treasury Enforcement: Bob McNamara, Debbie Deiner and others.

TO: Jack Quinn
FROM: Bob Lehrman
RE: Issue Management Memos
DATE: June 4, 1993

While people provided many issues now being monitored or influenced by the Office of the Vice President, there seem to be four main issues fitting the criteria set forth by the White House -- initiatives that have some level of White House participation within the next six months.

The four groups with their subsections are:

I. NATIONAL PERFORMANCE REVIEW (REGO)

II. ENVIRONMENT:

* Pacific Northwest and Northern California Forest Management Plan

* Wetlands

* President's Council on Sustainable Development

* Biological Diversity Initiative

* Climate Change Mitigation Plan

* EPA elevation to Cabinet status

* Clean Car Initiative

III. OTHER DOMESTIC:

* Regulatory Review

* Family Conference

IV. FOREIGN AFFAIRS:

* Gore-Chernomyrdin Commission on Energy and Space Cooperation

Eleven issues, in all. I've attached issue management memos in roughly the White House format for each. I've also attached a memo from Skyla which summarizes Mrs. Gore's plans for the next six months.

To: Jack Quinn
From: Elaine Kamarck
Re: Issue Management Information on the National Performance Review
Date: May 27, 1993

Summary of Initiative

The National Performance Review is an across the government performance review of the federal system with emphasis on reinventing the basic systems of the government which act to impede efficiency and effectiveness. The goal of the review is to create a government that "works better and costs less."

This should be a major substantive priority since the government itself is sadly in need of modernization. It should also be a major political priority since poll data from Stan Greenberg show us that "changing the way the government works" is a major concern of Perot voters -- outranking even the deficit as an issue.

Measure of Success

The end result of the performance review will be:

1. a report which contains in it a vision of the twenty first century government;

2. a legislative package that will deal with everything from the personnel system to the procurement and budgeting systems and with selected agency by agency reorganization needs;

3. a set of administrative actions that can be taken by Cabinet Secretaries to cut costs and increase customer service in their agencies;

4. a set of Executive orders (where needed) to implement the above.

Strategic Plan

The first major date in the plan is a September 7 event in which the Vice President, in concert with Cabinet Secretaries and other relevant presidential appointees such as Jim King and Rogers Johnson, present their plans for reform to the President.

We have not yet decided on a legislative strategy and calendar and are awaiting discussions with the Vice President and the rest of the White House staff.

We are planning a major Reinventing Government Summit on June 25 in Philadelphia. We are planning a meeting on strengthening families not bureaucracies in late July in Tennessee. In between we will continue town meetings in agencies and travel illustrating successful government.

Presidential/Vice Presidential Involvement

Obviously the Vice President is deeply involved in all aspects of the enterprise. In late June the Vice President will begin to call on the President to ask for decisions on a series of key issues that emerge from the National Performance Review's work.

Agency Lead and Coordination

The Office of the Vice President supervises the work of the approximately 216 agency representatives who are working on the actual performance review. The White House Office of Administration controls administrative aspects of the review.

Weekly Update

In the next two weeks the Vice President is traveling to four states to talk about this project. The performance review's policy group headed by Phil Lader of OMB will begin the process of reviewing papers presented to it by the task forces of the NPR.

Key Contacts

Elaine Kamarck is responsible for policy

Marla Romash is responsible for communications

Goody Marshall (assisted by LeAnn Brackett) is responsible for our contacts with Congress.

Each Agency has established an agency liaison to the NPR team and they meet regularly. In addition each agency has created its own internal reinvention team under the direction of the Cabinet officer.

EPA CABINET-LEVEL ELEVATION LEGISLATION

Summary of Initiative

The President and Vice President have indicated that elevation of the Environmental Protection Agency to cabinet-level status is a priority of the administration. To that end, legislation elevating EPA and abolishing the Council on Environmental Quality was recently approved by the U.S. Senate and is now pending in the House Governmental Operations Committee. This legislation is taking precedence over other environmental initiatives pending in Congress because of the priority assigned to it by the President and Vice President.

Measure of Success

Enactment of the EPA cabinet elevation legislation swiftly and as unencumbered by amendment as possible.

Strategic Plan

Having already completed action in the Senate and hearings in the House, the initiative must now proceed through the House Governmental Affairs Committee, the House Rules Committee, the House floor and, if necessary, a House-Senate conference. We expect to develop a time line in the coming weeks, with an eye toward House passage of the legislation prior to the July or August recesses. Congressional action on the initiative should be completed well before the end of this year.

Level of Presidential/Vice Presidential Involvement

The President has publicly stated his commitment to this initiative and can be expected to reiterate that commitment at an appropriate time. In addition, the Vice President has devoted time and will continue to do so, in the form of meetings and other contacts with pivotal Members of Congress and relevant interest group representatives.

Agency Lead & Coordination

The Legislative Affairs staff coordinates this project, in

OFFICE OF THE VICE PRESIDENT
WASHINGTON

close contact with the Legislative Affairs staffs at EPA and the White House. The Office of Management and Budget and, to a lesser degree, the State Department have been called on where appropriate.

Weekly Update/Forecast

The House Government Operations Committee must schedule a committee mark-up of the legislation to enable the initiative to proceed to the Rules Committee and the House floor. We have been in contact with the relevant committee staff for this purpose and are working with the House Democratic Leadership to coordinate our strategy. As was the case on the Senate side, White House involvement may be needed to address problems such as difficult amendments.

Key Contacts

OVP:	Thurgood Marshall, Jr. Alan Cohn
White House:	Dwight Holton
WH Policy:	Katie McGinty Keith Laughlin Pam MacElwee
WH Communications:	
White House Leg Aff:	Tracey Thornton (Senate) Lorraine Miller (House)
EPA:	Bob Hickmott Kate Perry

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PACIFIC NORTHWEST AND NORTHERN CALIFORNIA FOREST MANAGEMENT PLAN

SUMMARY OF INITIATIVE:

Within 60 days of the Forest Conference, the President asked the appropriate cabinet secretaries to report back to him with a plan for protecting both the forests and forest based communities of northern California and the Pacific Northwest.

The administration is pursuing this matter to meet two of the President's campaign pledges. First, to break the gridlock which has brought the region's forest management programs to a standstill. Second, to fulfill the promise to "reject the false choice between jobs and the environment".

MEASURE OF SUCCESS:

A successful initiative would legislatively break the administrative gridlock and allow the current injunctions on federal timber sales to be lifted by the end of the summer. With the injunctions lifted, timber sales could move forward as long as they were in compliance with the principles laid out by the scientific team in Portland, OR.

The legislation would also: (1) provide cover from judicial challenges while a longer-term (1 1/2 to 2 years) administrative planning process would allow the agencies to incorporate the scientist's work into their legally required land management plans, and, (2) lay out a worker and community assistance program to help those who will be impacted by the sharp reductions in federal timber supply.

If congress cannot bless a short-term remedy, the President should announce that the land management agencies should administratively adopt the scientists plan. Under this scenario, no appreciable level of timber sales would go forward for 1 1/2 to 2 years. However, the President will still have exerted leadership and chosen a new path instead of treading water like the Bush administration did.

STRATEGIC PLAN:

Key Decision Points:

- o Under the limits being provided by the scientific team, how much old growth should be protected and how much should be available for harvest?

- o What financial resources should be dedicated to community and worker assistance programs? Is a $500,000 million investment worth the political support from communities and states that would be forthcoming?

o Should a citizen's ability to judicially challenge the scientific plan be limited for two years while the land management agencies incorporate the scientist's principles into their long-term forest management plans?

o Should guidelines for a similar forest management process forests east of the cascades be apart of this forest management plan?

Legislative Calendar:

Ideally, a bill would be passed by the August recess. This provides a six to eight week planning horizon. With all that action on this issue over the last four years, a truncated legislative process is possible.

June 1/July 1 - Closed door negotiations with key Congressmen Dicks, Defazio, McDermott, and Foley, and Senators Hatfield and Murray. Also include House and Senate Committee chairs.

June 21/July 2 - Develop legislation based on proposal and congressional input.

July 2 - President announces package and has key congressmen and/or committee chairs introduce package.

July 12/July 16 - Senate and House Joint hearings.

July 19/July 23 - House mark-up and passage

July 26/August 5 - Hold House passed bill at the desk in the Senate. House and Senate negotiations on final package.

August 6 - House and Senate final passage.

August 9 - President signs bill.

Key Public Action Points:

o Both industry and environmentalists are expected to oppose whatever we come up with. However, there are grassroots, community, and state opinion leaders that want to be part of the solution. These opinion leaders should be brought in to the process a week or two before the President announces his plan.

In addition, something will have to be done to provide special assistance to the Carpenters Union as they are a part of your political base that will likely be disappointed by the solution.

Probable Ending Point: Week of August 9th.

LEVEL OF PRESIDENTIAL/VICE PRESIDENTIAL INVOLVEMENT:

The President should: (1) separately brief the congressional delegation and interest groups when he announces the plan, (2) plan on making personal calls to key congressional leaders mentioned above at least while the House and Senate are negotiating a final package.

The Vice-President should: (1) attend the congressional briefings, (2) hold a series of meetings with the interest groups following the President's announcement, (3) be available during the House negotiations.

AGENCY LEAD AND COORDINATION:

The White House Office on Environmental Policy will take the lead. The Departments of Interior, Agriculture, Commerce, and Labor and the Environmental Protection Agency will assist the Office on Environmental Policy in this effort.

WEEKLY UPDATE/FORECAST:

Within the next week the President should decide whether he would like the appropriate cabinet secretaries and their staffs to begin negotiations with congress and/or interest group representatives.

KEY CONTACTS:

White House Policy: Katie McGinty, Office on Environmental Policy

White House Communications: Marla Romash, Office of the Vice-President

White House Legislative: Susan Brophy, Office of Congressional Affairs

Agencies:

Agriculture: Jim Lyons, Assistant Secretary of Natural Resources and Environment

Interior: Tom Collier, Chief of Staff
Stephanie Solien, Director of Congressional Affairs
Tom Tuchmann, Special Assistant to the Secretary

Commerce: John Silver, Special Assistant to the Secretary

Labor: Chuck Richards, Special Assistant to the Secretary

EPA: Chuck Fox, Special Assistant to the Secretary

ISSUE MANAGEMENT: WETLANDS

Summary of Initiative

On April 28, 1993, the President received a letter from seven Members of the U.S. Senate asking that he establish a working group on federal wetlands policy (Breaux, Pryor, Bumpers, Johnston, Mathews, Sasser, and Ford). During consideration of the EPA cabinet bill in the Senate, Sen. Breaux was given assurances that the White House would convene such a group. The Interagency Working Group on Federal Wetlands Policy will review and seek to clarify the issues surrounding federal wetlands policy in anticipation of the reauthorization of the Clean Water Act.

The working group will comprise representatives of all federal agencies involved in, or impacted by, the protection of wetlands. In addition, the working group will solicit a broad range of views, including those of the Congress; state and local government; environmentalists; developers and homebuilders; agricultural interests; and others.

Measure of Success

The initiative will be deemed a success if it (1) meets the terms of our agreement with Sen. Breaux; (2) provides a low-visibility forum for discussing this controversial issue; and (3) helps to define some common ground in the highly polarized debate over federal wetlands policy prior to the reauthorization of the Clean Water Act.

Strategic Plan

We will be meeting with Sen. Breaux's staff this week to reach consensus on the process to be followed in carrying out the working group's charter. (It should be emphasized that we are committed to reaching consensus with the Senator's staff on this process; no commitments have been made with respect to policy.) One issue that will be discussed is the Senator's expectations concerning the timeframe in which the working group will operate. To be relevant, the group's work should be completed before the reauthorization of the Clean Water Act is marked up in committee in either body. The only precise decision date at this point is July 28, when the Senate Environment and Public Works Committee currently intends to hold a hearing on federal wetlands policy. The Senate is expected to mark up the Clean Water Act reauthorization in the fall. The markup schedule in the House has not been determined, but it could begin in late July. Such a compressed schedule would limit the scope of the working group's policy review. We will have a precise timeline for this initiative by Friday, May 28.

ISSUE MANAGEMENT: WETLANDS (cont.)

<u>Level of Presidential/Vice Presidential Involvement</u>

As currently envisioned, this initiative will not require Presidential or Vice Presidential involvement.

<u>Agency Lead and Coordination</u>

The White House Office on Environmental Policy will coordinate the activities of the working group. The group will include representatives from the Department of Commerce (NOAA); Department of Defense (Corps of Engineers); Department of Energy; Department of Housing and Urban Development; Department of Interior; Department of Justice; Department of Transportation; and the Environmental Protection Agency.

<u>Weekly Update/Forecast</u>

No major actions are expected in the next two weeks aside from the issues described above under Strategic Plan.

<u>Key Contacts</u>

Office on Environmental Policy: Keith Laughlin (6541)
Communications: Marla Romash (7034)
Legislative: To Be Determined/House (6620)
Tracy Thornton/Senate (7054)
EPA: Chuck Fox (260-7960)

PRESIDENT'S COUNCIL ON SUSTAINABLE DEVELOPMENT

Summary of Initiative:

On June 14, 1993, the President will sign an Executive Order to establish a Council on Sustainable Development. This Council will advise the President on matters involving National sustainable development.

Measure of Success:

* This Council will be instrumental in recommending a menu of initiatives to the President as the "Sustainable Development Action Strategy".

* This Council will also identify projects to demonstrate and test the viability of the recommendations.

* A Presidential Award will be established for exemplary service demonstrating a commitment to National sustainable development.

Strategic Plan:

The time line of major steps for achieving success with this initiative is as follows:

* The Council will be composed of twenty-five members who will represent industry, environmental, governmental, and not-for-profit organizations who have experience in matters of sustainable development. The Council will meet quarterly.

* The Council will hold its first session on June 14, 1993, immediately following the Presidential announcement.

* The Council will formulate a very broad strategy by December 31, 1993, at which time it will be reported to the United Nations.

* The Council will release a more defined (interim) strategy by June 1, 1994.

* The Council will release a preliminary refined report on the strategy including demonstration projects by June 14, 1995.

* The Council will release a final report related to the strategy including the demonstration projects by December 31, 1995.

Level of President/Vice Presidential Involvement:

The President and Vice President will attend the announcement of the Council in the Rose Garden at the White House on June 14, 1993. Subsequently, the President will attend the first session of the Council for a few minutes. Occasionally the President or Vice President will attend one of the quarterly Council meetings basically at their own discretion.

Agency Lead and Coordination:

The Office on Environmental Policy has the lead responsibility for developing the initiative. The agencies that will seated as members of the Council are as follows: The Department of Interior, The Department of Agriculture, The Environmental Protection Agency, The Department of Commerce, and The Department of Energy. An ex-officio member will represent the State Department. Other agencies that will participate on a special agency task force of the Council will be The Department of Transportation, The Department of Housing and Urban Development, The Department of Labor, The Department of Health and Human Services, and the Office of Science & Technology.

Weekly Update/Forecast:

* The vetting process will be under way over the next two weeks for the twenty-five members of the Council.

* The Presidential announcement of the Council in the Rose Garden on June 14, 1993, and the first session of the Council immediately following. This will also include the signing of the Executive Order.

Key Contacts:

The key people with responsibility for the initiative in the following offices are:

* White House Policy - Janet Blanchard (official)
  Bob Hattoy (official)
  Joan Bagget (official)
  Suzanna Valdez (official)
  Jim Maddy (unofficial)
  Peter Knight (unofficial)

* White House Communications - Marla Romash

* White House Legislative - None

* Agencies - Secretary Babbitt
  Secretary Brown
  Secretary Espy
  Secretary O'Leary
  Administrator Browner

Biological Diversity Initiative

Summary of Initiative

In his April 21 Earth Day speech, the President announced that the United States will sign the Convention on Biological Diversity, and that the Administration will develop and implement a full strategy for biodiversity conservation.

Measures of Success

- Signing and ratifying the Biological Diversity Convention.
- Resolving concerns about protection of intellectual property in a manner satisfactory to the U.S. biotechnology industry, environmental organizations, and other nations.
- Effectively representing U.S. interests in forthcoming international discussions on the need for a biotechnology safety protocol to the Convention.
- Preparing a full strategy for conservation of biodiversity, including clear objectives for and coordinated implementation of U.S. international assistance efforts.

Strategic Plan

- Through discussions with biotechnology industry and environmental group leaders before the President's Earth Day speech, the Administration satisfactorily resolved that industry's concerns over protection of intellectual property. As a result, the industry dropped its earlier opposition to signing the Convention.
- UN Ambassador Albright will sign the Biodiversity Convention by June 4, 1993. (This is the last day on which the treaty may be signed.) She will make a positive signing statement elaborating U.S. views on the importance of biodiversity conservation and on Convention issues of concern.
- The State Department, in consultation with other agencies, will continue discussions with other nations to obtain their support for an interpretive statement on technology transfer and financial assistance provisions of the treaty.
- When these negotiations are satisfactorily completed, the Administration will submit the treaty to the Senate for advice and consent to ratification.
- On the issue of a biosafety protocol, the State Department will participate in international discussions, in consultation with other agencies. The U.S. position will be that such a protocol is not needed. If other nations nonetheless proceed to negotiate a biosafety protocol, our participation will enable us to influence its terms.
- The State Department, consulting with other agencies, will prepare a full strategy by this fall to set clear objectives for and coordinate U.S. international assistance related to biodiversity conservation. This will involve a review of priorities for bilateral and multilateral aid.

Level of Presidential/Vice Presidential Involvement

The President's announcement on Earth Day, reversing the prior Administration's refusal to sign the treaty, was an important signal of policy change.

- o Although negotiations with other nations over the interpretive statement should be satisfactorily concluded at the level of the State Department, it is possible that Presidential or Vice Presidential communication with some foreign leaders may be needed.

- o There may be another opportunity for a Presidential or Vice Presidential announcement when negotiations with other nations on the interpretive statement are completed, and the treaty is submitted to the Senate for ratification.

Agency Lead and Coordination

The State Department has the lead on these issues, in consultation with other agencies.

Key Contacts

National Security Council - Eileen Claussen
Office on Environmental Policy - Katie McGinty, David Doniger
State Department - Barbara Constable (Assistant Secretary for Oceans, Environment, and Science),
Melinda Chandler (Office of the Legal Adviser)

Climate Change Mitigation Plan

Summary of Initiative

In order to fulfill the President's Earth Day commitment to return U.S. emissions of greenhouse gases to their 1990 levels by the year 2000, the Office on Environmental Policy has initiated an interagency policy group to develop a plan by August. The plan development will involve public participation from affected stakeholders. The goal of the effort is to identify cost-effective policies for greenhouse gas reductions consistent with Administration economic objectives of economic growth and to reaffirm U.S. leadership on this international environmental imperitive.

Measure of Success

This initiative will be successful if the following conditions are met:

1) Public participation and Congressional input lend legitimacy to the Administration deliberation;

2) The plan presented in August is recognised as a fair, balanced, and economically responsible response to the problem of climate change;

3) The analysis that underlies the plan confirms that the program will fulfill the President's commitment;

4) Actions taken under the plan can begin immediately, including possible recommended legislation;

Strategic Plan

The planning timelines are very compressed and are aimed at presenting the plan in mid-August.

> **June:** In the second week of June, we are inviting public comment in a Plenary Session and Issue Workshops that will involve personnel from the Executive Office of the President and several Departments. In mid-June, the interagency deliberative group will meet to evaluate proposals made in the workshops and to begin an integrated economic analysis of prelimiary proposals. OEP will also conduct a brief Congressional workshop to get Hill input. The interagency group will also give directives for a follow-up workshop in late June.
>
> **July:** The interagency teams will continue analysis and begin to focus on the preferred set of options. Additional Congressional input will be solicited. By late July, a document will be drafted outlining interagency consensus on a package of options and those options that require decisions by

principals.

August: The final set of choices will be forwarded to principals to deliberate on the final package. The plan will be announced in mid-August to coincide with the International Negotiating Committee meeting in New York. The plan will be an outline of actions that may require further refinement for implementation and possible legislative enactment.

Autumn: Begin legislative process if needed for elements of the plan.

Level of Presidential/Vice Presidential Involvement

The President and Vice President should be informed about the policy choices that will confront the Administration in late July. The Vice President could speak, if possible, at the Plenary Session in early June. The President or Vice President should participate in the August announcement.

Agency Lead and Coordination

Office on Environmental Policy will lead the interagency effort. In addition to Executive Office of the President (CEA, DPC, OMB, NEC) the Departments of Energy, Treasury, Commerce, Transportation, Agriculture, State, and Interior and the Environmental Protection Agency are involved in the planning and eventual implementation of the package.

Weekly Update/Forecast

Congressional hearing May 26 with EPA, DOE, and State Department describing policy development process and initial Administration position on the kinds of options considered.

June 10-11 Plenary Session/Workshops to involve public input.

Key Contacts

Office on Environmental Policy:
Katie McGingy
Marc Chupka

Policy:?

Communications?

Legislative:
Barbara Chow

June 2, 1993

MEMORANDUM FOR MARK GEARAN
JOHN PODESTA
CHRISTINE VARNEY

THROUGH: ROBERT LEHRMAN

FROM: KUMIKI GIBSON KG

SUBJECT: ISSUE MANAGEMENT: REGULATORY REVIEW PROJECT

As requested in your May 17, 1993 memorandum, set forth below is the relevant information regarding the regulatory review project.

I. Summary

When the President abolished the much-criticized Competiveness Council, he asked Vice President Gore to prepare a proposal for a new process of regulatory review -- i.e., the executive oversight of regulations. Jack Quinn is coordinating this project on behalf of the Vice President, and he has formed a working group to review the issues involved in reforming the regulatory review process.

II. Measure of Success

We hope to reform the regulatory review process through a new Executive Order that would implement a system that restores the integrity and legitimacy of coordinated regulatory review and oversight. The new Order would apply to both new and existing regulations, provide guidance to the federal agencies as to the principles applicable in the review process, and make the process more open and accessible to the public. It would also revoke the current Executive Orders on regulatory review that were issued during the Reagan and Bush administrations.

III. Strategic Plan

Soon after the Vice President assumed this responsibility, we formed a working group to review the current process and to make recommendations to the Vice President. (The working group is comprised of senior advisors to the President and Vice President, or their designees, and Sally Katzen, the OIRA Administrator.) The working group has been meeting approximately once a week to discuss the issues involved in this reform. We are currently drafting an Executive Order for the Vice

President's review, which we expect to submit within the next two weeks. After his review, the Vice President will presumably submit a decision memorandum to the President. (At some point, we will also circulate the draft Executive Order to interested members of Congress and to the agencies.)

IV. Level of Presidential/Vice Presidential Involvement

The President and Vice President will, of course, need to spend some time reviewing the proposed process and the Executive Order itself. In addition, if they approve the recommendations, they may want to devote some time to promoting the new process created by the Order.

V. Agency Lead and Coordination

Jack Quinn will continue to assume the lead responsibility in shepherding this Executive Order through the approval process and will involve executive branch agencies as necessary.

VI. Weekly Update/Forecast

Within the next two weeks, the working group hopes to finalize the language of the new Executive Order and to submit a draft Executive Order to the Vice President for his review.

VII. Key Contact Person

As noted above, Jack Quinn is coordinating this project on behalf of the Vice President, and I am assisting Mr. Quinn in this effort. The working group (comprised of Sally Katzen and senior advisors or their designees) has been reviewing the process and deliberating over the issues. We have not yet consulted with the White House Communications and Legislative offices. Moreover, while the working group has met with various regulators, we have not yet officially involved any agency in this process.

FAMILY CONFERENCE

Summary

The Family ReUnion Conference in Nashville in July will focus attention on how this Administration can:

- strengthen American families, not bureaucracies;
- empower communities to integrate services for families;
- create laboratories of change, to begin to alter the federal government's propensity for stifling creative and innovative ideas for achieving these goals.

Measure of Success

Regulatory reform - the removal of federal and state barriers to providing coordinated services for families. (This dovetails with the Vice President's efforts in the National Performance Review.)

Strategic Plan

- ORGANIZING
  - The planning of the conference is being handled almost exclusively by the Office of the Vice President.
  - June 6, 1993. Vice President will attend planning meeting in Nashville, TN.
  - There will be two or three short interim meetings before July 31, 1993 for various decisions to be made by the Vice President.

- CONFERENCE will take place July 31, 1993.

Level of Presidential/Vice Presidential Involvement

As outlined above.

Agency Lead and Coordination

The Conference is being sponsored by the Progressive Policy Institute and organized by the Office of the Vice President. No other agency involvement.

Key Contacts

- WHITE HOUSE POLICY. Elaine Kamarck, Charlotte Hayes, Linda Walker (OVP).
- WHITE HOUSE COMMUNICATIONS. Marla Romash (OVP).
- OTHER ORGANIZATIONS. Al From (Progressive Policy Institute).

OFFICE OF THE VICE PRESIDENT

WASHINGTON

June 3, 1993

MEMORANDUM FOR JACK QUINN

FROM: LEON FUERTH W

SUBJECT: Issue Management

Summary of Initiative: On June 15-16, 1993, the Vice President and Russian Prime Minister Chernomyrdin will formally charter the Commission on Technical Cooperation, as directed by the Vancouver Declaration negotiated by President's Clinton and Yeltsin. The Commission will concentrate on the Energy and Space sectors, with working groups on commercial cooperation and defense conversion.

Measure of success: The end result of this Commission will be improved technical relations between Russia and the U.S. We hope this will hasten Russia's transition to a market economy and stimulate the political reform movement. In the near term, Russia's capability to employ scientists and engineers formerly involved in military endeavors in peaceful, commercial endeavors will be a useful measure of progress.

Strategic plan: The first meeting of the Gore-Chernomyrdin Commission will be on June 15-16, where a charter will be approved, initial agreements signed, and plans for future activities discussed. Semi annual meetings between principals will follow, with regular staff interaction at the working levels. The Commission has no termination date, and the Vice President will expect to work closely with Mr. Chernomyrdin for the duration of this term of office.

Vice Presidential involvement: The Vice President will be involved directly and regularly, co-chairing the first meeting and sustaining a continuing relationship with his Russian counterpart.

Agency lead: OVP, with strong support from the NSC staff, and all space and energy related cabinet agencies are involved.

Key contacts: OVP: Leon Fuerth (overall), Joe DeSutter (4223) for space issues and Dana Marshall (5306) for energy issues; NSC: Nick Burns (6849) for energy issues and Rose Gottemoeller (5054) for space issues. Other agencies include OSTP, State (Strobe Talbott), NASA, and the Department of Energy.

VP

CLEAN CAR INITIATIVE

Summary

This is an effort to reach an unprecedented agreement between the federal government and U.S. automakers to cooperate on a series of initiatives which will dramatically advance the technology of the U.S. car fleet. The government would offer significant cost-shared research, improved access to the national labs, and flexibility on regulations. The industry would accept an ambitious research goal -- to develop and offer for sale a "clean car" free of dependence on petroleum and capable of operating with drastically lower emissions.

Measure of Success

- NEAR TERM. The crafting of a realistic and sincere agreement between the government and the U.S. auto industry to develop a "clean car" within a decade, as well as to achieve interim improvements in the efficiency of standard vehicle designs.
  Since the federal government is offering substantial assistance to the industry, success will be measured not just by the existence of an agreement, but by the effectiveness of the agreement in binding the industry to the goals of the project.

- LONG TERM. Development and sale of significant numbers of "clean cars" that meet the goals of the project, as well as the achievement of interim goals of efficiency improvements for current vehicle designs.

Strategic Plan

- NEGOTIATIONS WITH AUTOMAKERS. These are in the advanced stages and are being handled at this level primarily by OSTP (Henry Kelly) and the Commerce Department (Jonathan Silver). Several drafts of agreements have been exchanged and are being refined.

- KEY DECISION POINT. By June or July we expect a final draft agreement will be reached and a judgment will need to be made as to the adequacy of the industry's commitment.

- SUBSEQUENT ACTIONS.
  - If an agreement is reached, it will contain a time line (probably 60 days from the date on the agreement) within which rules and a management plan for cooperative research agreements must be developed.
  - A federal task force will be established to oversee and coordinate federal support of research.
  - A comprehensive research and development portfolio will be developed by the task force and industry.

- EXTERNAL FACTORS. Legislative efforts on fuel efficiency, alternative fuels and other auto-related technology issues. The Administration's position on such legislative proposals would have to consider the "clean car" initiative, and resolution of the negotiations on "clean car" would likely be necessary before the Administration's formulation of its legislative positions.

- KEY PUBLIC ACTION POINT. If an agreement is reached, there will be a public announcement of the initiative. This will mostly likely occur <u>within the next sixty days</u>.

<u>Level of Presidential/Vice Presidential Involvement</u>

- The Vice President's involvement may be required to provide direction to the negotiations with the automakers.

- The President's and Vice President's involvement will be required to approve any agreement reached with the automakers.

<u>Agency Lead and Coordination</u>

- NEGOTIATION. The OSTP and the Commerce Department are taking the lead.

- IMPLEMENTATION. Departments of Energy and Transportation and the Environmental Protection Agency.

<u>Weekly Update</u>

It appears unlikely that the negotiations could reach a decision point in the next two weeks.

<u>Key Contacts</u>

- WHITE HOUSE POLICY
  - OSTP. Dr. John Gibbons, Henry Kelly.
  - OEP. Katie McGinty.
  - OVP. Greg Simon, Linda Lance.
  - NEC. Ellen Seidman.

- AGENCIES
  - DEPARTMENT OF COMMERCE. Jonathan Silver (Assistant Deputy Secretary).
  - DEPARTMENT OF ENERGY. Sue Tierney (Assistant Secretary, Office of Domestic and International Policy).
  - EPA. David Gardiner (Assistant Administrator-Designate, OPPE), Richard Wilson (Director of Mobile Sources, Office of Air and Radiation).

National Service

Summary of Initiative

On May 5, the Administration transmitted to Congress the National Service Trust Act of 1993. The Act would establish a new Corporation for National Service to create opportunities for Americans to meet unmet needs in national service programs and receive $5,000 educational awards in return. The Corporation would combine two existing agencies (ACTION and the Commission on National and Community Service), and invest in, rather than operate, new national service programs.

The Trust Act embodies the President's belief in offering opportunity, rewarding responsibility and building community. It offers the Administration an opportunity for a quick and clear win.

Measure of Success

- Legislation. The initiative should result in the enactment of the National Service Trust Act, appropriation of funds for the program in FY 1994, and implementation of the program beginning October 1, 1993.

- Presidential/Vice Presidential Action. To publicize a popular and clear victory on the initiative, and to build interest in the program, the President should participate in additional public activities promoting service. In addition, the President will want to review major policy issues during congressional consideration and participate in a signing ceremony.

- Agency actions. As soon as the legislation is enacted -- perhaps as early as July -- there will be a need to appoint a Chair and Board for the new Corporation. Regulations will also be necessary to make the program operational in FY 1994. The Corporation should be up and running on October 1. For FY 1994, the Corporation goal will be 25,000 participants in national service programs.

Strategic Plan

With the legislation proceeding comparatively smoothly, the only key decisions anticipated prior to passage regard proposed amendments. Both before and after passage, there will also be a important decisions regarding Presidential scheduling and Corporation staffing and policy.

- Legislative calendar. Committee hearings have been held in the House and Senate, with Secretary Babbitt and Peter Edelman testifying on behalf of the Administration. There will be additional hearings next week in the House and the week of June 7 in the Senate. Mark-up in the House has been scheduled for June 9, and the Senate is looking at marking-up on June 8 or 9 as well. The legislation should proceed to the floor shortly thereafter, and there may be final passage by late June or early July. While we are optimistic that the legislation can proceed on the aggressive schedule outlined above, there are several risks which could result in delay: the possibility of additional committees seeking sequential referrals; scheduling conflicts for floor time; amendments which may arise in committee or during floor consideration.

• <u>Public action points</u>. In order to maintain his strong association with this popular and successful initiative, the President could participate in any or all of the following national service events. In addition, it will be possible <u>at any time</u> to arrange a successful service event -- with the President visiting a service site and making remarks that define America in terms of the ethic of service he is promoting.

June 19	Event in Boston related to Northeastern University commencement (which in partnership with City Year is a Summer of Service project sponsor) -- opportunity for President to challenge universities and colleges to participate in service or discuss national service in his commencement
June 24 or 25	Summer of Service training in San Francisco (Treasure Island Naval Base) -- opportunity for President to identify Summer of Service as a tangible first step in implementing his national service initiative
July 4	Possible bill signing in Philadelphia if legislation continues to proceed on fast track.
Week of Aug. 23	Summit on Service at the end of the Summer of Service, involving nationwide participants at an event in the Washington area -- opportunity for President to point to successful Summer of Service programs as models for the future.

• <u>Agency actions.</u> As the legislative process proceeds, work on the Corporation becomes more important. Key personnel will have to be selected, regulations implemented, and programs developed throughout the summer and fall. We have begun to convene working groups for these purposes, and aim to produce recommendations to the President in the near future.

Level of Presidential/Vice Presidential Involvement

The President and Vice President have already made the key decisions regarding Administration policy. The remaining steps in congressional consideration are not likely to require a great deal more of their time, apart from an occasional meeting, phone call or note. As noted above, the President may choose to focus on national service because seems to be shaping up as a successful signature initiative.

Agency Lead and Coordination

The new Corporation for National Service will implement the initiative. The Corporation will combine two existing agencies: the Commission on National and Community Service and ACTION. Staff of these agencies and the White House Office of National Service have already begun meeting to plan for the transition.

The Corporation will also coordinate with the Department of Education in administering the educational awards in return for service. Education and all the executive agencies will be able to apply to the Corporation for funding to support their service initiatives, and eight Cabinet members (heads of Education, Labor, HHS, HUD, Interior, Agriculture, EPA, Justice) will sit on the Corporation Board as ex officio members.

Key Contacts

In addition to Eli Segal on all matters:

Policy: Jack Lew, Shirley Sagawa
Communications: Diana Aldridge, David Dreyer
Legislative: Jack Lew, Susan Brophy
Agencies: None.