

Pacific Rim Economic Conference



Briefing Materials

June 27, 1995
Portland, OR

Pacific Rim Economic Conference

BRIEFING BOOK FOR THE PRESIDENT

**PACIFIC RIM ECONOMIC CONFERENCE BRIEFING BOOK
FOR THE PRESIDENT**

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1

Divider Title: _____

The Pacific Rim Economic Conference
Making the Economy Work Better for Working Americans
June 27, 1995

OVERVIEW

Building on the success of the National Economic Conference, held in Little Rock, Arkansas on December 14th and 15th, 1992, President Clinton and Vice President Gore will chair the second in a series of regional economic conferences to discuss economic policy as it affects the lives of working Americans. The Pacific Rim Economic Conference will be held at Portland State University, in Portland, Oregon, on Tuesday, June 27.

The Conference is comprised of participants from five states, and will focus on economic issues concerning Oregon, Washington, California, Alaska and Hawaii. It is sponsored by the Department of Transportation and the City of Portland, Oregon.

The Conference will bring together corporate heads, academics, workers and policy makers from across the Pacific Rim and within the Administration to discuss the economic challenges and opportunities faced by those who live in the Pacific Rim states. It will be divided into three sessions: Issues in the Regional Economy; Education and Strains on Working Families; and Innovation and Open Markets. It will be preceded by a small group discussions, featuring conference participants and chaired by senior Administration officials.

As part of the Conference, two dozen cabinet members and other senior Administration officials will visit the five states to discuss the issues to be addressed on the 27th. Cabinet officials participating include Education Secretary Richard Riley, OMB Director Alice Rivlin, Commerce Secretary Ron Brown, Transportation Secretary Federico Pena, National Economic Council Chair Laura Tyson, Domestic Policy Council Chair Carol Rasco, SBA Administrator Phil Lader, GSA Administrator Roger Johnson, Acting Chair of the Council of Economic Advisors Joe Stiglitz, as well as several Deputy Secretaries, including the Departments of Labor, Energy, and Agriculture.

THE PACIFIC RIM ECONOMIC CONFERENCE

Session One: The Regional Economy

This panel will feature businesses and workers that are coping with, and taking advantage of, change. The discussion will address changes in manufacturing, services, and natural resources, and will include topics such as defense conversion and resource management.

Session Two: Education and Strains on Working Families

This session will primarily feature working people. The discussion will encompass financial strains, particularly as they relate to post-secondary education; parental involvement; education and training in the new economy; and issues of school safety.

Session Three: Innovation and Open Markets

This panel continues the theme of "change as opportunity" by focusing on two elements of the Administration's economic strategy that have particular importance for the region: innovation and open markets. Topics will include new ways of doing business and creating jobs; advancing technology and communications; and success in the international economy.

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AGENDA

Pacific Rim Economic Conference Portland, OR -- June 27, 1995

- I. Welcoming Remarks: Portland Mayor Vera Katz (5 min.)**
- II. Opening Remarks: VPOTUS (5 min.)**
- III. Mayor Katz introduces The President (1 min.)**
- IV. Opening Remarks: POTUS (15 min.)**
- V. Panel One: ISSUES IN THE REGIONAL ECONOMY (1 hour and 15 min.)**

Regional Economic Overview: Dr. Ken Rosen, Professor of Business
Administration; Chairman, Center for Real Estate and Urban
Economics, University of California, Berkeley

 - Regional Trends
 - Natural Resources
 - Defense Reinvestment
- VI. BREAK (15 min.)**
- VII. Panel Two: EDUCATION AND STRAINS ON THE WORKING FAMILY
(1 hour and 15 min.)**
 - Financing
 - Parental Involvement
 - Education and Training
- VIII. BREAK/LUNCH (30 min.)**
- IX. Panel Three: INNOVATIONS AND OPEN MARKETS (1 hour and 15 min.)**
 - Technology and Innovation
 - Innovation in International Competition
 - Open Markets
- X. POTUS Wrap-Up and Close**

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**SCHEDULE OF THE PRESIDENT
FOR
TUESDAY, JUNE 27, 1995
FINAL**

tba

MORNING RUN

8:40 am

THE PRESIDENT departs Benson Hotel via motorcade en route
Portland State University
[drive time: 5 minutes]

8:45 am

THE PRESIDENT arrives Portland State University, Smith Memorial
Center

8:45 am-

9:15 am

BRIEFING/HOLD
OFFICE OF STUDENT AFFAIRS, ROOM 433
SMITH MEMORIAL CENTER
Portland State University

9:15 am-

9:45 am

OPENING SESSION
BALLROOM
SMITH MEMORIAL CENTER
Portland State University
Remarks: David Shipley
Staff Contact: John Emerson
OPEN PRESS

- Offstage announcement of the **President**, Vice President Gore
and Mayor Vera Katz.
- Vice President Gore makes welcoming remarks and introduces
Mayor Vera Katz.
- Mayor Vera Katz introduces the **President**.
- The **President** makes remarks.

9:45 am-

11:00 am

SESSION #1 - THE REGIONAL ECONOMY
BALLROOM, SMITH MEMORIAL CENTER
Portland State University
Staff Contact: John Emerson
OPEN PRESS

- The **President** opens discussion and introduces Ken Rosen.
- Ken Rosen, regional economist, makes brief remarks.
- The **President** moderates discussion.

11:00 am-
11:15 am

BREAK
OFFICE OF STUDENT AFFAIRS
SMITH MEMORIAL CENTER
Portland State University

11:15 am-
12:30 pm

SESSION #2 - EDUCATION AND STRAINS ON THE
WORKING FAMILY
BALLROOM
SMITH MEMORIAL CENTER
Portland State University
Staff Contact: John Emerson
OPEN PRESS

-- **The President moderates discussion.**

12:30 pm-
1:00 pm

BREAK/LUNCH
OFFICE OF STUDENT AFFAIRS
SMITH MEMORIAL CENTER
Portland State University

1:00 pm-
2:15 pm

SESSION #3 - INNOVATION AND OPEN MARKETS
BALLROOM
SMITH MEMORIAL CENTER
Portland State University
Staff Contact: John Emerson
OPEN PRESS

-- **Vice President Gore moderates discussion.**

2:20 pm-
2:35 pm

MEET WITH HOST COMMITTEE
VANPORT, THIRD FLOOR
SMITH MEMORIAL CENTER
Portland State University
Staff Contact: Kate Carr
CLOSED PRESS

-- **The President greets guests in receiving line.**

2:50 pm

THE PRESIDENT proceeds to Courtyard
[travel time: 5 minutes]

2:55 pm

THE PRESIDENT arrives Courtyard

3:00 pm-
3:50 pm

**ADDRESS TO THE COMMUNITY
COURTYARD**

Portland State University
Remarks: Jonathan Prince
Staff Contact: John Emerson
Portland State University

OPEN PRESS

- Offstage announcement of Judith Ramaley and Representative Furse.
- Offstage announcement of the President and Vice President Gore.
- Judith A. Ramaley, President, Portland State University makes opening remarks and introduces Representative Furse.
- Representative Furse makes brief remarks and introduces Vice President Gore.
- Vice President Gore makes brief remarks and introduces the President.
- The President makes remarks, works ropeline and proceeds to Smith Memorial Center.

3:55 pm-
4:00 pm

**VOLUNTEER PHOTOS
SMITH MEMORIAL CENTER
Portland State University
WHITE HOUSE PHOTO**

4:00 pm-
4:15 pm

**BRIEFING/MAKEUP
2ND FLOOR LOUNGE
SMITH MEMORIAL CENTER
Portland State University
Staff Contact: Mike McCurry**

4:15 pm-
5:00 pm

**SATELLITE INTERVIEWS
ALUMNAE LOUNGE, SECOND FLOOR
SMITH MEMORIAL CENTER
Portland State University
Staff Contact: Mike McCurry**

- KCBS, Los Angeles
- KNBC, Los Angeles
- KCAL, Los Angeles

- KGO, San Francisco
- KPIX, San Francisco
- KRON, San Francisco

5:00 pm **THE PRESIDENT** and Vice President Gore depart Portland State University via motorcade en route Air National Guard Base [drive time: 15 minutes]

5:15 pm **THE PRESIDENT** and Vice President Gore arrive Air National Guard Base

5:30 pm **THE PRESIDENT** departs Air National Guard Base, Portland, OR via Air Force One en route Andrews Air Force Base [flight time: 4 hours, 40 minutes]
OPEN PRESS/OPEN TO BASE PERSONNEL
[time change: + 3 hours]

1:10 am **THE PRESIDENT** arrives Andrews Air Force Base

1:20 am **THE PRESIDENT** departs Andrews Air Force Base via Marine One en route White House [flight time: 15 minutes]

1:35 am **THE PRESIDENT** arrives White House

BC AND HRC RON

WHITE HOUSE

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THE WHITE HOUSE
WASHINGTON

CABINET/SUB-CABINET CONFERENCE BREAKOUT SESSIONS

<u>#</u>	<u>Agency</u>	<u>Principal(s)</u>	<u>Topic</u>	<u>Staff Contact</u>
1.	WH EPA CEQ	The Vice President Deputy Administrator Fred Hansen Katie McGinty	Natural Resources	Joe Vivalo
2.	DOC	Secretary Ron Brown	Technology	Melissa Moss
3.	DOED	Secretary Richard Riley	Education	Leslie Thornton
4.	DOT	Secretary Federico Pena Highway Administrator Rodney Slater	Transportation / Infrastructure	Janno Lieber
5.	OMB	Director Alice Rivlin	Macro Economic Issues	Bill Halter
6.	NEC	Chair Laura Tyson	Macro Economic Issues	David Lane
7.	DPC	Chair Carol Rasco	Health Care / Strains on Working Families	Julie Demeo
8.	GSA	Administrator Roger Johnson	Real Estate / Financial Services	Barbara Silbey
9.	OSTP	Director Jack Gibbons	Technology	Tim Newell
10.	CEA	Acting Chairman Joe Stiglitz	Financial Services	Michelle Jolin
11.	SBA	Administrator Lader	Small Business	Missy Kincaid
12.	DOL	Deputy Secretary Tom Glynn	Workforce / Labor	Bibb Hubbard
13.	DOE	Deputy Secretary Bill White	Energy	Kyle Simpson
14.	USDA	Deputy Secretary Richard Rominger	Agriculture / Food Services	Charlie Rawls

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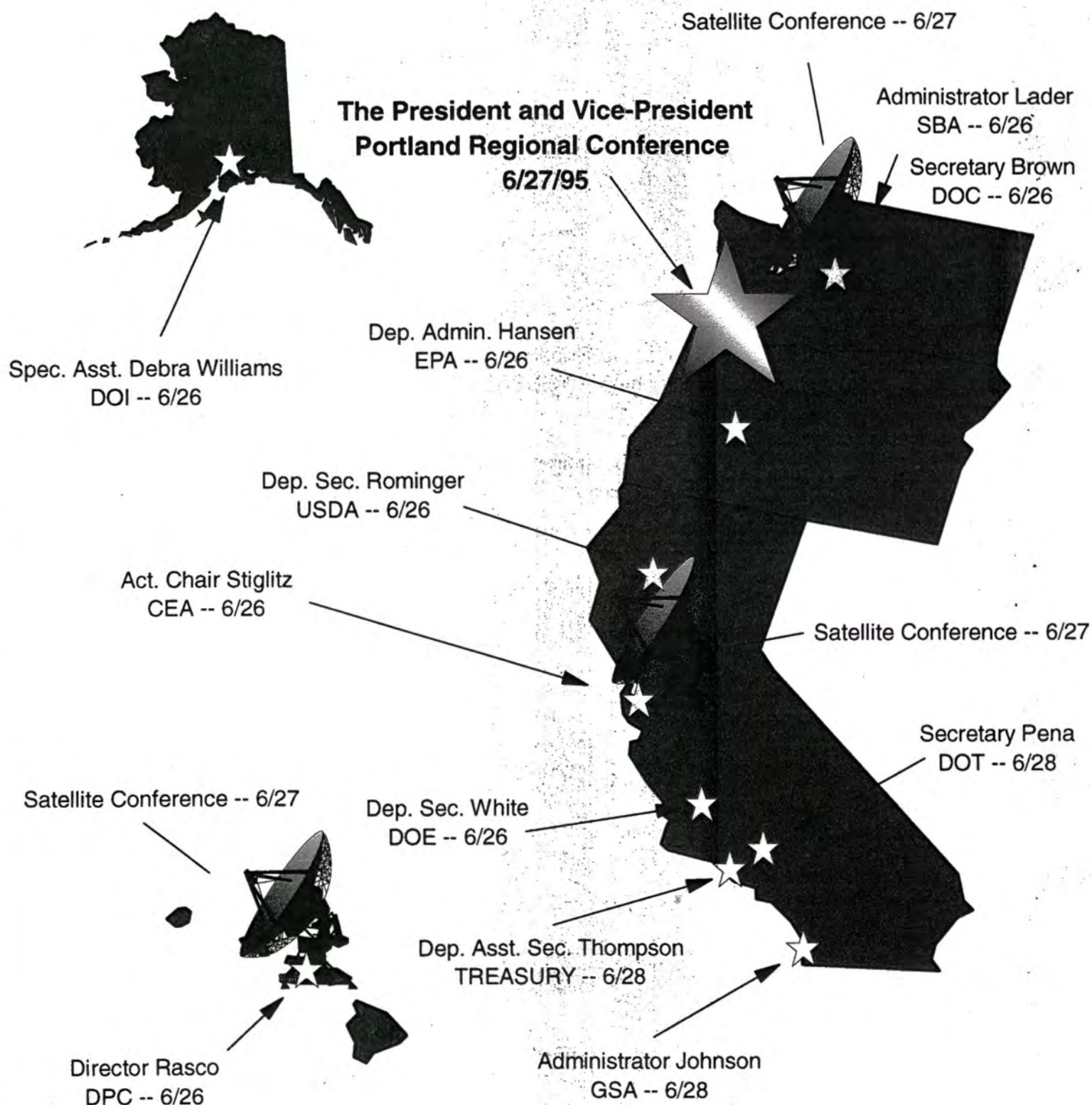
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Divider Title: _____

Pacific Rim Economic Conference of the President and the Vice President

June 27, 1995



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REGIONAL ECONOMIC OVERVIEW

Divider Title: _____

THE PACIFIC RIM ECONOMY

SUMMARY:

The Pacific Rim states--Alaska, California, Hawaii, Oregon, and Washington--demonstrate both the challenge and the opportunity that come from economic change. In the last two decades, major shifts in the economic structure of the region have taken place. New industries, like high-tech and apparel, are emerging at the same time as the old dominant industries, like defense and natural resources, are restructuring. These changes are necessary for long-run economic growth, and will ensure that the Pacific Rim states are able to successfully compete into the next century.

As a region the Pacific Rim comprises 17.5% of the nation's GDP, with the typical household in the region earning some 10% more than the typical household in the nation as a whole. But, the economies of these states are highly diverse. In Oregon, manufacturing employment is 16.2% of the state's total employment, while in Hawaii, just 3.3% of the jobs are in manufacturing (see Tab 15 for manufacturing issue brief). The region includes some of the world's most advanced high-technology industries, some of its most popular sites for tourism, along with small, self-contained agrarian communities.

As the world becomes ever more integrated across nations and continents, the Pacific Rim leads the way in entering the new international economy. Because of the geographic, economic, and cultural diversity of the region, many of its linkages are national and international, rather than regional, in character. In such an internationally integrated economy, economic growth is dependent on an ability to capitalize on trade. As the economies of the Pacific Rim adapt to structural change brought about by international economic forces, they also position themselves to benefit from these changes. Success internationally is the joint product of open markets and innovation--so that US firms can compete and succeed in the global economy. President Clinton's strategy to reduce the deficit while increasing investments in people and technology will help the region and the nation prosper long into the future.

PACIFIC RIM STATES -- JOB GROWTH:

The President's deficit reduction plan contributed to a dramatic decline in interest rates which fueled increases in business investment and consumer spending. As the economic outlook brightened, businesses started creating more jobs. In the Pacific Rim, 419,000 jobs have been created during the Clinton Administration--more new jobs in 27 months than during the entire previous Administration. In California alone, nearly 200,000 new jobs have been created since President Clinton's economic plan passed in August 1993. However, job growth in the Pacific Rim has lagged behind the rest of the country: while employment for the nation has grown at a 2.7 percent annual rate, the Pacific Rim's job growth has been just 1.1 percent since the beginning of the Administration.

The engine of this growth has been the private sector. Nearly 400,000 private sector jobs (90% of all new jobs) have been added to the Pacific Rim economy since the President took office--that's two-and-a-half times more Pacific Rim private-sector jobs than were created during the entire four years of the previous Administration. As more people found jobs, the unemployment rate in the Pacific Rim plunged. In the four years prior to this Administration, the unemployment rate in the Pacific Rim increased from just over 5% to 9% and the number of unemployed nearly doubled. Since the President took office, the region's unemployment rate is down to 7.3% and, there are over 300,000 fewer unemployed people today in the Pacific Rim than were unemployed in January 1993--a 17% drop in the number of unemployed. However, the unemployment rate remains significantly above the national unemployment rate and is the highest of any region.

IT IS NOT JUST THE QUANTITY OF JOBS -- IT IS THE QUALITY:

It is not just the quantity of these jobs that is important to the Clinton Administration, it is the quality. Over half of the new jobs created in the Pacific Rim states from 1993 to 1994 were in managerial and professional occupations. These jobs tend to pay relatively high wages, as the median wage in full-time managerial and professional jobs for the nation in the first quarter of 1995 was \$694 per week -- some 45% higher than the median wage paid to all full-time workers.

The growth has spread to every sector of the economy too. After losing more than 280,000 manufacturing jobs during the previous Administration, in the last year under President Clinton, manufacturing jobs in the Pacific Rim have begun to increase. Construction jobs in the Pacific Rim are up 70,000 since President Clinton was inaugurated -- after declining by 82,000 during the previous four years. In Oregon alone, some 18,000 construction jobs have been added during the first 27 months of the Clinton Administration--that's two-and-a-half times more construction jobs in Oregon than were created during the previous 12 years combined.

A DIVERSE REGION:

The growth of the region as a whole masks the diversity of the five Pacific Rim states. Each has endured different challenges and faces different opportunities in the coming years. The Bureau of the Census projects that the population of the Pacific Rim states will grow almost twice as fast as the nation as a whole, reflecting, in part, the continued economic progress of the region.

Alaska:

Oil is a critical part of Alaska's economy and international oil markets are central to the state's economy. Strong oil prices mean very high levels of personal income and substantial growth in state government revenues. Soft prices, as is now the case, put downward pressure on spending and government revenue. Over the longer term, income generated by the oil industry will gradually decline as reserves are depleted. Some of the resulting economic slack can be absorbed by the rapidly growing tourist industry. Still, there will be increasing pressure to develop reserves believed to exist in the vast state wilderness areas that are now closed to even exploratory drilling (see oil issue briefs at Tab 9).

California:

California's economy is huge, complex, and sophisticated--but has endured defense cutbacks, downsizing in aerospace and other corporate restructuring, and weakness in real estate (see issue briefs on defense reinvestment and base closure at Tab 9 and regional reuse proviles at Tab 16). Other problems have contributed: some observers view California as a difficult place to do business; the state government is faced with an unresolved structural budget deficit, which will continue to keep public spending on services and infrastructure under pressure; and the state must continue to deal with the cultural, political, and economic implications of both legal and illegal immigration.

After three years of increasing unemployment and decreasing employment, the California economy has rebounded under President Clinton. The unemployment rate is down from 9.4% in January 1993 to 8.5% in May, and employment is up 158,000 since the President was inaugurated. The recovery underway in California has featured growth in the entertainment industry (which now employs more people than the aerospace industry and accounts for over \$36 billion in overseas sales); in the fashion/apparel industry; in advanced technology companies; and in international trade generally. In 1994, California alone contributed almost 10% of all U.S. manufacturing output, the most of any state.

Longer-term, the 'new' California economy will prosper in a global economy, with many of the world's leading firms in high value-added areas ranging from semiconductors to entertainment. The state is well positioned to take advantage of opportunities presented by Latin America, Japan, China, India and the Asian tigers because of its industrial mix, the capacity of its financial institutions, and the language skills of its businessmen.

Hawaii:

Tourism from both mainland U.S. and Japan is central to Hawaii's economy. Softness in the U.S. economy results in fewer mainland tourists, especially from California, and softness in foreign economies results in fewer foreign visitors, especially from Japan. As California and Japan enjoyed modest recoveries and the yen strengthened, Hawaii has appeared to turn the corner. Signs of a rebound started to emerge over the course of 1994: year-over-year increases in visitor days were logged almost every month, hotel vacancy rates began to decline, economic recoveries were developing in California and Japan, and the housing market began to show signs of life after a prolonged slump. After a relatively long decline, employment gains were posted in the fourth quarter of 1994, as the retail trade and services sector revived and added some 3,000 jobs, and the unemployment rate dropped from 6.5 percent in August 1994 to 5.2 percent in April 1995. Over the longer term, though, the state will face increased competition for Japanese tourists from places like Viet Nam and Indonesia.

Oregon:

Oregon's economy is expected to continue its solid performance with significant growth in manufacturing and service industries. High-tech businesses are expanding rapidly in the state. There are, however, substantial uncertainties associated with several key sectors (see high tech issue briefs at Tab 15). The state's dependence on durable goods manufacturing makes it highly vulnerable to cyclical fluctuations. Its aluminum industry is not only cyclically vulnerable, but also must confront world overcapacity and the possibility of increased cost of electricity. Finally, the logging industry is Oregon's largest manufacturing industry. After years of declining employment in the logging industry, the number of logging jobs has increased slightly since President Clinton took office. But, the outlook for logging is not bright. Therefore, this Administration is committed to help move displaced workers in the logging industry from work-to-work, retraining these workers with skills so that they can succeed into the future (see Forest Plan issue brief at Tab 9 and more detailed background at Tab 17).

Washington:

The Washington economy is on a roll that will likely continue if Seattle-based Boeing is even modestly successful with its new aircraft series. While the state's economy is highly diversified, it still remains dependent on the fortunes of Boeing. Nearly two-thirds of the state's 1993 exports were from the aircraft and aerospace industries (see aerospace issue brief at Tab 15). Orders for Boeing's new 777 aircraft have picked up recently, and Boeing appears to have closed the technological gap with Airbus Industries in long-haul aircraft. Along with Boeing, Seattle is the home of Microsoft and other high-tech firms. As a result the area ranks with the Boston area and Silicon Valley as a node of extraordinary technological and commercial innovation (see technology issue briefs at tabs 9 and 15). Cuts in defense spending may not hurt Washington as much as other states. In addition, an increasing share of the output of the state's wood products industry will be made up of high value-added goods such as furniture, millwork and windows. Finally, absent increased trade restrictions, a larger share of Washington's agricultural output will be destined for lucrative Asian markets.

Unemployment Rates, January 1993 to April 1995 (percent)			
	January 1993	April 1995	Difference
<i>U.S.</i>	7.1	5.8	-1.3
Alaska	8.1	6.7	-1.4
California	9.4	7.9	-1.5
Hawaii	4.7	5.2	0.5
Oregon	8.0	4.6	-3.4
Washington	8.2	6.0	-2.2

THEMES FOR THE FUTURE – PROJECTED GROWTH IN THE PACIFIC RIM:

As the economy expanded in 1994, interest rates increased. In the beginning months of 1995, the effects of higher interest rates seem to be kicking in, and the economy is moderating to a sustainable pace -- maintaining consistent growth without an increase in inflation. This process, though, is hardly ever smooth. Economic forecasters agree that despite the current turbulence the outlook through 1996 for the Pacific Rim economy -- as well as the national economy -- remains bright.

According to DRI/McGraw-Hill -- a top economic forecasting firm -- employment in every Pacific Rim state is expected to grow faster than the national average between the end of 1994 and the end of 1996. (see table) Furthermore, DRI/McGraw-Hill projects that "...Oregon will lead the region with strong trade and service gains, supplemented by their robust high-tech sectors. Washington's economy will also do well, having diversified enough to thrive despite more Boeing cutbacks."

Projected Job Growth from 4th Quarter 1994 to 4th Quarter 1996

STATE	Annual % Change
Alaska	1.8%
California	1.7%
Hawaii	2.2%
Oregon	2.2%
Washington	2.2%
United States	1.6%

Source: DRI/McGraw-Hill

THE WEST'S MISERY INDEX – AT 2nd LOWEST LEVEL SINCE DATA WERE COLLECTED:

As the American economy hummed along under the President's leadership, the inflation rate remained low and stable. In 1994, the Misery Index for the Western states fell to its second lowest level since data on regional unemployment and prices were collected -- only during the year that oil prices collapsed (1986) was the West's Misery Index lower.

The average level of the West's Misery Index thus far into the Clinton Administration is lower

than the average during either President Reagan's or President Bush's term in office. (The Misery Index is the sum of unemployment and inflation in the West--lower numbers indicate better performing economies.)

TAXES -- MILLIONS BENEFIT FROM THE PRESIDENT'S ECONOMIC PLAN:

The President's 1993 economic plan represents a fair and reasoned approach to deficit reduction: cut unnecessary spending and cut taxes for working families and small businesses. Over 300 domestic programs were cut. Yet it also included tax relief that makes work pay. Specifically, the President's economic plan included an expansion of the Earned Income Tax Credit (EITC)--which might better be labelled the working family tax credit. The EITC provides a tax break averaging \$1,000 per household to the 2.5 million families in the Pacific Rim who work and make less than \$28,500 (see EITC state-by-state breakdowns at tabs 20, 22, 25, 27, and 30).

The President's economic plan also made over 90% of small businesses eligible for a tax cut by increasing the equipment expensing provision from \$10,000 to \$17,500, and establishing the targeted capital gains tax preference. As a result, this year alone, some 237,000 entrepreneurs, proprietors, and other small businessmen and women in the Pacific Rim are likely to benefit from this tax cut and many more will benefit in the coming years (see small business issue brief at Tab 15).

BUSINESS INCORPORATIONS IN THE PACIFIC RIM:

Economic growth under President Clinton's leadership is filtering throughout all levels of business in the Pacific Rim. Dun & Bradstreet recently reported that there were 72,550 new business incorporations in the Pacific Rim in 1994, a 6% increase over 1993's level. Thus far in the Clinton Administration, more than 140,000 new businesses have been incorporated in the Pacific Rim states alone. After new business incorporations in California declined nearly 11 percent during the previous four years, under President Clinton's watch there has been a 12 percent increase in business incorporations in California. (Source: Dun & Bradstreet)

BANK LOANS ARE UP IN THE PACIFIC RIM:

In the 8 years prior to the current Administration, total bank loans in the Pacific Rim (in inflation-adjusted terms) dropped an astonishing \$17.6 billion. Under President Clinton, however, bank loans in the Pacific Rim have increased by \$11.3 billion. This growth in bank loans provides necessary capital for businesses to invest in the future. These investments allow workers to increase productivity, which leads to higher wages and increases the growth of the economy. (Source: FDIC)

HOME SALES -- INCREASING IN THE PACIFIC RIM:

Under President Clinton, existing home sales have increased in the four Pacific Rim states for which data are available. Since the beginning of 1993, some 5.6 million homes have been sold in the Pacific Rim. In Hawaii, home sales had declined just over 13% under the leadership of the previous Administration. During the first two years of the Clinton Administration, sales of existing homes in Hawaii have increased over 7%. (Source: National Association of Realtors)

THEMES FOR THE FUTURE -- TRADE:

For the Pacific Rim states, the combination of expanding trade and continuous innovation will be a cornerstone for continued economic growth and change. Exports are an important part of the Pacific Rim economy. California alone accounted for over 15% of the nation's exports in 1994, and Washington is home of Boeing, the leading exporting firm in the United States. Furthermore, in 1993, exports from Alaska, California, and Oregon all grew more rapidly than the national average.

EXPORTS

	1994 (\$ Billions)	1993-94 % Growth
<i>United States</i>	<i>\$512.7</i>	<i>10.3%</i>
<i>Pacific Rim</i>	<i>116.8</i>	<i>n.a.</i>
Alaska	n.a.	15.2
California	78.4	14.4
Hawaii	0.4	-4.8
Oregon	7.2	10.4
Washington	27.9	-8.7

Source: US Dept of the Treasury, Office of Economic Policy; US Dept of Commerce, Census Bureau

Apart from the direct role of exports, the economies of each state will increasingly be shaped by global competition--Alaska by international oil markets, Hawaii by Japanese tourists and investments, Washington by the aircraft choices of major international carriers, Oregon by competition for aluminum and durable goods, and California across the board.

The growth of high-technology businesses--particularly software, computers and computer equipment, semiconductors, and telecommunications--is an important part of the growth in Washington, Oregon, and California--although reportedly some of the growth in the Pacific Northwest (as in Western states like Arizona and Utah) may be taking place at California's expense.

Innovation does not merely mean high-tech, however. Other sectors illustrate the important role of innovation in growing export industries including the growth of apparel and fashion as an important Los Angeles industry; the expansion of retailers like the Gap and Nordstrom; and the role of services--such as engineering and computer consulting--as exports.

Small and medium sized businesses play a most significant role in this growth. Both Oregon and California were cited by private economists as among the top ten states in terms of total employment in high growth companies--with over 10% of total statewide employment in these 'dynamic' firms. (Source: Kiplinger's, August 1994).

Trade:

Given the opportunity, American companies can succeed in the global economy. But to have that opportunity, our companies must be allowed to compete freely and fairly. That basic assumption is at the heart of President Clinton's international agenda. During its first two years in office, the

Clinton Administration conceived and implemented a dynamic trade strategy. The President has worked to expand U.S. exports through a three-pronged plan: (1) opening markets; (2) reducing regulatory barriers; and (3) promoting exports.

Market Opening:

The Administration has made historic progress in six significant areas of opening foreign markets to U.S. exporters.

- NAFTA is creating a huge free trade area with Canada and Mexico, and opening the possibility of free trade throughout the hemisphere.
- The Uruguay Round of GATT creates the largest worldwide tax cut (tariff reduction) in history, incorporates protection of intellectual property in international trade law, extends trade liberalization to agriculture and services, and opens up new worldwide opportunities for American firms.
 - Progress in the Asia Pacific Economic Cooperation Forum (APEC) marks an important overture to the developing markets of Asia, with a goal of free trade by 2010 for developed countries and 2020 for developing countries.
 - The Summit of the Americas, which the President hosted in Miami last December, has set an objective of Hemispheric free trade by 2005.
 - While more progress is needed, significant progress has been made in beginning to open the Japanese market, especially for certain products (see Japan talking points at Tab 15).
 - The recently completed agreement on intellectual property protection and market access with China will greatly benefit American firms, especially in high tech, communications, and software.

Reducing Regulatory Barriers:

In September, 1993, the President announced a dramatic deregulation of export licensing requirements. This initiative removed or significantly reduced export licensing requirements on over \$32 billion of computers and telecommunications equipment. At the same time, the Administration launched an internal effort to streamline the export licensing process for those products still requiring regulation.

The National Export Strategy:

The Trade Promotion Coordinating Committee has fashioned and is now implementing America's first National Export Strategy, which contains 65 specific recommendations for making the federal government a more effective partner in working with U.S. firms (see National Export Strategy issue brief at Tab 15). Highlights include:

- ***Export Assistance Centers:*** The Long Beach Center was one of the first four opened. In the next two years, 11 more centers will be opened, creating a national network, including a center in Seattle.

- *Advocacy:* Over the past eighteen months, this advocacy program has helped American firms competing for over 120 contracts worth \$24 billion in U.S. exports and supporting more than 360,000 American jobs. Many of these projects involved firms located in the region.

THEMES FOR THE FUTURE -- NATURAL RESOURCES:

Both timber and fish play important and diverse roles in the Pacific Rim states—environmentally, economically, culturally, and aesthetically. Both are at the center of controversies about their sustained use and development. (There are issue briefings on both these topics which go into more detail than is provided here -- see Tab 9.)

Timber:

Timber and logging remain an important, even though it has declined over the past of the economies of Oregon, Washington, and Alaska. From 1980 to 1992, employment in the Oregon/Washington timber industry declined by nearly 15,000 jobs. In President Clinton's first two years in office, though, it has edged back up, increasing by approximately 2,000 jobs. For the first time in three years, timber sales on federal lands are moving again. However, this Administration is committed to moving workers who have lost their jobs because of structural change from work-to-work by helping them obtain the skills they need to succeed in today's global economy. Already, the Clinton Administration has dedicated \$1.2 billion in grants and loans over the next five years, beginning with \$126 million for FY94. In FY94, the "Jobs in the Woods" program employed approximately 2,000 displaced timber workers and invested \$32 million for watershed restoration work. In FY95, the projected investment in watershed restoration is \$38.1 million.

Pacific Northwest Salmon:

Salmon and steelhead have historically played a key role in the Pacific Northwest. During the past decade salmon and steelhead populations have declined significantly. The causes of the decline in stocks are many and not fully understood. Salmon populations fluctuate naturally, but the drop has been so great that some species have been protected under the Endangered Species Act. Federal and state government have been active in the recovery of salmon resources, and the Endangered Species Act provides a framework for ensuring the survival and recovery of the Pacific salmon stocks. The population crises brings to a head the conflict between economic growth and environmental protection, and between different constituencies.

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PANEL 1

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7

Divider Title: _____

Seating for Panel 1

Vice President Gore

President Clinton

Susan Corrales-Diaz

Governor Kitzhaber

Bill Naito

Antonio Doderio

Richard Bender

Laura Tyson

Scott Boley

Harry Kubo

Alice Rivlin

Carlton Jenkins

Billy Frank

Roger Johnson

Richard Baldwin

Judith Battey

Mary Batchelor

Eli Broad

Ken Rosen

SCOPE AND GOALS FOR PANEL I -- ISSUES IN THE REGIONAL ECONOMY

EVENT:

An opportunity to talk with workers, businesses and communities about economic trends, challenges and opportunities in the Pacific Rim. The discussion will illustrate how the Clinton Administration is helping people to confront and overcome challenges. Specific discussion will focus on defense conversion and natural resources.

OUTLINE OF PANEL I: (85 minutes)

-- **REGIONAL OVERVIEW:** Dr. Kenneth Rosen, Professor of Business Administration and Chairman, of the Center for Real Estate and Urban Economics at the University of California at Berkeley.

-- REGIONAL TRENDS

- o Manufacturing and Manufacturing Workers -- Rick Bender, President, Washington State Labor Council
- o [Manufacturer -- to come]
- o Growth in Oregon -- Bill Naito, President, Norcrest China
- o Financial Services and Savings -- Eli Broad, Chairman & CEO, SunAmerica, Inc.
- o California Agricultural Issues -- Harry Kubo, President, Nisei Farmers League
- o Access to Capital in Inner Cities -- Carlton Jenkins, Chairman, President & CEO, Founders National Bank

-- NATURAL RESOURCES

- o Innovative Timber Production -- Richard Baldwin, President & CEO, the Springfield Group
- o Salmon and the Environment -- Scott Boley, Chairman, Oregon Salmon Commission
- o Native American Concerns -- Billy Frank, Chairman, Northwest Indian Fisheries Commission
- o Working with State and Local Governments -- Governor Kitzhaber, Governor of Oregon

-- DEFENSE CONVERSION

- o Worker Re-training -- Antonio Dodero, service technician
- o Communities and Base Closure -- Judith Battey, President, Inland Action
- o Moving from Defense to Civilian Work -- Susan Corrales-Diaz, President & CEO, Systems Integrated

Note: Administration participants include:

POTUS (moderates)
VPOTUS
Laura Tyson
Alice Rivlin
Roger Johnson

AGENDA FOR PANEL I -- REGIONAL ECONOMY

REGIONAL OVERVIEW

WHO: Dr. Kenneth T. Rosen is Professor of Business Administration and Chairman of the Center for Real Estate and Urban Economics at the University of California at Berkeley.

DISCUSSION

- 1) **REGIONAL TRENDS:** POTUS - One of the reasons I wanted to hold these regional conferences was to hear the different economic story of each region. I'd like to begin this morning with a survey of different areas of the regional economy.

A.

COMMENTS FOR RICK BENDER: Manufacturing is, of course, a key part of our economy. I wonder if you would describe the state of manufacturing in Washington and, in particular, the concerns and hopes of manufacturing workers?

WHO: Rick Bender was elected President of the Washington State Labor Council, AFL-CIO in March 1993. From 1973-1991, Mr. Bender was a State Legislator, serving 10 years in the House and eight years in the Senate. He is President of CoLab (Coalition of Labor and Business) and serves on the executive board of the Trade Development Alliance of Greater Seattle.

NOTE: Rich Bender will likely emphasize the importance of manufacturing to the economy of Washington; the importance of international trade to manufacturing; the concerns of workers who face downsizing (e.g., Boeing); and the importance of building partnerships to promote job training and re-training. He may urge you to appoint someone to the Fed who will work to preserve full employment and he may note the importance of labor issues, such as Davis-Bacon, to his members.

ADMINISTRATION ACTIONS: (to come)

B.

COMMENTS FOR [MANUFACTURER]

WHO: OPEN SLOT

NOTE:

ADMINISTRATION ACTIONS:

C.

COMMENTS FOR BILL NAITO: An issue that I want to hear about today is how Americans can prosper through a combination of being innovative, and then taking these innovative ideas and building businesses around them. Oregon has a long history of doing exactly that. What lessons can Oregon share with the rest of the nation about innovation as the basis for growth?

WHO: William (Bill) Naito is president of Norcrest China, Portland Oregon -- an import-export business started by his father. . He is a businessman, real estate developer, and civic leader. He lead the redevelopment of Old Town in Portland, a historic area of the city. He is Japanese-American, ~~and was interned during the Second World War~~

NOTE: Norcrest supports small local suppliers of consumer products through its "Made in Oregon" retail stores. Norcrest China is considering opening "Made in Oregon" retail stores in Japan, but has been stymied by regulatory barriers. The company benefits from Oregon's tourist trade, and Bill notes the importance of Japanese tourists.

ADMINISTRATION ACTIONS: The Administration's macroeconomic policies have created an environment of low inflation and low unemployment, stimulating retail sales. GATT, NAFTA, and other market opening initiatives have expanded export opportunities. Through a series of trade negotiations, the Administration has sought to reduce barriers to the Japanese retail market.

D.

COMMENTS FOR ELI BROAD: Helping Americans save -- for their children's educations, for their retirement, and for important purchases like a house -- is very important to me. Tell me about how the financial services industry can help make it easier for Americans to save.

WHO: Eli Broad is Chairman and CEO of SunAmerica, Inc., a financial services holding company. Mr. Broad is a member of the California Business Roundtable, a co-owner and co-chairman of the Sacramento Kings and ARCO Arena, and has recently retired from the Board of Directors of the Federal National Mortgage Association.

NOTE: Eli Broad is particularly interested in pension reform and other actions that can boost private savings.

ADMINISTRATION ACTIONS: During the White House Conference on Small Business the President announced a plan to reform the law and regulations governing pension plans. The proposal includes exemption from complex anti-discrimination rules if employees are guaranteed a certain contribution, an elimination of the family aggregation rule, and simple guidelines to determine eligibility.

E.

COMMENTS FOR HARRY KUBO: Farmers and the whole agricultural sector have undergone major changes in almost every aspect of their lives and business. I'm very aware of these changes -- and of the need to ensure that farmers can thrive. For example, I've worked on opening markets in Japan for American rice, and stopping the conflict over water in California through the new Bay-Delta Water Agreement. How do you see these actions fitting into the future of farming?

WHO: Harry Kubo is a self-employed farmer and President of the Fresno-based Nisei Farmers League which represents about 1,200 farmers from Livingston to Visalia. Mr. Kubo is a Japanese-American who was interned during the Second World War. The Nisei Farmers League, one of the largest grower organizations in the nation, assists grower members in Federal and state lobby and related services since 1971.

NOTE: Harry Kubo is concerned about the survival of the family farm as the foundation for any great economic power. He supports your "tenacity in creating a level playing field with Japan." He supports a guest worker program "in the event of a labor shortage, so we can harvest our crops."

ADMINISTRATION ACTIONS:

F.

COMMENTS FOR CARLTON JENKINS: Working, as you do, in South Central Los Angeles, running the only African-American-owned commercial bank in California, you face every day the problem of access to capital. We're in the process of opening a community development bank in Los Angeles to help. But I wonder what more you think needs to be done?

WHO: Carlton Jenkins is the Chairman, President, and CEO of Founders National Bank. Reorganized as a bank in 1991 from the ashes of a failed savings and loan, Founder's National Bank is the first African-American owned national bank in California, with over \$100 million in total assets. With 5 branch offices in and around the inner city areas of Los Angeles, Founders is positioned to become a significant participant in the economic development of these areas.

NOTE: Carlton Jenkins is likely to urge you to focus on the problems of the inner-cities and, in particular, on the problem of access to capital. He may remind you of a statement he says he made to you during the NAFTA debate in which he urged that you do as much for inner-cities as you did for North America. Although he recognizes the difficulties you face from a Republican Congress, he may express some frustration that more has not been done. While supportive of the community development bank being established by HUD in Los Angeles, he is concerned that it may get caught in bureaucratic delays.

ADMINISTRATION ACTIONS: Signed by President Clinton in September 1994, the Community Development Banking and Financial Institutions Act creates a Community Development Financial Institutions Fund that will invest in community development banks and other institutions whose primary mission is the development and lending to distressed, underserved communities. ["Creating a Nationwide Network of Community Development Banks and Financial Institutions" Briefing Paper from Administration Accomplishments Briefing Book used in Atlanta]

- 2) **NATURAL RESOURCES:** POTUS - These are a couple of areas that I think require special attention as we survey the regional economy. First, I'd like to spend a few minutes discussing natural resources and then turn to defense conversion.

Earlier today, the Vice President talked with a number of the participants who are very concerned with natural resource. Could you take a minute to tell us about that discussion?

VPOTUS - [report/comment]

A.

COMMENTS FOR RICHARD BALDWIN: One of the fundamental goals of the President's Forest Plan is to provide for a sustainable timber economy. I'm pleased that we're beginning to see the results. Timber related employment in Oregon and Washington has stabilized over the last two years -- and state agencies have even reported recent job growth. Also, timber sales from Federal lands are beginning again.

Another part of this story is individual initiative. I understand that you retooled your mills to use second-growth trees instead of requiring old-growth. Tell us about that, and how new ideas and new products are part of a strong timber industry.

WHO: Richard Baldwin is a second generation leader in the forest products industry, with over three decades of experience in the business. As President and CEO of the Springfield Group, Mr. Baldwin successfully operates veneer and plywood plants in six Oregon communities. Mr. Baldwin is the author of four books devoted to forest products operations and management.

NOTE:

ADMINISTRATION ACTIONS: The Administration's Forest Plan provides for a sustainable harvest of timber based on scientifically-sound and legally-responsible forest management, new job-creating investments in the region's environment, innovative protection for valuable old growth forests, and new economic assistance to help workers, businesses and communities to provide long-term, family-wage jobs and long-term development. In December 1994, the Forest Service released the "Western Forest Health Initiative", that identifies resource management objectives and needs to sustain healthy fire-adapted forest ecosystems in the West. [The Forest Plan Briefing Paper/Forest Health /Timber Salvage Briefing Paper]. For private lands the Administration has proposed Endangered Species Act exemptions for small landowners and signed partnerships (Habitat Conservation Plans, or HCA) to give larger landowners unprecedented stability. [The Forest Plan Briefing Paper/Forest Health-Timber Salvage Briefing Paper/ESA Briefing Paper].

B.

COMMENTS FOR SCOTT BOLEY: I have been saying for years that we can protect the environment and keep good-paying jobs for Americans -- and yet some people continue to believe that we can't do both. The Endangered Species Act currently is being criticized as costing jobs. You are a salmon fisherman whose job depends on fish. What do you think?

WHO: Scott Boley is a salmon troller from Gold Beach, Oregon, a Member of the Pacific Fishery Management Council and the current Chairman of the Oregon Salmon Commission. His area of operation includes Oregon, California and Washington.

NOTE: Points that Scott Boley likely will bring up:

- He makes his living off of salmon;
- Coastal salmon problem is solvable; Columbia River issues are more difficult;
- Endangered Species Act is most effective as a motivator to bring different groups together to solve the problem;
- Need for a recovery plan that emphasizes new thinking by landowners and fisherman -- so that timber harvesting and fish recovery go together.
- Will cite local success stories of the new partnership that is catalyzed by Federal initiatives.

ADMINISTRATION ACTIONS: The Administration is using a mix of measures to accomplish restoration of the depleted Pacific salmon stocks throughout the region. The Northwest Forest Plan protects and enhances the salmon habitat. The Department of Commerce, through NOAA, has developed a comprehensive recovery plan for endangered Snake River stocks. In response to the closing of the salmon fisheries off the coasts of Oregon and Washington, on June 2, 1994, the Administration declared a "federal fishing disaster" and promised \$15.7 million in economic assistance. USDA and Commerce are implementing an agreement signed in November 1994 for a \$6 million jobs program focusing on Pacific Northwest habitat restoration with \$2.2 million going to Oregon, \$2.2 million to California, and \$1.6 million to Washington. [Pacific Salmon Briefing Paper]

C.

COMMENTS FOR BILLY FRANKS: When we talk about timber, fish, and the great natural resources of this country it's important to remember that they also are our cultural heritage -- including the proud heritage of Native Americans. Billy, you've worked for many years to bring people in the Northwest together to work for positive change in natural resource issues. What lessons have you learned and what lessons should we all learn?

WHO: Billy Frank is the Chairman of the Northwest Indian Fisheries Commission, serving as the key natural resources representative for the 20 Treaty Indian Tribes of western Washington. He has been involved at a policy level with numerous local, state, Federal and international resource cooperative organizations and efforts including the Timber-Fish-Wildlife process and the U.S./Canada Salmon Interception Treaty. He has received the Albert Schweitzer Award for Humanitarianism, the American Indian

Distinguished Service Award, and a number of other honors.

NOTE:

ADMINISTRATION ACTIONS: The Administration has expanded and improved the government-to-government relationship between tribes and the Federal government. The Administration has intervened at critical moments -- for example, the Columbia River Salmon Recovery Plan -- to support tribal environmental and treaty concerns with practical, interagency solutions. The Administration has pursued legislation and creative problem-solving of critical tribal environmental concerns in Death Valley, the Everglades, and the Pacific Northwest (specifically related to the Forest Plan). [Native Americans and the Environment Briefing Paper]

D.

COMMENTS FOR GOV. KITZHABER: Governor, I don't think we should leave the topic without noting the importance of the work that is done by state government -- in all areas, but especially in your state on natural resource issues. We would like to hear your perspective on these issues.

WHO: Governor John Kitzhaber is the Governor of Oregon. He was first elected in 1994 and is serving a 4-year term. He previously served in the Oregon Senate and House.

NOTE: Oregon's economy is expected to continue its solid performance. High-tech businesses are expanding rapidly in the state. There are, however, substantial uncertainties associated with several key sectors. The state's dependence on durable goods manufacturing makes it highly vulnerable to cyclical fluctuations. Its aluminum industry is not only cyclically vulnerable, but also must confront world overcapacity and the possibility of an increased cost of electricity. Finally, logging jobs will continue to decline in the long run. [The Pacific Rim Economy Briefing Paper]

- 3) **DEFENSE CONVERSION:** POTUS - I'd like to move next to defense conversion -- downsizing and change that affect workers and communities and businesses.

A.

COMMENTS FOR ANTONIO DODERO: Antonio Dodero wrote me a letter talking about his experiences being caught in defense downsizing. Would you share that story with the rest of us?

WHO: Antonio Dodero got his education through the GI bill, and worked for 30 years in the aerospace industry before he lost his job at Northrop Corporation. He enrolled in a job training program funded by Title III (Economic Dislocation and Worker Adjustment Act) of the Job Training Partnership Act, and began his journey to a better future. He graduated from his program with honors -- and thanks to job search assistance provided by his reemployment program, he quickly landed a job as a service technician at a local heating and air conditioning company. Recently he moved to a better job at a similar firm. Three of his children are now in college using a combination of grants and work study to finance their education; his other child is in high school.

NOTE: He wrote you a letter about his successful job retraining, and asked for the chance to shake your hand. **You may want to say when he finishes -- Mr. Dodero, in the letter you wanted to shake my hand, well, let me say, I'd like to shake your hand. [He will be seated to your left].**

ADMINISTRATION ACTIONS: The Administration is proposing the consolidation of up to 70 job training and vocation education programs into one that would give participants increased flexibility and control. [Administration Accomplishment's Briefing Book, Atlanta Economic Conference]

B.

COMMENTS FOR JUDITH (JUDI) BATTEY: Defense downsizing affects communities -- particularly communities that have grown up near to military bases. When bases have to be closed, the federal government has to work effectively with communities. That's why I proposed a special, five-part plan to assist communities. One of the first bases whose closure was shaped by the Plan was Norton AFB near San Bernadino. Judith Battey has worked very hard on the economic transition of Norton AFB. Judith tell us about the progress you've made.

WHO: Judith (Judi) Battey is President of Inland Action, a non-profit business-community council in San Bernadino County that has focused on economic development of the now-closed Norton AFB. She is also District Manager for the Southern California Gas Company. She describes herself as a businesswoman who is vitally interested in her community, and wants her young child to have the same opportunities that she has had.

NOTE: Judith Battey describes herself as a businesswoman who is vitally interested in her community, and who wants her young child to have the same opportunities and advantages that she has had.

ADMINISTRATION ACTIONS: On July 2, 1993, President Clinton announced his "Five-Part Plan to Revitalize Base Closure Communities" that includes initiatives to get the government to respond more rapidly and spend money more wisely, including: jobs-

centered property disposal; fast-track clean-up; easy access to transition and redevelopment assistance for workers and communities; transition coordinators at major base closing sites; larger economic adjustment planning grants to base closure communities. [Base Closure and Reuse Fact Sheet Briefing Paper]

C.

COMMENTS FOR SUSAN CORRALES-DIAZ: We hear a lot about large defense contractors affected by downsizing, but sometime people forget about small business. I'd like to hear from Susan Corrales-Diaz the story of how a small company goes from being a defense contractor, into civilian business and becomes a successful exporter.

WHO: Susan Corrales-Diaz is the President and CEO of Systems Integrated, a 21-year old computer systems integration firm that is a global supplier of automation control devices for power generation and other purposes. Under her leadership, the company has diversified from a Department of Defense contractor to a recognized supplier of monitoring and control gear for use in the utilities and telecommunications industries in both domestic and international markets. For many years, SI has been involved in the China market, selling equipment for use in Chinese hydroelectric power plants, and would like to expand its base in that market to include other applications for power and water management systems and telecommunications.

NOTE: Ms. Corrales-Diaz traveled with Secretary Brown on Trade Missions to Russia and China. She was named to the President's Export Council in 1995. In addition, was named SBA's Small-Business Exporter of the Year in 1995 and California's Small Business Exporter of the Year in 1993. Susan Corrales-Diaz is likely to talk about the three stage transition from (i) a defense subcontractor into (ii) a company that develops civilian technologies that (iii) becomes a successful exporter. She may stress that her company had time to make the transition, which companies facing the problem now may lack. She is likely to emphasize the importance of R&D in the United States as a predicate for the creation of products and services that can then be successfully exported.

ADMINISTRATION ACTIONS: The National Export Strategy, developed in 1993 to upgrade and coordinate the Federal government's export promotion and export finance programs to help U.S. firms realize their potential in foreign markets, is a critical component of the Administration's competitiveness agenda. In 1995, the Administration has expanded the strategy to include: an increased focus on 10 Big Emerging Markets -- Mexico, Argentina, Brazil, China, India, Indonesia, South Korea, Poland, Turkey, and South Africa; enhanced Advocacy support to further help level the playing field for American companies competing for overseas contracts. (Since the establishment of the Advocacy Center at the Dept. of Commerce in Nov. 1993, advocacy has helped U.S. companies win foreign contracts with a U.S. export content of \$24.6 billion supporting

over 300,000 jobs) and sharpened focus on assisting small and medium-sized businesses.
[The National Export Strategy Briefing Paper]

4) POTUS - CLOSE

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Draft -- June 24, 1995 (1:03pm)

SESSION I: THE REGIONAL ECONOMY

-- REGIONAL OVERVIEW: Dr. Kenneth Rosen, Professor of Business Administration and Chairman, of the Center for Real Estate and Urban Economics at the University of California at Berkeley.

-- REGIONAL TRENDS

- o Manufacturing and Manufacturing Workers -- Rick Bender, President, Washington State Labor Council
- o Growth in Portland -- Bill Naito, President, Norcrest China
- o Financial Services and Savings -- Eli Broad, Chairman & CEO, SunAmerica, Inc.
- o California Agricultural Issues -- Harry Kubo, President, Nisei Farmers League
- o Access to Capital in Inner Cities -- Carlton Jenkins, Chairman, President & CEO, Founders National Bank
- o [Manufacturer -- to come]

-- NATURAL RESOURCES

- o Innovative Timber Production -- Richard Baldwin, President & CEO, the Springfield Group
- o Salmon and the Environment -- Scott Boley, Chairman, Oregon Salmon Commission
- o Native American Concerns -- Billy Frank, Chairman, Northwest Indian Fisheries Commission
- o Working with State and Local Governments -- Governor Kitzhaber, Governor of Oregon

-- DEFENSE CONVERSION

- o Worker Re-training -- Antonio Dodero, service technician
- o Communities and Base Closure -- Judith Battey, President, Inland Action
- o Moving from Defense to Civilian Work -- Susan Corrales-Diaz, President & CEO, Systems Integrated

Note: Administration participants include:

POTUS (moderates)
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PARTICIPANTS' BIOGRAPHIES

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PANEL I: ISSUE BRIEFINGS

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ISSUE: ADVANCED TECHNOLOGY PROGRAM (ATP)

Background:

- Industry is facing a new set of challenges: an increasingly competitive global economy, shorter product life cycles, and advanced technologies being created and adopted by manufacturers worldwide.
- In this environment, it is difficult for individual companies to capture the benefits of investments in longer-term and riskier R&D of enabling technologies.
- These pressures have led industries to concentrate on near-term R&D, leaving a gap in the longer-term, high-risk efforts that are necessary to keep the United States competitive in the future.
- The ATP focuses on this gap by providing cost-shared competitive awards to industry for development of high-risk, preproduct, enabling technologies.

Administration Positions and Proposals:

- The Administration strongly supports the ATP, with its unique mission of supporting civilian technologies, as central to improving the competitiveness of American Industry.
- The Administration considers the ATP's partnering with industry in the choice and funding of research as a key to its success.
- The Administration's FY96 budget requests an increase of \$60 million, to \$491 million, which will allow support of 40 - 60 industry led projects.
- The Administration opposes Republican proposals which would eliminate the ATP.

Administration Actions and Accomplishments:

- 40 awards and 102 participants (including single applicants and joint venture participants) in the Pacific Rim states.
- Results show that the ATP is promoting industrial R&D alliances both among competitors and between customers and suppliers - alliances that are leading to increased efficiencies in R&D and reduced time to market.
- Examples of program successes:
 - Accuwave of Santa Monica, CA, is developing a technology which is expected to greatly expand the capacity of long-distance communication systems without requiring new fiber to be installed.
 - Calimetrics of Richmond, CA, is developing a CD-ROM and CD player with a tenfold increase over conventional technology in storage and data transfer rates.
 - MedicaLogic of Beaverton, OR, will participate in an ATP joint venture to develop health care applications of the information superhighway.

ISSUE: BASE CLOSURE AND REUSE

Background:

- **Base realignment and closure (BRAC) is painful, but necessary to keep our fighting forces ready, modern, and strong.** Outside the U.S., we have reduced our presence dramatically, withdrawing from over half our facilities.
- As a result of the three previous BRAC rounds, 70 major U.S. bases and several hundred smaller facilities are being closed. On February 27, Secretary Perry announced his 1995 BRAC recommendations recommending the closure of 33 major military installations. **The BRAC Commission, in votes taken June 22-23, added several facilities to the closure list, including McClellan AFB in Sacramento and the Oakland Army Depot.**

Proposed 1995 Base Closures in the Pacific Rim States-- Employment Impacts

	<u>Military</u>	<u>Civilian</u>	<u>Major Proposed Closures</u>
<i>Alaska</i>	-773	-368	Ft. Greely, NAF Adak
<i>California</i>	-- DoD recommendations +602	-3,988	Long Beach Shipyard, Onizuka Air Station
	-- added by Commission -2,596	-8,947	McClellan AFB
	-300	-900	Oakland Army Depot
<i>Hawaii</i>	+995	+773	no major closures proposed
<i>Oregon</i>	0	0	no closures proposed
<i>Washington</i>	+780	0	no major closures proposed

Administration Positions and Proposals:

- Until 1993, base closings forced communities to cope with a jarring economic upheaval without adequate tools or resources. Cleanup of polluted bases proceeded slowly, and bureaucratic hurdles frustrated local officials when they sought help. In response to the 1993 BRAC round, the Clinton Administration developed a bold program to revitalize base closure communities.
- On July 2, 1993, President Clinton announced his **"Five-Part Plan to Revitalize Base Closure Communities."** The President's program is a good example of **reinventing government**, based on a philosophy that local communities know best the direction economic redevelopment should take after a base closure, but often lack the tools to pursue their economic visions. President Clinton's program contains five initiatives to get the government to respond more rapidly and spend money more wisely:

1) **Jobs-Centered Property Disposal** that puts local economic redevelopment first. The Administration **changed the way base property is disposed to emphasize uses most likely to create new jobs** for the communities affected by base closings. Federal law has been changed to permit discounted land transfers -- **economic development conveyances** -- for viable job-creating activities.

2) **Fast-Track Cleanup** that removes needless delays while protecting human health and the environment. The Administration's approach promotes rapid reuse by sending joint cleanup teams into action at each site, quickly identifying clean parcels for early use, leasing some parcels where cleanup is underway, and hastening cleanup.

3) **Easy Access to Transition and Redevelopment Assistance** for workers and communities. The Administration providing **easier access to other federal programs offering transition and redevelopment help** for workers and communities. As part of this effort, Secretary Reich sent "job swat teams" onto bases slated for closure to inform workers of opportunities available to them -- training programs; job guidance and counseling; and other assistance needed as they consider new employment after base closure.

4) **Transition Coordinators** at major bases closing bases. The Administration established for the first time a **single federal coordinator** to be a champion for each community so that all the resources and opportunities that can help in redevelopment can be made available as quickly as possible.

5) **Larger Economic Adjustment Planning Grants** to base closure communities. The Administration is providing an **average grant of a million dollars** to each community affected by a major base closing to **plan** for the reuse of facilities -- \$3.5 million for the hardest hit communities.

Administration Accomplishments:

- In summary, compared to the past, the Administration is responding more quickly, cutting red tape more aggressively, and mobilizing resources more assertively to help these communities, so that when they lose their bases they do not lose their future. As the 1995 BRAC round proceeds toward presidential action in July, the Administration is reviewing implementation of the Five-Part Plan to identify additional areas for improvement.

ISSUE: DEFENSE REINVESTMENT

Background

- Although the defense budget has been falling since 1986, previous administrations had no strategy for making the transition to a post-Cold War economy. In March 1993, President Clinton announced a five-year, \$20 billion Defense Reinvestment Initiative designed both (i) to maintain our technology edge with a smaller defense budget; and (ii) to ease economic adjustment by those who have relied on defense spending for their livelihood.

Administration Positions and Proposals:

- The Administration supports continued funding for dual-use technology, including the Technology Reinvestment Project (the House has voted to eliminate the TRP), as well as for retraining of laid-off defense workers and redevelopment of defense dependent communities.

Administration Actions and Accomplishments

Implementing a "dual-use" technology strategy to promote greater integration of our commercial and defense industries, the Pentagon has:

- Worked with Congress to overhaul procurement law, and scrapped outmoded specifications and standards, enabling the military to take advantage of state-of-the-art commercial technology.
- Invested \$4 billion to advance dual-use technologies crucial to our military such as high-performance computing and flat-panel displays.
- Awarded cost-shared grants of nearly \$1 billion to 251 dual-use projects, involving 2,000 firms and other participants, under the Technology Reinvestment Project.
- Supported the commercialization of defense technologies such as "stealth" composites and precision lasers, to make them more affordable to the military.

Acting to ease the economic adjustment of workers, firms and communities which have relied on defense spending:

- DoD reduced its civilian workforce in 1993-94 by 115,000, all but 8,000 by providing early retirement benefits and other incentives for voluntary separation.
- The Department of Labor awarded \$177 million to 99 locally-run projects for retraining 52,000 defense workers.
- DoD is facilitating the reuse of property from closing military bases to local communities by discounting the price of property used for job-creating economic development.

ISSUE: THE EARNED INCOME TAX CREDIT (EITC) -- SENATE REDUCTIONS

Background:

- The EITC is a refundable tax credit provided only to those who work. By providing direct refunds to working families, it is a non-bureaucratic way of encouraging work over welfare. By providing a tax credit to low and modest-income working families, the EITC helps ensure that those who work hard and play by the rules are not penalized.
- Since the beginning, the EITC has had bipartisan support as a way to offset the tax burdens of low and modest-income families. Both President Reagan in 1986 and President Bush in 1990 expanded the credit.
- Low and moderate-income taxpayers in the Pacific Rim make substantial use of the credit as a way of making ends meet and staying off welfare. It is estimated that in 1996, approximately 15.5 percent of taxpayers will come from Pacific Rim states, while more than 17.0 percent of EITC recipients will reside in these five states.
- The Senate budget resolution would substantially increase taxes for some 14.4 million families by reducing the EITC by more than \$25 billion over the next seven years. The average family would see their taxes increase by \$239 in 1996, and families with two or more children would see a \$305 increase as a result of the Senate plan.
- 2.5 million Pacific Rim EITC recipients would bear approximately 17.3 percent of the tax increase resulting from the Senate budget proposal. The average family receiving the EITC in the Pacific Rim would see a \$242 increase in taxes in 1996.

Administration Positions and Proposals:

- The Administration opposes drastic reductions in the EITC, such as those proposed in the Senate budget resolution.
- The Administration is committed to improving the administration of the EITC by streamlining procedures and reducing error rates.

Administration Actions and Accomplishments:

- As part of the budget agreement of 1993, the EITC was expanded and simplified in order to bolster the disposable incomes of working families.
 - The credit for very low-income working families with children was increased by 15 cents to 40 cents per dollar, effective in 1996, and the maximum credit was raised by nearly \$1,500.
 - The EITC was extended to families with two or more children with incomes under \$28,524.
 - A small tax credit was granted for the first time to very low-wage workers without qualifying children in order to offset the employee portion of Social Security taxes and thus make work more rewarding.

District-by-district effect of the Senate plan is provided in state-by-state tab.

ISSUE: LOS ANGELES COMMUNITY DEVELOPMENT BANK

Background

- In December 1994, HUD designated Los Angeles the winner of a Supplemental Empowerment Zone, making the city eligible for \$125 million in flexible economic development funds -- \$25 million more than the other Empowerment Zones (EZs). However, because the city did not win a full EZ designation, its Zone is not eligible for the full array of Federal tax incentives.
- The Los Angeles Community Development Bank (LACDB) is being capitalized with the \$125 million Supplemental EZ grant, an additional \$315 million in HUD loan guarantees, and \$210 million pledged by a number of major California banks including First Interstate Bank of California, Bank of America, Wells Fargo Bank, and Union Bank.
- When fully leveraged, the LACDB will finance as much as \$2 billion in new economic activity in the Zone and other distressed communities in Los Angeles.
- LACDB applicants may include small and medium sized businesses, manufacturers, franchises, community-based organizations, and both for-profit and not-for profit developers. The bank will also provide start-up equity capital for new business ventures without access to sufficient credit.
- The LACDB is scheduled to be operational July 10, 1995.

Administration Positions and Proposals:

- The Administration supports the creation of the LACDB.
- The LACDB was inspired by the South Shore Bank of Chicago, the Self-Help Credit Union in North Carolina, as well as **YOUR** vision of creating a network of community development banks across the country.

Analysis

- Although it is more of a hybrid than a pure Community Development Financial Institution (CDFI), the LACDB is a CDFI in the sense that it will target low- to moderate-income communities, will provide credit and capital to places and individuals currently not being served by mainstream banks, and will have community members serving on its Board.

Administration Actions and Accomplishments:

- Signed into law the \$500 million Community Development Banking and Financial Institutions Act, which will create a network of CDFIs across the country in underserved areas. When fully implemented, it is estimated that the CDFI program will leverage \$5 billion in new investments in low- to moderate-income communities.
- Signed into law as part of OBRA 1993, the \$3.8 billion Empowerment Zone/Enterprise Community initiative which provides tax incentives and flexible grants to 105 communities in 42 states.
- Reformed the Community Reinvestment Act (CRA) so that it focuses on performance instead of paperwork and process. When fully implemented, the reformed CRA will unleash billions in new private credit and capital to low- and moderate-income communities.

ISSUES: THE NORTHRIDGE EARTHQUAKE: ECONOMIC STIMULUS FROM RECONSTRUCTION EXPENDITURES

Background:

- Measured in terms of insurance cost, the Northridge earthquake of January 1994 was the second most costly natural disaster in U.S. history, trailing only Hurricane Andrew.
- A UCLA study estimates that altogether, some \$19.1 billion had been committed or spent for Northridge earthquake relief by January 1995, with the bulk of the committed funds coming from insurance companies. (Note: More recent estimates by OMB set total Federal appropriations for earthquake relief at \$12.0 billion, or \$4.5 billion more than estimated by the UCLA study; including this revised figure would of course increase the estimate of total funds committed.)
- The study estimates that perhaps three-quarters of the relief funds, or \$14 billion, are directed toward repair and reconstruction (rather than, say, temporary rental assistance, food, or clothing). If this money had already been spent, L.A. County should have seen a sharp rise in construction employment and building permits in 1994. But the actual increase in these indicators was small enough to suggest that no more than \$1-2 billion had yet been spent by January 1995. Based on these estimates, the study concludes that over \$10 billion may yet make its way into L.A. County for reconstruction.
- Because the study is not extremely rigorous, these estimates should be taken as suggestive. To the extent that outmigration of L.A. residents means that insurance money is being spent elsewhere, the \$10 billion figure may be an overestimate. Nevertheless, the evidence suggests strongly that reconstruction funds should provide a substantial further stimulus to L.A.'s economy.

Administration Actions and Accomplishments:

- To date, \$12.0 billion has been appropriated for earthquake relief by the Federal government, with two-thirds of the funding channeled through FEMA and the Small Business Administration. OMB estimates that of this total, \$8.9 billion had already been spent by the end of March.
- The Administration has requested that Congress appropriate an additional \$4.9 billion for FEMA to use in Northridge relief and reconstruction. The request appears in a supplemental appropriation included in the HR 1158 rescission bill.

ISSUE: BAY-DELTA WATER QUALITY STANDARDS & ENDANGERED SPECIES ACT REQUIREMENTS

Background:

- Late last year, the Administration, working with the State of CA, businesses, agriculture and environmental interests ended 20 years of indecision and bitter wrangling over water distribution from the San Francisco Bay Delta.
- The Bay-Delta Agreement is a three-year comprehensive package of federal/state protections for the S.F. Bay/Sacramento-San Joaquin Estuary (Bay-Delta) that complies with the Clean Water Act, Endangered Species Act and Central Valley Improvement Act; is economically implementable; and provides certainty for both the water-user community and biological resources.
- The agreements were developed with extensive involvement and input of the state of California and the affected agricultural, municipal, and environmental communities. The package was very well received by the stakeholders and by commentators throughout the region.

Administration Positions and Proposals:

- The agreement calls for State implementation of a water quality control plan (WQCP) for the Bay/Delta. The State Water Resources Control Board (SWRCB) adopted final water quality standards on May 22, 1995. The SWRCB will immediately begin water rights proceedings to determine actual implementation of the standards.
- The Principles Agreement also calls for Federal-State cooperation to develop a long-term Bay-Delta Conservation Plan. We have jointly hired a small staff which is beginning to develop the plan.

Administration Accomplishments:

- The Bay-Delta standards will provide certainty for all water users and will restore the quality of the degraded Bay-Delta ecosystem.
- The Bay-Delta is a critical link in a system that supplies drinking water to two-thirds of the state's population and provides irrigation water for 200 crops, including 45 percent of the nation's fruits and vegetables. The estuary supports 120 species of fish and is one of the nation's most diverse wetlands habitats.
- Although in the short-term the transition may be difficult, the water quality standards provide long-term certainty to agricultural and municipal community water users, thus allowing long range planning for water usage without the continued threat of immediate crisis, and consequently strengthen the state's long-term economic health.
- The standards are critical to bringing an end to the economic hardship experienced by the agricultural community.
- Municipal authorities can reassure the bond markets that they know what water capacity is available. They can now build reservoirs, plan canals and plan urban growth and development.

ISSUE: THE BONNEVILLE POWER ADMINISTRATION

Background:

- The Bonneville Power Administration, an agency within the Department of Energy, supplies about half the electricity consumed in the Pacific Northwest and owns and operates about 80 percent of the Northwest transmission grid. Most of the electricity Bonneville markets is produced at Corps of Engineers and Bureau of Reclamation dams in the Columbia River Basin. Bonneville plays an important role in the economy and the environment of the Northwest, providing clean, reliable electricity to industries, business and households and as a major source of funding for the effort to restore endangered Snake River Shinook and Sockeye salmon.
- Bonneville presently incurs costs of about \$335 million per year related to endangered salmon recovery. Increased salmon costs, low-natural gas prices and the heavy financial burden of paying debt service on the Washington Public Power Supply System nuclear reactors have created a situation, where, for the first time in its history, Bonneville faces real competition in the electricity market. In fact, in April of this year Bonneville agreed to release several power customers from their contracts thereby allowing those customers to move to other, lower cost, suppliers. If this becomes a trend, the ability of Bonneville to remain competitive could be jeopardized.
- In addition to the competitiveness threat, Bonneville is also under assault by a number House Republicans who have introduced legislation to sell the agency to the highest bidder.

Administration Position:

- The Administration strongly supports the continued competitiveness of BPA and is taking a number of steps to achieve this goal. The Administration also opposes efforts by Congressional Republicans to sell the agency to the highest bidder. Selling Bonneville could have significant negative impacts on the Northwest economy and environment. In addition, if Bonneville was sold at this time it is likely that the Treasury would incur a substantial loss because of the \$7 billion debt associated with the unsuccessful Washington Public Power Supply System nuclear construction program.

Administration Actions and Accomplishments:

- In March 1995 the Administration acted to provide \$200 million in assistance over the next 5 years to help defray the costs to Bonneville of the endangered salmon recovery effort. This assistance substantially enhances Bonneville's competitiveness by reducing the amount of salmon costs that Bonneville and Northwest ratepayers have to bear.
- The FY 1996 budget indicated the Administration would propose converting Bonneville into an independent government corporation. Government corporation status would remove burdensome federal personnel and procurement requirements, while preserving Bonneville's commitment to salmon recovery and other important social missions. The Administration is currently reviewing this proposal.
- The Administration is also currently considering other administrative and statutory changes to enhance Bonneville's competitiveness.

ISSUE: THE ENDANGERED SPECIES ACT

Background:

- In two years, the Administration has tripled the number of public/private management plans called Habitat Conservation Plans (HCPs) developed in the previous decade, signing-off on more than 50 HCPs to date. 150 more are at various stages of development across the country.
- Sen. Gorton has introduced an ESA bill that has been widely criticized for substantially weakening protection and because it was written by a coalition of industry lobbyists. The Senate Environment Committee (Chafee) is likely to have a bill as well. Legislative action on the ESA is not expected until after the August recess.

Administration Positions and Proposals:

- In March, Interior Secretary Babbitt announced a 10-point ESA reform program which outlined a strong commitment to science, a larger role for the States in ESA implementation, and greater "certainty" and incentives for private landowner participation in ESA conservation efforts. Our new "no surprises" policy assures landowners that once they have committed to a conservation plan, they will have no additional ESA demands placed on their property for those species covered by the plan. Similarly, our "safe harbor" policy protects landowners who enhance wildlife habitat on their land from any additional land use restrictions. We will soon finalize a provision that targets special regulatory relief for homesites and small land parcels where five acres or less are impacted -- essentially exempting homeowners from ESA.
- The Administration has not testified formally on Gorton ESA bill. Secretary Babbitt has criticized the bill for going too far and because it was written by industry lobbyists.

Administration Actions and Accomplishments:

- The President's Forest Plan. This initiative broke the gridlock in the forests of the Pacific Northwest and is designed to protect the habitat of the Northern spotted owl and hundreds of other species, including salmon.
- The San Francisco Bay-Delta Accord. Federal agencies including the U.S. Fish & Wildlife Service, EPA, and the National Marine Fisheries Service worked with the State of California to develop a truce in the state's decades-old water wars that provides water for salmon and Bay-Delta water quality while providing certainty for agricultural and urban water contractors.
- Murray Pacific HCP. We just completed an historic HCP with Murray Pacific company, that Katie McGinty will be announcing in Tacoma on Monday, June 26. This HCP covers all species, for 100 years. In other words, Murray Pacific has ensured that the government will make no more ESA demands for the foreseeable future.
- Southern California Conservation Planning. The U.S. Fish and Wildlife Service has entered an unprecedented partnership with the State of California, Orange and San Diego Counties to preserve habitat for threatened and endangered species through California's Natural Communities Conservation Program (NCCP). Recently, Katie McGinty participated in a signing ceremony for one southern California private sector development project which will preserve some 1,300 acres of coastal sage habitat.

ISSUE: ENERGY EFFICIENCY AND ALTERNATIVE ENERGY

Background:

- Energy efficiency and alternative (or "renewable") energy are important to the five Pacific Rim States for the same overriding reasons they are important to the rest of the country: energy use has a major impact on the environment, the economy, and national security.
- The 5 Pacific Rim states use significantly less coal than the national average. California and Alaska rely more on natural gas than does the nation as a whole. Alaska, Oregon, and Washington rely heavily on hydropower. Hawaii depends on imported oil for about 98% of its energy needs. Geothermal energy exists in abundance throughout the Pacific Rim States. About 6% of the electric power consumed in California comes from geothermal energy.
- Because they have abundant renewable resources -- water, wind and solar -- the Pacific Rim states are well-positioned to lead the nation in the development of renewable energy systems and to take advantage of the global energy efficiency and renewable energy market. The world renewable energy market alone is estimated at \$84 billion between now and 2005. Pacific Rim and Asian countries represent large, and growing segments of these markets.
- The Pacific Rim states have led the nation for years in innovative energy policies. Sen. Mark Hatfield was the architect of the precedent-setting Northwest Power Planning Act; Sen. Matsunaga's work in renewable energy set a national example in Hawaii. California has been a hotbed of innovation in both utility energy efficiency programs, and the use of renewable energy systems. California's implementation of Zero Emission Vehicle mandates is creating a market for electric vehicles. This could be an area of intense competition among US and Japanese automakers.

Administration Positions and Proposals:

- After nearly a decade of federal disinvestment in efficiency and renewables during previous administrations, the Clinton Administration has begun restoring this investment. The Federal budget for energy efficiency and renewable energy research, development, and deployment grew from \$1 billion in FY 1994 to \$1.2 billion in FY 1995. This investment is now under attack in Congress, where proposals to date have called for budget cuts of 50% or more.
- DOE's Office of Energy Efficiency and Renewable Energy's planned FY 1996 expenditures in California, Alaska, Hawaii, Oregon, and Washington are projected (along with private investments) to have the following impacts in the year 2000: 37,253 jobs created; \$2.5 billion in energy cost savings; and reduced emissions of 6.43 million metric tons of carbon equivalent.

Administrative Actions and Accomplishments:

- Secretary Hazel O'Leary has actively tilled international energy markets to produce new opportunities for U.S. energy efficiency and renewable energy businesses. The Pacific Rim states are among the beneficiaries. For example, following Secretary O'Leary's visit to China, the dialogue and opportunities for cooperation have been expanding. More than \$4 billion in joint venture agreements are already signed.
- Investments by DOE's Office of Energy Efficiency and Renewable Energy in the Pacific Rim States amounted to \$104.6 million in FY 1994 alone, including \$13 million for low income weatherization, \$3.4 million for energy efficiency improvements to schools and hospitals, and \$2.6

million to support State energy programs, and research undertaken in partnership with colleges, universities, the private sector and National Laboratories in the Pacific Rim States. Some specific projects include:

Grants to Tribes: Four Indian Resource Development Grants have been awarded to four Alaskan Native villages for hydroelectric activities, totaling over \$790,000.

Motors Challenge Program: DOE's Motor Challenge program works with industries to capture sizeable energy savings available from switching to energy efficient motor systems. The Boeing Company and ICF Kaiser are demonstration projects.

Clean Cities: DOE has signed agreements with 34 cities to help reduce oil imports by deploying fleet vehicles that run on alternative fuels. Among the cities are Portland, San Francisco, San Jose, the San Joaquin Valley, Oakland, and Sacramento.

ISSUE: ENVIRONMENTAL TECHNOLOGIES

Background:

- The worldwide market for environmental technology exceeds \$300 billion. It could grow to \$500 billion by 2000. The demand for environmental technology is created in large part by environmental protection laws. The Federal government plays an important role in funding basic and applied research and development for future generations of environmental technologies and plays an important role in export promotion.
- For California alone, the sale of environmental technologies has totalled more than \$10 billion and generated thousands of jobs. Both the California state and export markets for many products are expected to double in the next five to ten years.
- Oregon's legislature recently declared environmental technologies a Key Industrial Sector. With over 400 companies, the ET sector has helped the state make the transition from an economy based on natural resource exploitation and export, to one providing high-tech goods and services.

Administration Positions and Proposals:

- The Clinton-Gore Administration recognizes the inextricable link between the global environment and our domestic economy. Export of US environmental technologies creates high-paying US jobs. Worldwide demand has made the environmental market one of the fastest growing for US companies.

Administration Actions and Accomplishments:

- Environmental Technology Export Strategy: The Administration released this strategy in November of 1993. It contains a number of strategies and programs to 1) Make it easier to work with the federal government on environmental exports; 2) Strengthen the technology development and commercialization capacity of the domestic industry; and 3) Target and assist in development of markets.
- National Environmental Technology Strategy: The Administration, after consulting thousands of stakeholders, issued a national strategy in April of 1995 designed to stimulate investment in, development of, and commercialization and export of, environmental technologies.
- Northwest State "VIRTUAL MARKET" Database: Seattle, Washington: This large Pacific Northwest environmental technology information network, which is partially funded by EPA, provides economic opportunities to environmental technology companies by matching US environmental technology buyers.
- E-LYNX: The Environmental-technology Leveraging Network eXchange: Pasadena, Ca.: The California Trade and Commerce Agency and ten partners will receive \$470,400 from EPA to develop an environmental technology marketplace known as the Environmental-technology Leveraging Network eXchange or E-LYNX. This California-based network will link technology developers with those who can help them get their technologies to market.

ISSUE: FOREST HEALTH/TIMBER SALVAGE

Background:

- Forests are constantly changing as a result of insect and disease epidemics, forest fires, fire suppression, and timber harvesting.
- The intense and extensive forest fires of the 1994 season brought into question past and future forest management practices.
- The Rescission Bill that the President recently vetoed contained an amendment to direct the Forest Service and Bureau of Land Management to prepare timber salvage sales in volumes above the level appropriated while ignoring environmental laws. Discussions with Congress involving this issue are ongoing.

Administration Positions and Proposals:

- The goal of the Administration is to restore forest health while reducing the wildfire risk to life and property, especially where wildlands and communities come together.
- The Administration is committed to expediting the preparation and sale of salvage, where salvage will enhance forest health by reducing fuel loading.

Administration Action and Accomplishments:

- In December 1994, the Forest Service released the "Western Forest Health Initiative." The initiative identifies resource management objectives and needs to sustain healthy fire-adapted forest ecosystems in the West.
- The Forest Service is addressing the overall forest health issue on an ecosystem basis by restoring high-risk sites.
- As part of the Western Forest Health Initiative, for example, forest health projects covering 1.3 million acres are planned or in progress on 14 National Forests. Of these projects, 90% are scheduled for completion in fiscal year 1995.
- A salvage team has been assembled in the Northwest Forestry Office, and is facilitating the accomplishment of salvage.
- The Forest Service plans to sell 1.57 billion board feet nationwide of salvage in FY 95. This is an increase from FY 94 of 57%. As of March 31, 143 million board feet have been sold.

ISSUE: THE FOREST PLAN

Background:

- For far too long, the Pacific Northwest and northern California were deadlocked in an emotional, polarizing debate over how to manage the region's federal forest lands. It was a dilemma that previous Administrations failed to address, a problem that President Clinton inherited, and one that he made a priority to solve.
- Shortly after taking office, on April 2, 1993, the President convened a Forest Conference, which led to the development and adoption of the Forest Plan in April, 1994.

Administration Positions and Proposals:

- The Forest Plan provides for a sustainable harvest of timber based on scientifically-sound and legally-responsible forest management, new job-creating investments in the region's environment, innovative protection for valuable old growth forests, and new economic assistance to help workers, businesses and communities to provide long-term, family-wage jobs and long-term development.

Administration Actions and Accomplishments:

- In June 1994, shortly after the President submitted his Forest Plan, federal courts dropped injunctions banning timber harvests from federal lands, allowing timber sales from federal forests to move forward for the first time in three years.
- The President's plan has broken legal gridlock -- it has withstood every challenge since its adoption and has prevented the initiation of additional law suits.
- Since the plan was adopted, more than 300 million board feet have been offered for sale from federal forest lands. Of this amount, 136 million came from the Forest Plan area. About 870 million board feet have been harvested. Changes in the timber sales process should cut the time it takes to prepare timber sales by a two-thirds, from 3 years to 1.
- The President's commitment is to reach a sustainable harvest of 1.1 billion board feet per year by FY 97, ramping up from 600 million board feet in 95 and 800 m board feet in 96. (Historically, the region provided 5 billion.)
- In FY 95, we expect timber harvests of 586 million board feet in the Forest Plan area, plus 403 million board feet in the eastern half of the region.
- The Administration has dedicated \$1.2 billion in grants and loans over the next five years. Federal agencies distributed more than \$126 million to help more than 100 communities in FY 94. So far in 95, we have already distributed \$92 million.
- In FY 94, the "Jobs in the Woods" program employed approximately 2,000 displaced timber workers and invested \$32 million for watershed restoration work. In FY 95, the projected investment in watershed restoration is \$38.1 million.

ISSUE: NATIVE AMERICANS AND THE ENVIRONMENT

Background:

- Long before Congress enacted legislation enabling tribes to access environmental protection programs and funding, Indian tribes were regulating reservation environments using their inherent sovereign powers and powers as land owners.
- Since the amendment of the Clean Water Act, the Safe Drinking Water Act, and Clean Air Act, Indian tribes have had increased access to environmental programs, technical expertise and funding that was traditionally reserved for states. These programs have enabled the tribes to develop their technical expertise, environmental protection programs and to inform their communities about environmental hazards and protection strategies.
- While there has been significant progress, Indian environmental issues remain underfunded, while needs are large. For example, the unmet wastewater treatment needs for Indian communities was recently estimated to exceed \$30 billion (Indian Health Service, 1989).
- A number of tribes in the NW, such as the Lummi Tribe from WA, have concerns over tribal fishing rights. Many of these concerns center around the U.S.-Canada Salmon Fishing Talks and the small share of Canadian Salmon that the tribes are allowed to harvest under the talks.
- A significant concern of the tribes is the continued, persistent effort by the western states to challenge and oppose tribal inherent and delegated authority to regulate the environment. Jurisdictional challenges force the tribes to spend to protect this authority instead of addressing the real environmental needs of Indian communities.

Administration Positions and Proposals:

- The Clinton Administration has been proactive in its support of Indian environmental issues. In the first instance, the Administration has expanded and improved the government-to-government relationship between tribes and the Federal government. The Administration has intervened at critical moments -- for example, the Columbia River salmon recovery plan -- to support tribal environmental and treaty concerns with practical, interagency solutions.

Administration Actions and Accomplishments:

- In December, 1994, the Environmental Protection Agency (EPA) issued final regulations simplifying the process to qualify Indian tribes for program environmental approval. As of June, 1995, 90 tribes have received treatment in same manner as a site under various Clean Water Act programs. Eight of these approvals are under the Water Quality Standards program.
- EPA established an American Indian Environmental Office which serves as a focal point for Indian environmental concerns and programs.
- Each bureau within the Department of the Interior has a Native American desk and through Secretarial Order 3175, evaluates every bureau action with respect to its impact on Native American resources, people or the environment.
- The Administration opposes amendments to the Clean Water Act that propose the elimination of tribal jurisdiction over the environment.

- The Department of Energy has provided funds to enable tribes to evaluate the environmental issues surrounding DOE facilities.
- The Department of Defense has also provided funds to Indian tribes for the purpose of evaluating environmental issues and concerns surrounding DOD facilities.
- The Administration has been active in assisting the implementation of the Indian Environmental Regulatory Enhancement Act.
- The Administration has pursued legislation and creative problem-solving of critical tribal environmental concerns in Death Valley, the Everglades, and the Pacific Northwest (specifically related to the Forest Plan).
- DOI has provided funds to help Pacific NW tribes increase their harvest of timber and initiate various ecosystem restoration projects.

ISSUE: ALASKA NORTH SLOPE EXPORTS

Background:

- As part of a 1993 initiative to help the domestic oil and natural gas industry, the Department of Energy proposed evaluating removal of the export ban on Alaskan North Slope crude oil. The study was released in June of 1994. It concluded that exports would raise crude oil prices on the West Coast without harming consumers, and create 11,000 to 23,000 jobs nationally, many in CA oil production.

Administration Positions and Proposals:

- Supports lifting the ban on Alaskan North Slope oil exports provided environmental effects are studied thoroughly prior to any exports.

Administration Actions and Accomplishments:

- For the last nine months, the Administration has worked with Congress to craft legislation that will permit Alaskan North Slope exports. Bills have now passed the Senate and have been reported out of committee in the House. Both restrict exports to be carried on U.S.-flag (but not necessarily U.S.-built) tankers. This limited constraint is consistent with our trade and treaty obligations. We expect passage this summer, after which the Administration will thoroughly evaluate the environmental effects, if any, of lifting the ban.

ISSUE: OIL DEVELOPMENT IN THE ARCTIC NATIONAL WILDLIFE REFUGE

Background:

- The House- and Senate-passed budget resolutions both contain reconciliation instructions that will require authorizing committees (House Resources and Senate Environment) to report legislation to open Arctic National Wildlife Refuge (ANWR) to oil development. They estimate that this will generate revenues to the Treasury of \$1.5 - \$2.5 billion dollars.
- The Arctic National Wildlife Refuge is the nation's only conservation area that encompasses a complete range of arctic ecosystems. It is the largest undisturbed arctic ecosystem remaining in the United States but represents only about 5 percent of the nation's arctic coastal plain.
- Although oil development is currently prohibited in ANWR, almost all of the Nation's remaining arctic environment is open to oil development, including the massive development at Prudhoe Bay which produces about 25 percent of domestic oil.

Administration Positions and Proposals:

- The President, as promised in the 1992 Presidential campaign, remains strongly opposed to ANWR oil development.

ISSUE: OUTER CONTINENTAL SHELF MORATORIA

Background:

- The first Congressional moratorium on oil and gas leasing on the Outer Continental Shelf was enacted in 1982, covering 700,000 acres. Since 1990, the acreage covered each year has totalled approximately 266 million acres, or 18% of the OCS.
- The Administration has supported continuing Congressionally-imposed moratoria in CA, WA, OR, and AK's North Aleutian Basin to provide an opportunity for us to pursue creative solutions to longstanding conflicts, and in the meantime, provide assurances to affected parties that oil and gas leasing would not occur.
- Members of Congress, Senators, Governors, local governments and environmentalists from Pacific Rim states affected by the existing moratoria generally support continuing the moratoria. Industry opposes the existing moratoria.

Administration Position and Proposals:

- For FY 1996, the following types of moratoria were contained in the President's budget for Pacific Rim planning areas:
 - Prelease/Leasing Moratoria: WA/OR; Northern, Central and Southern CA
 - Leasing Moratoria: North Aleutian Basin planning area.
 - Drilling Moratoria: Existing leases in the North Aleutian Basin planning area.
- On June 20, the House Interior subcommittee with jurisdiction voted 7:6 to lift the moratoria. The President immediately issued a statement condemning the action, saying "I will not allow oil and gas drilling off our nation's most sensitive coastlines on my watch."

(Note: This is not a veto threat -- it's not necessary to veto the budget bill to keep the promise. Lifting the moratorium *allows* the Administration to move ahead with leases. We have no intention of leasing in sensitive areas that have traditionally been covered by moratoria.)

ISSUE: PACIFIC SALMON

Background:

- Salmon and steelhead are important to the ecology and economy -- and cultural heritage -- of the Pacific Northwest. Pacific salmon stocks throughout the region have declined precipitously in recent years. Under the Endangered Species Act (ESA), four stocks are currently listed as endangered. Major factors that caused the decline include: loss of habitat due to construction of dams on the Columbia and other rivers, habitat degradation on private and public lands, hatchery practices, over-fishing, and natural conditions such as drought and El Nino.
- Conservation efforts on the Columbia River are expensive and controversial, pitting State officials and citizens in Montana and Idaho against downriver interests in Oregon and Washington. Bonneville Power Administration (BPA) estimates that it is spending approximately \$350 million (lost revenues plus actual expenditures) on salmon recovery activities in 1995. Senator Hatfield and others are proposing to limit BPA's costs regarding salmon restoration.
- The Administration agreed to fund up to \$200 million of BPA's obligations for salmon restoration from the general treasury over five years. This will help relieve the impact of fish restoration on the region.
- In 1994 the Pacific Fishery Management Council adopted the most restrictive ocean salmon fishing regulations ever, banning all non-Indian fishing from 60 miles south of the Columbia River to the Canadian border. Revenue from commercial troll fisheries was limited to about \$4.7 million -- 90 percent lower than the 1976-1993 annual average of \$43.7 million. A similar decline occurred in recreational salmon fishing income.
- In early 1995, the National Marine Fisheries Service (NMFS) issued regulations (biological opinions) specifying measures to avoid salmon jeopardy that federal agencies involved with Columbia/Snake River hydropower, hatchery operations, harvesting and habitat must take. These regulations resulted from a long consultation process among the agencies and discussions with the states and tribes. These regulations will have adverse effects on power rates and power production, navigation, irrigation and recreation in the region.

Administration Positions and Proposals:

- The Administration is committed to restoring anadromous fisheries throughout the Pacific Northwest and California. The mix of measures used to accomplish restoration will be based on the best available science and the use of a multi-species or ecosystem approach.

Administration Actions and Accomplishments:

- In response to the close of the salmon fisheries off the coasts of Oregon and Washington, on June 2, 1994, the Administration declared a "federal fishing disaster" and promised \$15.7 million in economic assistance.
- USDA and the Department of Commerce signed an interagency agreement in November, 1994, to implement a \$6 million jobs program focusing on Pacific Northwest habitat restoration. Under this agreement, \$2.2 million each is going to Oregon and California and \$1.6 million is going to Washington.
- NMFS released its proposed comprehensive recovery plan for endangered Snake River stocks for

public comment in March 1995. The proposed recovery plan will benefit all anadromous fish in the Columbia and Snake Rivers, not just those that are currently listed. At its heart is a federal, state and tribal organization to guide NMFS in its implementation of the recovery plan.

- The Administration's adoption of the PACFISH strategy (a land management plan for USFS and BLM lands designed to benefit salmon) was crucial in averting an injunction of all Federal land management activities in the Snake River basin that "may" have adversely affected listed salmon. The injunction would have devastated timber, livestock, and mining industries.
- The Northwest Forest Plan protects riparian habitat on Federal forest lands on the west side of the Cascade Mountains. It was based on assuring that salmon habitat would be protected and enhanced.
- The San Francisco Bay-Delta agreement signed by Governor Wilson, Secretary Babbitt, Administrator Browner and others protects salmon in the Sacramento and San Joaquin Rivers.

ISSUE: U.S.-CANADA PACIFIC SALMON TREATY

Background:

- The dispute between the United States and Canada over salmon caught in the Pacific Ocean remains a difficult issue. Since salmon spawned in U.S. and Canadian rivers are intermingled when they are caught in the ocean, it's very difficult to separate fish by origin. The 1985 U.S.-Canada Pacific Salmon Treaty attempted to address this problem on the basis of two principles: a conservation principle to prevent overfishing and promote optimum production; and an "equity" principle applied to catches by one country of salmon originating in the other's country's waters.
- The equity principle provides that each country should receive benefits under the treaty equal to the salmon production in its own waters. Since the Treaty was negotiated we have been unable to agree on how to implement the equity principle.
- If we succeed in reaching agreement with Canada on fishery conservation rules for the salmon fishing season that begins at the end of this month, we will proceed to mediation by a neutral third party to help resolve the equity dispute.

Administration Positions and Proposals:

- Last December the United States proposed an abundance-based approach to address both conservation and equity obligations under the treaty. At that time, Canada would not agree to the approach because in Canada's view the U.S. proposal did not sufficiently address equity, even though the United States offered to consider a one-time cash payment as an incentive to Canada. The approach would ensure that harvests would rise and fall together with the abundance of the stocks and would improve conservation and long-term health of salmon fisheries in both countries.

Administration Actions and Accomplishments:

- The December U.S. proposal helped move the negotiations from stalemate back to active engagement, and demonstrated the Administration's strong commitment to conservation of this important resource.
- U.S. negotiators will continue to maintain conservation as their highest priority, and will further pursue the abundance-based approach during mediation.

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PANEL II

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Seating for Panel 2

Vice President Gore

President Clinton

Susanjoy Baskoro

Elaine Griffin

Scott Segrin

Mayor Vera Katz

Secretary Riley

Christy Sermershein

Pam Baltz

Eduardo Mosqueda

John Welford

Bertha Pendleton

Gun Denhart

Carol Rasco

Marsha Farva

Diana Meehan

John Bryson

Cricket Shephard

Sam Smith

PANEL TWO

EDUCATION AND THE STRAINS ON THE WORKING FAMILY

Panel II will focus on the "strains of the working family" within the context of education. We have invited participants to discuss strains on working families due to: (1) financing post-secondary education; (2) parental involvement in education; (3) and education and training in the new economy.

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VPOTUS

SECRETARY RILEY

CAROL RASCO

MAYOR KATZ

PARTICIPANTS:

FINANCING HIGHER EDUCATION

Scott Segrin, Parent (Portland, OR) -- Saving For And Financing Post-Secondary Education

Marsha Farver, Parent (Seattle, WA) -- Financing Post-Secondary Education

Edwardo Mosqueda, Student (Irvine, CA) -- Direct Lending

Velaida "Cricket" Shepard, Student (OR) -- AmeriCorps

Sam Smith, College President (WA)-- Affordability Of Post-Secondary Education

PARENTAL INVOLVEMENT

Elaine Griffin, Teacher (Chiniak, AK) -- Engaging Parents In The Education Of Children

Bertha Pendleton, Superintendent (San Diego, CA) -- Parent Involvement

"Pann" Baltz, Parent (Arcadia, CA) -- Family Partnership Initiative

Gun Denhart, CEO -- Family Friendly Workplace And Community Service

Diana Meehan, T.V. Writer (CA) -- Television Content

EDUCATION AND TRAINING

Susanjoy Baskoro, Mother (Portland, OR) -- Welfare To Work Program

John Wolford, Dislocated Worker -- On-The-Job Training

Kristy Semersheim, Labor Representative -- Accessibility Issues

FINANCING HIGHER EDUCATION

PARENTS: For the majority of parents in this country, financing post-secondary education is a tremendous strain. **Scott Segrin** is the owner of a small business he started two years ago. He and his wife both work full-time. They have four children, one of whom is currently in college, one who will go to college next year and two in high school. **Marsha Farver** is the Director of the Food Program at Kids Centre in Seattle, Washington. She and her husband of 40 years have four children, three of whom are grown and out of the house (one of whom is studying at Pasadena Community College) and one son who is a junior in high school. Neither Marsha nor her husband have college degrees but have encouraged their children to pursue post-secondary education. Meanwhile, however, they have been able to save very little money.

POSSIBLE COMMENT/ QUESTION FOR MR. SEGRIN:

- Both you and your husband are working full-time but with four children, you must have a lot of expenses. You have two daughters who will be in college next year. How will their education be financed?
- If some source of help were not available -- would your daughters have the opportunity to pursue post-secondary education?
- Are you able to save money?
- I am proposing to enable you to save money tax-free in an IRA account and then withdraw that money for education purposes without penalty. Would that be helpful?

POSSIBLE COMMENTS/ QUESTION FOR MS. FARVER:

- Your daughter who is now 25 did not pursue post-secondary training immediately but is now attending a junior college in California. Please tell us a little bit about her situation.
- I am proposing that families receive a \$10,000 tax deduction for education expenses. How would that help your family?

STUDENTS: Student Loan programs in many schools are broken beyond repair. The Direct Lending program has offered an opportunity for participating institutions to meet the needs of their diverse populations without going through as many as 40 guarantee agencies and often over 200 different lenders, each of which had different policies, forms and deadlines. **Edwardo Mosqueda**, a 22 year old Senior at the University of California at Irvine, will discuss his experience in the Direct Lending program. He is both a recipient of direct loans as well as a peer advisor to other students who receive student loans. Mr. Mosqueda is majoring in Political Science and Computer Science.

POSSIBLE COMMENTS/ QUESTIONS FOR EDUARDO MOSQUEDA:

- How did you decide to join the Direct Lending program?
- Can you tell me a little bit about your experience with the program and how it compares to your previous student loan program?
- I understand that you also work as a peer advisor. What are some of the things you advise your classmates to keep in mind as they are considering what student loan program to participate in?

COLLEGE PRESIDENT: Colleges and Universities around the country are also struggling with the issue of financing post-secondary education. As tuitions increase, enrollment decreases. Sam Smith is the President of Washington State University. During his tenure as president, he has worked to make education accessible to low income students and to students who live in remote areas.

POSSIBLE COMMENT/ QUESTION FOR SAM SMITH:

- I know you strongly believe that Washington State University should be accessible to all students. I also know that you have done some very innovative things to enable as many students as possible to get the education they want. Can you tell me about your strategy?

AMERICORPS: The AmeriCorps program has provided an opportunity for many young people work in schools, hospitals, neighborhoods and parks while receiving an education award of \$4,725 a year to pay for future or past post-secondary education. This law is helping to change our communities and produce a better educated citizenry with skills, civic ethic and a commitment to community service. Velaida "Cricket" Shepard, a 24 year old native Oregonian and a student at Portland State University, will discuss her participation in the AmeriCorps Friends program. Ms. Cricket paid for 3 1/2 years of school with a basketball scholarship and student loans. She joined AmeriCorps to help pay for her existing loans and to give her the opportunity to finance the rest of her education. She is majoring in the child studies program at PSU.

POSSIBLE COMMENTS/ QUESTIONS FOR CRICKET SHEPARD:

- Why did you join the AmeriCorps program?
- Would you be able to go to school without the help of your education award?
- What has been the best part of your experience as an AmeriCorps member?

PARENTAL INVOLVEMENT

PARENTS: We can now say with more confidence than ever before that the success of young people, depends on the involvement of their parents in education. Elaine Griffin, the Head Teacher for the K-8 School in Chiniak, Alaska, a 150 person village on Kodiak Island, will discuss her role as a teacher and how she has encouraged and provided an opportunity for parents to get involved. (You honored Elaine at the White House in April as the 1995 Teacher of the Year.) Bertha Pendleton, the Superintendent of San Diego Schools, which has several programs geared toward helping families getting more involved in the education of young people. Bertha will focus on how schools and school systems can most effectively work with parents. "Pann" Baltz, a parent and a teacher, will discuss parent involvement. Pann (a conservative christian who strongly supports your education policies) has travelled with Secretary Riley to promote his Family Involvement Partnership for Learning.

POSSIBLE COMMENTS/ QUESTIONS FOR ELAINE GRIFFIN:

- One of the challenges that you face is the logistics of getting parents involved. Many of your students live far from the school. What are some of the things that you and your school do to accommodate parents who don't live near the school?
- Do you think there are methods that you use in your school that could be applied in other settings?
- What are some of the major concerns of parents in Chiniak?

POSSIBLE COMMENTS/QUESTIONS FOR BERTHA PENDLETON:

- I understand that the San Diego Unified School District has implemented a "Family Math" and "Family Reading" program. What is the biggest challenge you have found in getting parents to participate?
- The Department of Education has just launched a Read *Write* Now summer reading program for kids and their families. Will this be useful for the kids in San Diego?
- What can we at the federal level do to help you at the local level?

POSSIBLE COMMENTS/ QUESTIONS FOR PANN BALTZ:

- As a parent and a teacher, what are some ways in which parents and schools can work together to help prepare kids for the 21st century?
- What is the most difficult aspect of staying involved in your child's education?

SECRETARY RILEY: Under the leadership of Secretary Riley the Department has worked hard to ensure that family involvement is a special focus of any successful school improvement effort, including Goals 2000. Initiatives include:

The Family Involvement Partnership for Learning. Recognizing that family involvement must be a special focus of any successful school improvement effort to meet higher academic and occupational standards, the Department of Education has launched this campaign to strengthen family involvement through community support and new family-school partnerships to help children and youth grow.

Read*Write*Now. The Department has just launched this new initiative, with enthusiastic support from businesses and schools around the country, to encourage parents, senior citizens, and other adults to work as reading partners with young children.

POSSIBLE QUESTION / COMMENT FOR SECRETARY RILEY:

- Can you talk a little bit about your initiatives to ensure family involvement?

BUSINESS: In order for parents to be involved in their children's education, they need the support of their employers and work places. Family friendly work place initiatives allow parents to get involved. **Gun Denhart** is the CEO of Hanna Anderson, a mail order clothing company for families. Her company is committed to providing employees with a family friendly work environment, and to making a difference in the community.

POSSIBLE COMMENTS/ QUESTIONS FOR GUN DENHART:

- I understand that your firm runs the "Hannadown" program, which encourages customers to send back their used Hanna Anderson clothing for company credit. Can you tell me a little bit about how that program was started?
- What are some of the other things you are doing to ensure that your employees work in a "family friendly" environment?

MEDIA: Parents, teachers, and the Administration have all been very concerned about the values and images children see in the media. **Diana Meehan** is the creator of VU Productions, a partnership of women producing media on families and children. She will consider the role of parents in the media. Previously, she was a communications professor at UCLA and the director of the Institute for the Study of Women and Men at the University of Southern California. She has two daughters.

POSSIBLE COMMENTS/ QUESTIONS FOR DIANA MEEHAN:

- What motivated you to leave academia and create VU productions?
- As an family advocate, a media expert, and a parent, tell us how do you think the media affects America's children? What can parents do?

EDUCATION AND TRAINING

TRAINING: We know that it is getting harder and harder to make ends meet without education and skills. Education and training are indeed the key to success in the new economy. **Susanjoy Baskoro**, mother of three, is an assistant to the general manager of Tri-Met in Portland, Oregon. Susan is divorced and has three children. She had been married for 12 years - "living the American Dream" - when her husband left her with the children and a lot of debt. With few marketable skills and little education, she had to go on welfare to support her family. Susan found out about the Mt. Hood Community College program, which helps women make the transition from welfare to work. She joined the program and is now working and supporting her family. **John Wolford**, husband and father of two, was laid off from Litton - a defense contractor - in the Fall of 1993. He joined the NOVA On the Job Training Unit at Tanon Manufacturing, where he was eventually offered a job as a Process Engineer. While John has an engineering degree from Rensselaer Polytechnical Institute, the shift from working in a defense industry environment, to working in a fast-paced commercial manufacturing workplace required training and new skills.

POSSIBLE COMMENTS/ QUESTIONS FOR SUSANJOY BASKORO:

- How did you find out about the Steps to Success program at Mt. Hood Community College?
- You have your current job due to the fact that you went back to school and received training. What are some of the specific characteristics of the program at Mt. Hood that enabled you to go back to school?
- What did going back to school mean for you and your family?

POSSIBLE COMMENT/ QUESTION FOR JOHN WOLFORD:

- Due to your layoff, you were forced to make a significant career change. How did the NOVA program help ease that transition?

LABOR: Both management and labor organizations have a lot at stake when it comes to providing opportunities for workers to do their jobs better and to get better jobs. **Kristy Semersheim** is the Executive Treasury Secretary of Local 715 of the Service Employees International Union. She represents clerical and other service workers in county offices and hospitals. She will focus on some of the challenges the workers she represents face in pursuing further education.

POSSIBLE COMMENT / QUESTION FOR KRISTY SERMESHEIM

- What are some of the particular challenges the workers you represent face in pursuing further education?

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PANEL TWO

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FINANCING HIGHER EDUCATION

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BRIEF BIOGRAPHIES PANEL II

FINANCING HIGHER EDUCATION

Scott Segrin owns a small business - "J and J Mechanical Insulators" - he started two years ago. His wife, Joan, is a bank teller. He works full-time and his wife works 20 hours per week. They have four children, and live in Portland, OR. Neither Mr. Segrin or his wife have a college degree and while he feels like they have done pretty well, he wants his children to have more security. Their oldest child is currently attending a small Christian College and has student loans and a Pell grant. His daughter who just graduated from high school received a scholarship as a result of being selected as the "Rose Festival Princess." In addition, she will get a student loan. Mr. Segrin indicated that he would not have been able to pay for the education of his daughters and is grateful for all the help they are receiving. He is also very concerned about how he will ensure that his younger children get to have the education they need and deserve.

Marsha Farver is the director of the Food Program at the Kids Centre Day Care Center in Seattle, Washington. She is married and has four children -- two who are grown and out of the house, one in college, and one who is a junior in high school. (The daughter who is in college is attending a community college in California. She waited for five years after high school to go to college because she could not afford the tuition.) Mr. Farver's husband is a sign maker. They both work forty hours a week. Neither Ms. Farver nor her husband have a college degree and have emphasized education to their children.

Edwardo Mosqueda is a Senior at the University of California at Irvine. He is majoring in Political Science and Computer Science. While in school, Edwardo has worked in the Financial Aid office and as a Peer advisor. He is a strong supporter of the Direct Lending Program.

Velaida ("Cricket") Shepard is a participant in the AmeriCorps Friends program. She is native Oregonian and was one of just a few African-American students at Tigard High School. Upon graduation, she received a basketball scholarship to attend Portland State University. She was in school for 3 1/2 years, but ran out of money to complete her degree. Cricket joined Americorps to help finance the rest of her education. In addition to taking classes at PSU in the Child Studies Program, she coaches basketball at Tigard.

Sam Smith is the President of Washington State University. He has also been on the faculty of the University of California at Berkeley and Pennsylvania State University. He has worked to make education at Washington State accessible to low income students as well as students in remote areas. He is married and has two children.

PARENTAL INVOLVEMENT

Elaine Griffin is Head Teacher for the K-8 School in Chiniak, Alaska, a 150 person village on Kodiak Island. She was the 1995 National Teacher of the Year. She and her husband have adopted 2 girls. They met one of the girls while volunteer teaching in Calcutta, India. The other girl is an Alaskan native. Elaine was honored by President Clinton in April at the White House as the 1995 Teacher of the Year.

Bertha Pendleton is the Superintendent of the San Diego Unified School District. She has won numerous awards for education and women's issues. Bertha is a strong advocate for all children, especially low income children. She is very committed to finding ways to integrate services for children, youth and families.

Patricia ("Pann") Baltz is a 4th and 5th grade science teacher from Arcadia, California, and was the 1994 Disney Teacher of the Year. She is a conservative Christian. Pann travelled with Secretary Riley to promote the Department of Education's "Family Involvement Partnership for Learning" initiative. She is in a wheelchair.

Gun Denhart is the CEO of Hanna Andersson, a mail order clothing company for families. Her company is committed to providing employees with a family friendly work environment, and to making a difference in the community. The firm runs the Hannadown program, which encourages customers to send back their used Hanna Andersson clothing for company credit. The used clothing is then donated to children in need. Gun was born in Lund, Sweden.

Diana Meehan is the head of VU Productions, a partnership of women committed to producing media on women and family issues. Previously, she was a professor of communications at University of California at Los Angeles and the founding director of the Institute for the Study of Women and Men at the University of Southern California. She has been honored by the University of Southern California and the Women's Legal Defense Fund for her work as a families and children advocate. She is married to a writer and has two daughters.

EDUCATION AND TRAINING

Susanjoy Baskoro is the mother of three children. She had been married for 12 years - "living the American Dream" - when her husband left the country and left her with their two children and a lot of debt. Ms. Baskoro has a high school diploma but had not planned to work until her children were grown. With few marketable skills and little education, she had to begin claiming Food Stamps to support her family. A few months later, her caseworker told her about the Steps to Success program at Mt. Hood Community College, which helps women make the transition from welfare to work. She joined the program and now working as an Assistant to the General Manager of Tri-Met in Portland. Susan had to sell her house to pay off debt and she and her two daughters currently live in the basement of her parents' house.

John Wolford is a process engineer at Tanon Manufacturing. He graduated from the prestigious Rensaleer Polytechnical Institute, and worked in the defense industry for 10 years. John was laid off due to defense cutbacks, and found his skills were not transferable. The NOVA program, which provided paid, on-the-job training, helped John find his new job. His wife is a mortgage banker on disability after undergoing disc surgery. John has two children, ages 1 and 3.

Kristy Sermersheim is the Executive Secretary Treasurer of Local 715 of the Service Employees International Union. Ms. Sermersheim represents clerical and other service workers in county offices and hospitals.

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ISSUE: ADULT EDUCATION

Background:

- The Adult Education Act authorizes grants to states to fund education programs for adults who lack a high school diploma, for educationally disadvantaged adults who lack the basic skills necessary to function in society, and for adults whose native language is not English. English as a Second Language (ESL) has the largest number of participants.
- Results from the 1993 National Adult Literacy Survey found that more than 20 percent of adults performed at or below a 5th-grade level in reading and math. Because parents' educational level is a strong predictor of children's academic success, the effects of illiteracy extend beyond adults to their children. Despite the need for literacy services, a recent evaluation found that the current program reaches only a small percentage of those in need.
- Of the 3.9 million adults who uses these services, a disproportionately large number are young (ages 16-44) and non-white.
- California has 1 million of the nation's 1.5 million adults enrolled in ESL classes
- States and localities spend on average four times more than the federal government—Pacific Rim states vary from a low contribution of 2 times the federal amount (Hawaii and Washington) to more than 10 times (California). The majority of adult education providers are local education agencies.

Administration Positions and Proposals:

- This spring, the Administration introduced the Adult Education and Family Literacy Reform bill as a part of the G.I. Bill for America's Workers. **The bill streamlines programs, increases state flexibility, improves accountability, and expands adult learners' options.**
- In particular, the bill would authorize \$490 million in FY 1996 and:
 - eliminate or consolidate 12 separate programs and set-asides into one single state grant, and unite 8 other programs into a simplified National Program;
 - increase states' flexibility in use of funds, with caps on the amount they may use for leadership activities, administration, and incentive awards;
 - strengthen accountability provisions by requiring states to develop performance goals and indicators;
 - expand adult learners' choices by encouraging states to establish strong links with one-stop career centers, job-training programs, and social service agencies; and,
 - set aside 25 percent of the state grant for Even Start family literacy programs to provide training for parents or guardians along with education for disadvantaged children.

Administration Actions and Accomplishments:

- This is primarily a formula-based state grant program that has not changed since 1991.
- In FY 1995, Pacific Rim state grant amounts and adult education participation rates are as follows:

Alaska: \$ 555,400

- 11 percent (5,800 of 55,000) of Alaskans eligible for adult education are enrolled in classes.

California: \$ 27,983,500 (plus about \$900,000 for State Literacy Resource Centers)

- 13% of adults eligible for adults education in the U.S. reside in California; 20 percent (1.1 million of 5.9 million) of those eligible are enrolled in adult education. Eighty-four percent of those enrolled are in ESL classes, more than double the percentage in any other Pacific Rim state.

Hawaii: \$ 1,068,000

- 32 percent (59,000 of 181,000) of the Hawaiians eligible for adult education are enrolled in classes, evenly split among the three programs (basic, GED preparation, ESL).

Oregon: \$ 2,384,000

- 10 percent (39,000 of 401,000) of Oregon's adults without diplomas are enrolled in adult education; about 40% of these enrollees are preparing for the GED.

Washington: \$ 3,528,000 (plus about \$109,000 for State Literacy Resource Centers)

- 6 percent (39,000 of 610,000) of adults without diplomas are enrolled in education.
- About 40 percent each are in basic education and ESL classes.

ISSUE: AMERICORPS IN THE PACIFIC RIM

Background:

- AmeriCorps has a strong presence in all five of the Conference states, with California, Oregon and Washington being especially effective.
- Velaida ("Cricket") Shephard, an AmeriCorps Member with Friends of the Children, will be on Panel 2.
- You should emphasize AmeriCorps' (and all of national service's) **results** for the region, both anecdotally (using examples from your travels or the material given below) and specifically (quoting the independent economists' **cost/benefit study's finding that each AmeriCorps dollar invested returns between \$1.60 to \$2.60** -- and those figures don't include benefits like increasing the number of role models or providing concrete ways for communities to come together).
- Senator Mark Hatfield is the key to our appropriations strategy. Please acknowledge his strong support for AmeriCorps and national service.

Administration Investment in Region:

- Nearly 100,000 people in the five states are involved in national service (including about one-quarter of all AmeriCorps Members -- ie., nearly 5,000 out of the 20,000 nationally).
- We expect our FY'95 investment in the region will total \$100 million. Program breakdowns (participants and dollars) by state is indicated below:

	CA	OR	<u>Participants</u> WA	HI	AK	TOTAL
AmeriCorps	2,511*	729	1,070*	192	327	4,829
Learn & Serve	14,536	7,906	5,007	3,125	650	31,224
Seniors	<u>30,497</u>	<u>8,084</u>	<u>15,241</u>	<u>3,556</u>	<u>761</u>	<u>58,139</u>
Total	47,544	16,719	21,318	6,873	1,738	94,142

*Does not include special defense conversion projects (50 members in CA and 100 in WA) that are included in totals.

Dollars (FY 95, rounded to nearest million)

	CA	OR	WA	HI	AK
All programs	\$72M	\$8M	\$13M	\$3M	\$4M

Exemplary AmeriCorps Programs in Region:

- Your panelist's program (Friends of the Children) is an intensive mentoring program which matches four highly at-risk children with each of 20 AmeriCorps Members. Friends of the Children was founded by timber millionaire Duncan Campbell (a Republican close to Senator Hatfield).
- Another notable Oregon program is the **Northwest Service Academy**, honored by Senator Hatfield and your administration for its environmental service work in rural Washington state and the Portland metropolitan region. (Particularly notable has been its restoration of the Marquam trail and its renewal of native salmon runs.) NWSA has just received the first of 6 national AmeriCorps-related grants from Nike, which will be used for an innovative program making free (yellow) bicycles available to the community and then establishing community patrols, bike clubs and other mechanisms to allow children in Portland's toughest neighborhoods to ride safely to school.
- More than 200 Members of AmeriCorps*NCCC (National Civilian Community Corps) have spent the year in residence at the San Diego Naval Training Center and undertaken service projects throughout the West. They were on the front lines of 1994's devastating forest fires in Idaho, and have restored lakes and rivers, reclaimed national park trails and performed other environmental service.
- Through an AmeriCorps program coordinated by **Central Oregon Community College**, 40 AmeriCorps Members are working to reduce teen pregnancy on the Warm Springs Indian reservation, tutoring in schools, and organizing recycling campaigns, among other service activities.
- Elsewhere in the region, AmeriCorps Members have:
 - Fought floods (you inet members of AmeriCorps*California Conservation Corps in Sacramento when you viewed the flood damage) and provided earthquake relief in **California**;
 - Tutored more than 1,100 Native Alaskans in rural villages throughout the state, and recruited many local volunteers to help;
 - Rehabilitated homes and apartments for 30 working families in Spokane, **Washington**, so impressing the Mayor that he has committed significant local funds to support the effort.

ISSUE: COMMUNITY SCHOOLS

Background:

- Young people are increasingly the victims of violence. In the 1993 Youth Risk Behavior Survey, the Centers of Disease Prevention and Control reported that 4.4.% of students reported missing at least 1 day of school during the past month because they felt unsafe at school or felt unsafe traveling to and from school. In Hawaii, the percentage was 6.5% and in Seattle, it was 9.2%
- Over the past year, 7.3% of students were threatened or injured with a weapon on school property. In Hawaii, the percentage was 7.4% and in Seattle it was 12.7%.
- Approximately one-third of students had their personal property stolen or deliberately damaged on school grounds during the past year. In Hawaii, 28.7% of students were victims, and in Seattle, 32.8% were victims.
- The Community Schools program would provide young people with a safe place to go after school, on weekends, and during the summer to spend time with their friends, get involved in activities for themselves and with their families, and do schoolwork.

Administration Positions and Proposals:

- The Administration has opposed attempts to repeal portions of the 1994 Violent Crime Control and Law Enforcement act, which included the Community Schools program.
- The White House has fought to keep the Community Schools program from being included in the Congress' rescission package.
- The President's FY 1996 budget included a request for \$72.5 million for the Community Schools program, the full amount authorized in the Crime Act Trust Fund.

Administration Actions and Accomplishments:

- The Departments of Education and Health and Human Services published one program announcement for two very similar programs, therefore cutting red tape for communities around the country who would have applied for both programs.
- Over 700 applications were received from schools and community based organizations in all 50 states for this small program, emphasizing the great need for programs to help prevent crime.

ISSUE: DIRECT LOANS

Background:

- The Direct Loan program is a new streamlined lending system that simplifies obtaining and repaying loans for student and parent borrowers, provides borrowers with greater repayment flexibility, and reduces taxpayer costs. Under this new program, loan capital is provided directly by the Federal Government to post secondary institutions to originate loans rather than through reinsurance and subsidization of private lenders.
- Under Direct Loans, schools do not have the burden of dealing with multiple lenders and guaranty agencies. At the same time, they gain control over the loan disbursement process, allowing improved service to students and greater accountability for Federal loan resources.

Administration Positions and Proposals:

- Accelerated Phase-in of Direct Loans. Under the Department's proposed policy, Direct Loans will fully replace the Federal Family Education Loan (FFEL) program for all new loans in the 1997-98 academic year. Under the President's proposal for an accelerated phase-in, Direct Loans would account for 80 percent of all new loan volume in academic year 1996-97 and 100 percent in 1997-98. Legislation is being submitted to carry out this policy. Even under the current statute, the U.S. Department of Education will have unlimited authority as of academic year 1996-97 to expand institutional participation in Direct Loans as warranted by demand.
- Reduced costs. The President proposes to save an additional \$5.2 billion in outlays over 1996-2000, beyond the \$6.8 billion in savings from the Student Loan Reform Act (SLRA)—for a total of \$12 billion—by expediting the phase in of the Direct Loan program.
- Improved accountability. The Direct Loan program substantially reduces program complexity and thus, the potential for error and abuse. The Department will be better able to oversee program activities.
- Individual Education Accounts. The Direct Loan program offers borrowers a variety of easily attainable repayment options; borrowers can choose the option that best meets their financial and career needs. Income-contingent repayment is the most innovative and flexible of the options offered. Under this plan the monthly payment amount is tied directly to the borrower's income level. It provides for varying annual repayment amounts (ranging from 4 to 15 percent of adjusted gross income) based on the size of the debt and the income of the borrower, and repaid over an extended period of time (not to exceed 25 years). This plan allows the borrower to take low paying jobs, including jobs in community service, without worrying that monthly payments will become burdensome. Income-contingent repayment ensures that no student need fear that borrowing will lead to unmanageable payments and default.

Administration Actions and Accomplishments:

- The Direct Loan program began making loans at 104 schools on July 1, 1994. As year two of the program is implemented beginning July 1, 1995 (for academic year 1995-96), Direct Loans will account for 40 percent of all new loan volume. Approximately 1,495 schools representing a cross-section of postsecondary institutions will participate in this second year of the program.

- The program has succeeded in:
 - Satisfying the participating institutions. Ninety-two percent of Direct Loan institutions said they were satisfied in a recent survey.
 - Simplifying loan application procedures resulting in quicker and more accurate payments to students and eliminating long lines at the financial aid office typical of the FFEL program.
 - Eliminating the middlemen in the loan process, reducing costs and improving accountability.
 - Making loan processing more efficient and data more reliable through use of a single U.S. Department of Education service.
- One school said, "Direct Loans put the students back where they belong—at the center of this business." Another stated that the Direct Loan program "is beyond a shadow of a doubt the way a loan program should have been designed 20 years ago. For those of you who have concerns, so far the Department of Education has just been super!"

Number of Schools Selected During Years 1, 2 and 3

State	# of Schools	1993 GSL Volume
Alaska	1	\$1.1 million
California	240	\$666.5 million
Hawaii	2	\$95 million
Oregon	25	\$127 million
Washington	27	\$131 million

ISSUE: EDUCATION TAX DEDUCTION

Background:

- Under current law, taxpayers generally may not deduct the expenses of higher education and training.
- Education and training boost earnings potential. In 1979, the average earnings of college-educated workers was 49% more than the average earnings of their high-school counterparts. In 1992, it was 83%.
- Well-educated workers are essential to an economy experiencing technological change and facing global competition. The Pacific Rim states have been in the forefront of technological innovation, accounting in 1991 for about one-third of total U.S. spending on research and development, and the education of workers in these states must keep pace.
- In 1991, about 18 percent of students attending institutions of higher education were enrolled in schools in the Pacific Rim states. This is somewhat higher than these state's 16 percent share of the college-age (18 to 24) population.

Administration Positions and Proposals:

- As part of the Middle Class Bill of Rights, the Administration proposes a tax deduction for up to \$10,000 in postsecondary education and training expenses. The deduction will reduce adjusted gross income and will be available to all taxpayers whether or not they itemize deductions.
- The benefit will be available for tuition and fees (for the taxpayer or dependents) for any approved college or vocational program.
- The deduction will be phased in starting at \$5,000 in 1996 and rising to \$10,000 in 1999. Families with incomes up to \$100,000 and individuals with incomes up to \$70,000 will be eligible for full benefits. Benefits will be phased out above those income levels, thereby targeting the deduction on middle income taxpayers.
- The worth of the benefit will be equal to the family's marginal tax rate times the amount of the deduction, amounting to a 15-28% cut in the cost of college tuition for a typical middle class family.
- The proposal would provide \$23.5 billion in benefits through the year 2000.
- The deduction is unlikely to cause significant increases in tuition costs. Higher education is a highly competitive industry, with over 7,000 institutions scrambling for the student dollar. This competitive pressure keeps prices down.

Administration Actions and Accomplishments:

- The Administration is continuing to seek Congressional passage of this proposal.

ISSUE: HEAD START

Background

- Launched in 1965, Head Start has now provided support to more than 14 million low-income children and their families.
- Benefits of Head Start have been demonstrated for children's school readiness. Studies of Head Start indicate positive effects on children's cognitive skills, self-esteem, achievement motivation, and social behavior. Head Start also has been shown to have a positive impact on parent-child relationships, child health, and community services.
- *Pacific Rim:* The current President of the National Head Start Association, Ron Herndron, is the director of Albina Head Start in Portland, Oregon.

Administration Positions and Proposals:

- The Administration has made the improvement and expansion of Head Start, America's premier preschool program for low-income children and families, a central goal in order to: support the emotional, physical, and intellectual development of low-income children; improve their chances of succeeding in school and in later life; and enhance parents' ability to nurture their families and to achieve economic independence.
- Both the President's original 1996 budget and the President's revised budget provide increases for Head Start. Under the revised plan:
- Annual funding for Head Start would increase by \$1.5 billion compared to FY 1995 to reach another 50,000 children -- for a total of 800,000 per year -- and to improve quality.
- House Republicans would cut up to 180,000 children by FY 2002 compared to 1995 numbers.

Administration Actions and Accomplishments:

- In May 1994, the President signed an unprecedented bipartisan Head Start reauthorization bill that commits the program to: fulfilling a vision of quality and excellence in all Head Start services; responding to the emerging needs of low-income children and families; strengthening partnerships with schools, States, and other key service providers; and developing a new initiative to support families with infants and toddlers.
- The 1994 funding increase of \$550 million was used to improve quality, to support working parents through full-day, full-year services, and increase enrollment. Specifically for FY94:
 - \$376 million for quality improvements and cost of living increases
 - \$ 57 million to extend hours and days of operation for 120,000 children.
 - \$117 million to increase enrollment to 27,000 more children and families.
- FY95 \$210 million increase:
 - \$127 million for quality and cost of living increases.
 - \$ 15 million to expand transition to school efforts.
 - \$68 million for initiatives to infants and toddler (includes the new Early Head Start program)

- **From 1992 - 1995:**
 - In FY 1995, an average of 131,000 more children were served than in FY 1992
 - During this period 20,000 more children were enrolled in full-day, full-year programs
 - New Early Head Start programs initiated which will serve 19,000 infants and toddlers in FY1995
 - Average teacher salary increased by \$2,400 to \$16,700
- As a result of tough new policies on seriously deficient grantees program quality has improved.
 - 72 improved with intensive assistance
 - 20 terminated or relinquished grants

Pacific Rim States

State	1994 DOLLARS	1994 ENROLLMENT	1995 DOLLARS
Alaska	\$ 6,295,000	1,209	\$ 6,589,000
California	\$371,227,000	70,995	\$394,361,000
Hawaii	\$ 9,939,000	2,260	\$10,203,000
Oregon	\$ 27,080,000	4,638	\$ 28,354,000
Washington	\$ 45,968,000	8,260	\$ 51,681,000

ISSUE: PARENTAL INVOLVEMENT/FAMILY INITIATIVE

Background:

- New legislation and the Secretary's special initiative on family involvement recognize the critical role families play in students' learning. Goals 2000, Title I, and the Even Start intergenerational education program support the active engagement of parents as full partners in their children's education. Secretary Riley has launched a Family Involvement Partnership for Learning with the release of *Strong Families, Strong Schools: Building Community Partnerships for Learning*, linking the efforts of organizations and individuals to promote the mutual responsibilities of schools, families, and the wider community in developing successful students.
- Research shows:
 - Three factors over which parents can exercise control—student absenteeism, variety of reading materials in the home, and excessive television watching—account for nearly 90 percent of the difference in 8th grade mathematics test scores across states.
 - When parents are involved in their children's learning, their children earn higher grades and test scores, and they stay in school longer.
 - When parents are involved in a variety of ways at school, the performance of all children in the school tends to improve.

Administration Positions and Proposals:

- Family involvement in children's learning is critical to students doing well in school and succeeding in college or attaining a job. Family involvement should be a special focus of any successful school improvement effort to meet higher academic and occupational standards, promoted by the Goals 2000: Educate America Act and initiatives to achieve the National Education Goals. While emphasizing families' mutual responsibility, schools and the larger community need to create opportunities for parents to work with their children. Therefore, the Secretary's initiative encourages parents, relatives, religious groups, Girls and Boys Clubs, Scouts, businesses and concerned friends to promote better communication between schools and parents and support greater parent involvement in learning at home and in the school.

Administration Actions and Accomplishments:

- President Clinton and Congress have enacted several key pieces of legislation that promote family involvement in children's learning and encourage better communication between schools and parents:
 - **New National Education Goal.** Highlighting the importance of parent involvement in learning is a National Education Goal adopted by Congress. While voluntary, this goal stresses that, *"By the year 2000, every school will promote partnerships that will increase parental involvement and participation."*
 - **Launching School-Parent Compacts.** One good way for schools and parents to work together better is to agree on their goals for improving student learning and then state what each will do to help accomplish these goals. Such an agreement is called a school compact.

Title I of the new Elementary and Secondary Education Act (ESEA) will foster school-parent compacts in at least half the nation's schools.

- **Parent Information and Resource Centers.** The Goals 2000: Educate America Act provides funds to state and local partnerships to begin family information centers throughout the country.
- As part of the Family Involvement Partnership for Learning, the U.S. Department of Education has initiated outreach efforts, including these steps:
 - **Partnering with the religious community.** Leaders of 33 religious groups and organizations representing about 75 percent of the religiously affiliated population in America expressed support for family involvement in children's learning through signing a Statement of Common Purpose with Secretary Riley.
 - **Partnering with employers.** Chief executive officers of large and small businesses have met with Secretary Riley to consider ways of encouraging employers to adopt family friendly-policies and practices. The Department issued a guide, *Employers, Families, and Education*, describing ways businesses can support family involvement in learning at the worksite, at school, and in the community.
 - **Reading Initiative.** Ten national organizations signed on to promote reading and writing skills—the basics of communication—especially during the summer when there is a drop-off in reading and writing. The initiative encourages reading partners—parents, recreation directors, senior citizens, and older students to work with young children on challenging and enjoyable reading and writing activities this summer and throughout the school year. The reading initiative, READ*WRITE*NOW! has enjoyed an enthusiastic response from employers, schools, and individuals across the nation. The Department has prepared 400,000 kits for distribution this summer.
- The following California-based partners are among the more than 130 parent, community, and educational organizations and religious groups that have signed on to the Family Involvement Partnership for Learning, a Partnership that is one of the important results of Secretary Riley's national family involvement initiative. These organizations include Center for the Improvement of Child Caring; Center for the Study of Parent Involvement; Council of Bishops of the United Methodist Church; Council of Spouses of Bishops of the United Methodist Church; and Muslim Public Affairs Council. California-based "family-friendly" employers also encourage greater family involvement in children's learning through their policies and practices. Businesses include G.T. Water Products; Hewlett-Packard Company-Sonoma County Division; Los Angeles Department of Water and Power; Mexican American Legal Defense Fund; and Southern California Edison.

ISSUE: SAFE AND DRUG-FREE SCHOOLS

Background:

- Title IV of the Improving America's Schools Act, the Safe and Drug-Free Schools and Communities Act (SDFSCA), seeks to rid schools of drugs and violence and ensure a disciplined environment conducive to learning. Its reauthorization adds violence prevention as a key element; targets resources to where they are most needed; increases accountability; links schools and communities; and broadens the range of authorized prevention activities.
- Federal funds flow to states and localities in several ways. Of the \$482 million approved for FY 1995, \$457 million goes directly to states: 80 percent to state education agencies (SEAs) [more than 90 percent of these funds goes local education agencies (LEAs)] and 20 percent to governors. National programs and discretionary grants are also funded.
- Whereas drug prevention programs were largely unavailable in schools prior to the creation of this program, drug education has is now virtually universal in American schools, and students at all grades are offered developmentally-appropriate school-based prevention education and services. These programs are supported mostly by federal funds; school officials report that without these funds, there would be little drug prevention activity in the schools.

Administration Positions and Proposals:

- This past winter, the House passed a bill which would have rescinded all but \$10 million of the \$482 million program; the Senate's bill rescinded no funding. A conference committee adopted a rescission of \$236 million. On June 7, the President vetoed the bill sent by Congress—citing as one reason the importance of the Safe and Drug-Free Schools and Communities program.

Administration Actions and Accomplishments:

Federal funds support a variety of activities and services in Pacific Rim states.

- **Alaska:**
 - Estimated FY 95 funding: \$1,783,635 (SEA); \$445,909 (Governor). Higher education programs 1987-1994 (under the Fund for the Improvement of Post-Secondary Education, or FIPSE): 1 school.
 - **Alaskans for Drug-Free Youth (LEA):** This community-based, parent-led organization is located in Ketchikan in southeast Alaska, but provides training all over the state about techniques for resistance to substance abuse. This year the organization has focused on middle school/junior high school students.
- **California:**
 - Estimated FY 95 funding: \$39,816,710 (SEA); \$9,954,177 (Governor).
Number of LEAs participating: 983 (98 percent).
Number of students served: 5,783,184.
Number of Governor's awards: 16.
Higher education programs 1987-1994 (under FIPSE): 45 schools; \$5,318,780.

- **California Friday Night Live and Club Live (Governor):** These are peer programs that encourage almost 2 million high school and middle/junior high school-age youth in schools statewide to live alcohol- and drug-free lifestyles through alternative activities, community action, assembly presentations, and leadership training; \$1.6 million is budgeted for this program in FY 95.
- **Hawaii:**
 - Estimated FY 95 funding: \$1,783,635 (SEA); \$445,909 (Governor).
Number of LEAs participating: 260 (100 percent).
Number of students served: 183,000.
Number of Governor's awards: 12.
Higher education programs 1987-1994 (under FIPSE): 2 schools; \$188,744.
 - **SEA:** Statewide programs include D.A.R.E., TARGET (a drug education program of the National Federation of State High School Associations) and TRIBES (a cooperative learning program that includes drug and violence education).
- **Oregon:**
 - Estimated FY 95 funding: \$3,670,475 (SEA); \$917,619 (Governor).
Number of LEAs participating: 248 (99 percent).
Number of students served: 410,000.
Number of Governor's awards: 44.
Higher education programs 1987-1994 (under FIPSE): 13 schools; \$1,426,550.
 - **"DARE-like programs" (Governor):** These programs provided by law enforcement officers, serve 12 multi-building school districts, with 5 other grants serving single-building elementary schools. They provide services to anywhere from 120 students to more than 1,000, with a broad estimate of about 7,500 students and parents receiving services.
 - **Drug-Free School Zones, Gresham Police Department (LEA):** This program is a partnership of crime prevention and police specialists, city and school department staff, students, neighborhood residents, and area businesses. A police officer works with parents, students, and teachers at each participating school and neighborhood site to distribute enforcement and awareness information to local residents.
- **Washington:**
 - Estimated FY 95 funding: \$5,999,774 (SEA); \$1,499,944 (Governor).
Number of LEAs participating: 289 (98 percent).
Number of students served: 938,314.
Number of Governor's awards: 38.
Higher education programs 1987-1994 (under FIPSE): 13 schools; \$2,169,801.
 - **Governor:** These efforts have been directed toward community/business partnerships in targeting drug and alcohol abuse among high-risk youth. Additionally, training has been offered to local businesses in such programs as drug-free workplace and substance abuse assistance programs.

ISSUE: SCHOOL-TO-WORK

Background:

- The School-to-Work Opportunities Act was enacted in May 1994, with overwhelming bipartisan support in Congress. The Act encourages educational and career opportunities for all students by creating a framework for business and educational partnerships at the state and local levels. These partnerships help students make vital connections between what they learn in school and in the workplace, and prepare them for good careers and advanced education and training.
- The federal role is to provide short-term “seed money” that encourages states to overcome barriers traditionally separating education and job training, academic and vocational learning, work-bound and college track students. The School-to-Work Opportunities Act sunsets in 2001; it does not create any new programs or unnecessary administration. The ultimate responsibility rests with states and local communities to design, implement, and finance school-to-work systems.
- School-to-Work builds upon promising education and job training programs started in the Bush Administration, such as Tech-Prep and Youth Apprenticeship.

Administration Positions and Proposals:

- The Administration supports continuation of the School-to-Work Opportunities Act initiative and opposes job training proposals that eliminate support for state School-to-Work grants.
- The Administration has proposed major changes in the Perkins Vocational Education Act and in JTPA (Job Training Partnership Act) Youth Programs that build on the School-to-Work initiative while significantly streamlining the current array of training and education programs for youth.

Administration Actions and Accomplishments:

- In 1994, planning grants were awarded to all states to help them design basic goals and strategies for school-to-work. In the first year alone, 116,000 students and 42,000 employers participated in School-to-Work program.
- School-to-work funds are being rolled out in waves as states and local communities develop full-scale plans. In 1994, eight states—including Oregon—were awarded the first round of five-year state grants. Oregon was the only Pacific Rim state submitting a proposal at that time. A second round of grant awards is currently being competed, and all remaining Pacific Rim states have indicated that they are prepared to seek state implementation grants.
- In 1994, grants were awarded directly to 36 local communities, including 21 communities characterized by high levels of unemployment and poverty. These grants included four California communities (Compton, Modesto, San Diego, and Visalia), one Washington community (Yakima County), and three grants in Oregon involving Coos Bay and Portland.
- The Administration organized a National Employer Leadership Council to provide visibility and to encourage employer participation in school-to-work. The Council consists of CEOs from leading American corporations. It is chaired by Alex Trotman, CEO of Ford Motor Company.

ISSUE: SKILL GRANTS

Background:

- Education is the fundamental fault line running through our society today. Just 15 years ago, a male college graduate earned less than 40 percent more than a man with only a high-school diploma; today, he out earns the high-school graduate by 80 percent. Workers with skills are prospering, while those without skills drift further and further away from the economic mainstream.
- America's central challenge is to enable workers to get the skills they need for rewarding work. The good news is that those skills can be learned, not just in our school years, but throughout our lives. Every year of education or training beyond high school--whenever it occurs in a person's life--increases future earnings by 6 to 12 percent.
- At present, low-income adults and displaced workers who seek training to get new or better jobs are served by a patchwork of generally uncoordinated federal, state, and local job-training programs. Typically, government agencies contract with or provide grants to education and training providers, who then supply training services to individuals. Evaluation studies have found that many of these programs have only limited success; and individuals find the quantity of programs confusing. Furthermore, individuals have little information to guide them to programs—that provide high-quality training in occupations for which there is labor-market demand.

Administration Positions and Proposals:

- The Administration is convinced that individuals, not governments, are in the best position to determine what education and training they need to upgrade their skills, and that government can help them most effectively by putting resources—in the form of vouchers—directly into their hands.
- The G.I. Bill of Rights for Workers proposal takes some 70 different training programs and consolidates them into one program that directly empowers workers with Skill Grants of up to \$2,620 per year for up to 2 years in order to pay for training.
- This proposal redeploys existing funds from the previous programs. Workers who are laid off or disadvantaged would also be eligible for income contingent loans through an expanded Individual Education Account.
- The gist of the President's proposal on Skill Grants has been incorporated into the House bill entitled the "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act" or "CAREERS Act." The bill, which was reported out of the Economic and Educational Opportunities Committee on May 17, 1995, states that:

The bill also includes:

- provision for One-Stop Career Centers;
- certification of education and training providers; and
- provision for the Secretary of Labor to oversee development, maintenance, and continuous improvement of a nationwide system of labor market information.

These are all features developed in the Administration's initiative.

- The Senate is currently working on a similar job training reform bill. The Administration is working with the Senate Labor and Human Resource Committee to incorporate key elements of the President's initiative.

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PANEL 3

Divider Title: _____

PANEL III

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Divider Title: _____

Seating for Panel 3

Vice President Gore

President Clinton

Phil Condit

Clarence Avant

Carol Bartz

Tom Mathison

Secretary Pena

Seji Naya

Governor Kitzhaber

Carla Floyd

Kenneth Derr

Secretary Brown

Administrator Lader

John Creighton

Regina Pleno

James Hurd

Norm Pattiz

Roland Webb

SCOPE AND GOALS FOR PANEL III -- INNOVATIONS AND OPEN MARKETS

EVENT:

An opportunity to focus on the two major changes in our economy -- the globalization of markets and the advance of technology -- and to discuss the opportunities for economic growth and job creation they create in the Pacific Rim -- as well as the work of innovative companies that can take advantage of those trends. The panel will emphasize the accomplishments of the Clinton Administration in trade policy, boosting exports, advancing technology, and assisting small businesses.

OUTLINE OF PANEL III: (75 minutes)

-- TECHNOLOGY

- o Technology Partnerships -- James Hurd, President & CEO, Planar Systems
- o American Leadership in Software -- Carol Bartz, Chairman, CEO & President, Autodesk, Inc.
- o Technology and Workers -- Carla Floyd, President, Local 7901, Communications Workers of America

-- INNOVATION IN AMERICAN BUSINESS

- o Shipbuilding -- Rollie Webb, President, Todd Pacific Shipyards
- o Aerospace -- Phil Condit, President, Boeing Corporation
- o Entertainment -- Norm Pattiz, Chairman, Westwood One

-- INTERNATIONAL TRADE

- o Recorded Music -- Clarence Avant, Chairman, Motown Record Company
- o Tourism -- Seiji Naya, Director, Hawaii Department of Business, Economic Development and Tourism
- o Small Business -- Regina Pleno, Founder, Pia International
- o Energy -- Kenneth Derr, CEO, Chevron Corp.
- o Timber -- John Creighton, CEO, Weyerhaeuser Company
- o Work at the State Level -- Governor Lowry, Governor of Washington
- o Agriculture -- Tom Mathison, President & CEO, Northwest Fruit Exporters

Note: Administration participants include:

POTUS
VPOTUS (moderates)
Secretary Pena
Secretary Brown
Phil Lader

AGENDA FOR PANEL III -- INNOVATION AND OPEN MARKETS

DISCUSSION

- 1) **TECHNOLOGY:** VPOTUS - The third panel will focus on two great trends in the economy -- the globalization of markets and the rapid pace of technology. These changes offer great opportunities for the creation of jobs and economic growth. And they have worked in tandem with the innovative ways of doing business. Let's begin by talking about technology.

A.

COMMENTS FOR JAMES HURD: I'd like to begin with James Hurd. You're very familiar with high-technology, with research & development and you've seen the growth of technology partnerships between the federal government and high-technology companies like your own. What role do these technology partnerships play in promoting the development of technology?

WHO: James Hurd is the President and CEO of Planar Systems, a world leader in the design, manufacturing and export of electroluminescent flat panel displays in Beaverton, Oregon. The primary market sectors that Planar serves are medical, industrial, instrumentation, defense, communications, transportation and business/office. Planar is the winner of two ATP awards; one in 1990, as the lead organization of a joint venture, and the other, in 1993, as a joint venture participant in the American Display Consortium (ADC). The ADC received a 3-year award of \$6.4 million for the development of fundamental Flat Panel Display (FPD) technologies needed by the electronics industry. In 1995, a consortium led by a Planar subsidiary won a \$15 million ARPA award to develop technologies necessary to manufacture high performance flat panel displays.

NOTE: James Hurd is likely to talk about how technology partnerships, such as ATP, TRP and work with DOE labs, can provide needed investment in R&D, can help the commercialization of technology and will help to create jobs. He may emphasize the importance of process technologies which, for example, can improve the productivity of

manufacturing systems.

ADMINISTRATION ACTIONS: The Administration has supported R&D partnerships with the high-tech sector through programs such as the Commerce Department's Advanced Technology Program (ATP) and the Technology Reinvestment Project (TRP), and consortia such as SEMATECH. The Administration supports a "dual-use" approach designed to meet both commercial and military needs in critical technologies such as flat panel displays. [Electronics and other High-Tech Sectors Briefing Paper] The Technology Reinvestment Project (TRP) is designed to advance new dual-use technologies, help small defense firms make the transition to commercial markets, and prepare defense engineers and workers for the manufacturing industries of the future. The Pacific Rim states are active participants in the Commerce Department's Advanced Technology Program (ATP). The region's businesses have received 40 awards (24% of total programs) with 102 participants. [ATP Briefing Paper]

B.

COMMENTS FOR CAROL BARTZ: Carol Bartz is the Chairman and President of Autodesk, Inc., one of America's leading producers of software. Carol, software is one of America's great success stories. We're world leaders. What do we need to do to remain world leaders?

WHO: Carol Bartz is the Chairman, CEO and President of Autodesk, Inc., the world's leading supplier of computer-aided design automation software and the fifth-largest PC software company in the world. Autodesk's niche is selling PC software that helps draftsmen turn plans into blueprints. The company is developing a second new niche by creating software to allow companies to exchange electronic designs over the Internet.

NOTE: Carol Bartz is likely to note the importance of intellectual-property rights to companies, like hers, that produce highly-specialized and expensive software. She supports the recent agreement with China but she will note the continuing problem that her company faces in Southeast Asia where, she estimates, eight copies of her software are stolen for each one purchased.

ADMINISTRATION ACTIONS: The Administration has worked to safeguard American intellectual property rights in support of a strong Intellectual Property Rights (IPR) regime. Commerce has aggressively negotiated the IPR components of GATT and furthered agreements with individual governments -- Japan, Germany and India -- to assure that U.S. companies can participate in joint technology ventures without giving up IPR protection. [DOC, "Commerce Works"] [more to come on China IPR Agreement]

C.

COMMENTS FOR CARLA FLOYD: We've heard so far from two business leaders about what they are doing to invest in new technologies. But technology is not only about equipment -- it's about people, and how employees and workers can more productively and more enjoyably contribute to the economy.

Carla Floyd represents the employees of a telecommunications company, and has helped lead the way in reshaping the workplace. Carla, tell us about how we can work better and smarter using new technologies.

WHO: Carla Floyd is President of Local 7901, Communications Workers of America (elected from approximately 2,000 rank-and-file members). In her role as a CWA local President, Ms. Floyd has been involved in several cooperative projects to redefine and upgrade the workplace. Previously, she worked as a Service Representative at US West in Portland, Oregon and is currently on leave of absence from that company.

NOTE: Carol was disappointed that a change in local US. West management halted the most recent employee-management project, which would have combined several customer service functions into one job, with a substantial upgrading of skills. She will emphasize the need for thinking long-term about the benefit -- and commitment -- of workplace innovation.

ADMINISTRATION ACTIONS: By creating over 6 million jobs in the last two years, and creating a sustained economic recovery with low inflation and low unemployment, the Administration provides opportunity for employees like Carol to innovate and build the new American workplace. The Administration created the Office of the American Workplace to encourage companies and unions to work together, cooperatively, to create higher standards of living and greater employment opportunities for workers, and greater productivity for companies. [DOL]

- 2) **INNOVATION IN AMERICAN BUSINESS:** VPOTUS - Innovation doesn't only affect companies that produce high-technology equipment. I'd like to talk next with three innovative companies in shipbuilding, aerospace and entertainment.

A.

COMMENTS FOR ROLAND WEBB: Let's begin with Rollie [pronounced Roll-e] Webb, president of Todd Shipyards. Rollie, not too many years ago, many experts wrote off American shipyards as an almost dead industry, but not now. What has happened at Todd Shipyards to make such a difference?

WHO: Rollie (pronounced Roll-e) Webb is President of Todd Pacific Shipyards, the only remaining major shipyard in the Pacific Northwest. A Canadian citizen, he is experienced in shipyard management and turnaround, and joined Todd two years ago. As a result of the President's Shipbuilding Initiative Todd regained its competitiveness; is fully booked building ferries for Pacific Rim states, and is now receiving inquiries for foreign business.

NOTE: Webb supports the OECD Shipbuilding Accord, and may mention that he encourages Congress to ratify the agreement.

ADMINISTRATION ACTIONS: By assisting technology upgrades and combating foreign subsidies, the Administration has helped the domestic commercial shipbuilding industry. For the first time in 35 years, the U.S. is building commercial ocean going vessels for export. [Transportation Investments and the Economy of the Pacific Rim Briefing Paper]. The President's National Shipbuilding Initiative is a comprehensive strategy to restore the competitiveness of US shipyards through a combination of bringing state-of-the-art technologies to the businesses, expanding Title XI loan support to customers; creating new labor-management accords, and leveling the international playing field and ending abusive foreign subsidies.

B.

COMMENTS FOR PHIL CONDIT: Phil Condit is the President of Boeing Corporation. Phil you've been working hard lately on the new 777 airplane, which has really been a team effort with your workers and your supplies. I'd like you to talk for a minute about the innovative ways that the 777 was and produced and about the opportunities you see around the world.

WHO: Phil Condit, President of the Boeing Corporation, is considered responsible for creating the team approach used in the design and construction of the new 777 jetliner. The Boeing 777 is the world's largest and most powerful twin-engine aircraft which made its inaugural flight between London and Washington, DC with United Airlines in June 1995.

NOTE: Phil Condit is likely to note that Boeing is pleased with the POTUS's bold trade initiatives, that he hopes that such policies are continued and that the focus of Boeing growth will be in the Asia-Pacific region.

ADMINISTRATION ACTIONS: The Administration -- and the POTUS personally -- advocated successfully on behalf of Boeing to win a \$6 billion contract from Saudi Arabia for jetliners. A formal contract signing is expected in the next thirty days. In

addition, Boeing is a demonstration project in the Department of Energy's Motor Challenge program, which works with industries to capture sizeable energy savings available from switching to energy efficient motor systems. [DOC Advocacy Office; Energy Efficiency Briefing Paper]

C.

COMMENTS FOR NORM PATTIZ: Norm Pattiz is the founder and Chairman of Westwood One, America's largest producer and distributor of radio programming. American entertainment is popular the world over but sometimes people don't think of entertainment -- radio, movies, television -- as an export. You're involved in new ways of providing radio programming, including satellites. Can you describe the opportunities -- and challenges -- that you see in providing American entertainment to foreign listeners through old and new methods?

WHO: Norm Pattiz is the Chairman and founder of Westwood One, America's largest producer and distributor of radio programming and the owner of NBC Radio, the Mutual Broadcasting System, Unistar Radio Networks, Talknet, Westwood One Radio and Westwood One Entertainment. Serving over 6,000 affiliate radio stations worldwide, Westwood One is the home to some of the medium's biggest personalities, including Larry King, Casey Kasem and Don Imus.

NOTE: Norm Pattiz is likely to note the worldwide popularity of American entertainment, including radio programming, and note the importance of opening foreign markets, including attacking local content restrictions of the kind that his industry faces in Europe and Canada. It is possible that he may also note the importance, in general, of governmental action that encourages, but does not stand in the way of, advancing technology.

ADMINISTRATION ACTIONS: [to come]

- 3) **INTERNATIONAL TRADE:** VPOTUS - That's a good introduction to the final topic on this panel, international trade.

A.

COMMENTS FOR CLARENCE AVANT: Let's keep going on entertainment. Clarence Avant is Chairman of Motown. Clarence, what's the future of the American music industry?

WHO: Clarence Avant is Chairman of Motown Record Company in Los Angeles representing ...(NEED BIO)

NOTE:

ADMINISTRATION ACTION:

NOTE TO POTUS - [When Mr. Avant finishes, you may wish at this point to introduce Quincy Jones, who will be in the audience].

B.

COMMENTS FOR SEIJI NAYA: Tourism is a very important export, although people don't always think of it that way. Seiji Naya heads the Department of Business, Economic Development and Tourism in Hawaii. I wonder if you could tell us about the importance of tourism as a service export and, more generally, how you see the future of the economy of Hawaii?

WHO: Seiji Naya is the Director of the Department of Business, Economic Development and Tourism of the State of Hawaii and the Professor of Economic since 1971 (Currently on leave of absence) at the University of Hawaii. Mr. Naya's activities have focused on the international economic problems of Asian countries and issues of economic cooperation in the Asia-Pacific region. He has organized, chaired and participated in numerous collaborative research projects and international conferences on Asian economic development.

NOTE: Tourism from both mainland U.S. and Japan is central to Hawaii's economy. Softness in the U.S. economy results in fewer mainland tourists, especially from California. Sluggish economic growth in Japan has more than offset the rise in the yen, reducing tourism and investment flows into Hawaii from Japan. Over the longer term, the state will face substantial competition for Japanese tourists from places like Vietnam and Indonesia. [The Pacific Rim Economy Briefing Paper]. Siji Naya will likely emphasize (i) the importance of tourism as an export, and (ii) the importance of Hawaii as a link between the West Coast and Asia. He may also note the importance of helping small companies to export.

ADMINISTRATION ACTIONS: Recognizing the importance of travel and tourism industry to the economy, the Administration will hold a White House Conference on Travel and Tourism in Washington, DC in October 1995, with regional conferences building up to that event. [The industry is the second largest employer in the U.S., employing more than 6 million Americans; in at least 40 states the industry is among the top three employers; inbound travel to the U.S. in 1993 generated a \$22.2 billion trade surplus; every 1% increase in the number of visitors from overseas translates into 4,000 full-time jobs domestically.] The goal is to develop a strategy that will keep the U.S. at the forefront of travel and tourism. The Administration favors abolition on FY 1997 of

the current United States Travel & Tourism Administration, after the conference recommendations are effectuated.

C.

COMMENTS FOR REGINA PLENO: Regina Pleno founded Pia International. Regina, many small business don't even think about exporting -- yet I understand that you are now exporting your products around the world. What got you started in exporting and how is it going now? I'm particularly interested in hearing your experiences with the SBA and with our one-stop shop -- the Long Beach Export Assistance Center.

WHO: Regina Pleno founded Pia International, a company whose line includes complete lines of dinnerware and other tabletop accessories. Ms. Pleno exports to Canada, South America, Europe and Japan. With counseling and assistance from the Long Beach Export Assistance Center, in 1994 Pia International received a \$100,000 SBA loan for working capital and inventory purchase in order to help the company expand its product line in England and the rest of Europe. As a result, the company plans to create three new jobs.

NOTE: Regina Pleno started exporting after attending a seminar held by the Commerce Department. She received export counseling, participated in a Mexico trade fair, and obtained a working capital loan from SBA for exports all through help from the Long Beach Export Assistance Center.

ADMINISTRATION ACTIONS: The Administration opened four Export Assistance Centers in Baltimore, Miami, Chicago and Long-Beach last year. By the end of this year, 11 more centers will be opened, creating a national network of "one-stop shops" that provide a full range of export promotion services to businesses. {DOC, "Commerce Works"]. As part of the National Export Strategy, Export Assistance Centers (one-stop shops) are being opened in key cities, combining the export services of Commerce, SBA, and ExIm. One of the first four centers opened was in Long Beach; another center will be opened in Seattle on Wednesday by Secretary Brown.

D.

COMMENTS FOR KENNETH DERR: Kenneth Derr is Chairman and CEO of Chevron Corporation. You're involved in all of the states of the Pacific Rim and many Asian nations. Could you tell us how your work overseas can contribute to economic growth and job creation here in the United States?

WHO: Kenneth Derr is the Chairman and CEO of Chevron Corporation, where previously he headed the program to implement the merger of Chevron and Gulf Corporations. He is Chairman and director of the American Petroleum Institute, served

on President Bush's Commission on Environmental Quality and is a member of President Clinton's Council on Sustainable Development.

NOTE: Kenneth Derr is likely to note that Chevron is present in all states of the Pacific Rim; that major areas of growth are in East Asia; that he admires the POTUS's leadership in APEC, GATT and NAFTA; and that U.S. jobs are created by Chevron's energy projects, which tend to bring business to U.S. equipment manufacturers and to U.S. engineering firms, among others.

ADMINISTRATION ACTIONS: The Departments of Commerce and Energy are helping Chevron to address difficulties of export pipeline access in the former Soviet Union in connection with Chevron's Tengiz project in Kazakhstan. In addition, the Vice President has spoken about the issue with Prime Minister Chernomyrdin and other Russian officials during the last Gore-Chernomyrdin Commission meeting in December, 1994. Mr. Derr recently wrote a letter to the Vice President thanking him for his support. [DOC- Advocacy Center]

E.

COMMENTS FOR JOHN CREIGHTON:

WHO: John Creighton is President and CEO of Weyerhaeuser Company of Tacoma, Washington. He is a director of the American Forest and Paper Association and Executive Vice President of the Boy Scouts of America.

NOTE:

ADMINISTRATION ACTIONS: The Administration's Forest Plan provides for a sustainable harvest of timber based on scientifically-sound and legally-responsible forest management, new job-creating investments in the region's environment, innovative protection for valuable old growth forest, and new economic assistance to help workers, businesses and communities to provide long-term, family-wage jobs and long-term development. [The Forest Plan Briefing Paper]

F.

COMMENTS FOR GOVERNOR LOWRY: Governor Lowry, we're happy to have you with us. We've heard quite a bit today about the Washington economy. Do you feel optimistic about the state's future?

WHO: Governor Lowry is the Governor of Washington. He was first elected in 1992 and is serving a 4-year term. He previously served in the U.S. House of Representatives

(1979-1989) and was the Democratic nominee for U.S. Senate special election in 1983, and the Democratic nominee for the U.S. Senate in 1988.

NOTE: The Washington economy is on a roll that will likely continue if Seattle-based Boeing is even modestly successful with its new aircraft series. While the state's economy is highly diversified, it still remains dependent on the fortunes of Boeing. Orders for Boeing's new 777 aircraft have picked up recently, and Boeing appears to have closed the technological gap with Airbus Industries in the long-haul aircraft. Along with Boeing, Seattle is the home of Microsoft and other high-tech firms. As a result, the area ranks with the Boston area and Silicon Valley as a node of extraordinary technological and commercial innovation. Cuts in defense spending may not hurt Washington as much as other states. In addition, an increasing share of the output of the state's wood products industry will be made up of high value-added goods such as furniture, millwork and windows. Finally, absent increased trade restrictions, a larger share of Washington's agricultural output will be destined for lucrative Asian markets. [The Pacific Rim economy Briefing Paper]

G.

COMMENTS FOR TOM MATHISON: Tom Mathison grows apples and cherries in Washington. Could you tell us the story of how Washington state cherries and apples broke into the Japanese market?

WHO: Tom Mathison is the President and CEO of Northwest Fruit Exporters and a Wenatchee Valley, Washington apple grower.

NOTE: Tom Mathison will likely tell the story of how Washington States cherries and, more recently with the Administration's help, apples entered the Japanese markets. He was particularly pleased when the POTUS presented the Japanese Prime Minister with a basket of Washington State apples. He may present to you apples and cherries that he has grown. It is possible that he will also express concern about the administration of the Endangered Species Act and urge that its judgements be based on good science.

ADMINISTRATION ACTIONS: Since taking office President Clinton's Administration has helped boost annual U.S. agricultural exports by nearly \$9 billion, to a new record high of \$51.5 billion. Exports to Asia, the principal market for the region, reached a new record of \$18.6 billion, supporting 45,000 new jobs. The Washington Apple Commission has tripled exports since entering USDA's Market Promotion Program (MPP). Last year alone, Washington State apple exports to Asia increased 37%. New markets are now opening to Washington State apples -- Washington States apples officially enters the Japanese market in January 1995 and is expected to become a \$75 million market within 5 years. An agreement allowing for the entry into China of Washington State apples was reached in June 1994.

[NOTE TO POTUS - Depending on the state of Japanese auto discussions, you may wish to follow-up Tom Mathison's comments by noting that, when American exporters get a fair opportunity, American businesses do very well. That's exactly what we're trying to achieve through the Japanese trade negotiations.]

4) VPOTUS - CLOSE

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DRAFT -- June 24, 1995 -- 10:30 AM

SESSION III: INNOVATION AND OPEN MARKETS

-- TECHNOLOGY

- o Technology Partnerships -- James Hurd, President & CEO, Planar Systems
- o American Leadership in Software -- Carol Bartz, Chairman, CEO & President, Autodesk, Inc.
- o Technology and Workers -- Carla Floyd, President, Local 7901, Communications Workers of America

-- INNOVATION IN AMERICAN BUSINESS

- o Shipbuilding -- Rollie Webb, President, Todd Pacific Shipyards
- o Aerospace -- Phil Condit, President, Boeing Corporation
- o Entertainment -- Norm Pattiz, Chairman, Westwood One

-- INTERNATIONAL TRADE

- o Recorded Music -- Clarence Avant, Chairman, Motown Record Company
- o Tourism -- Siji Naya, Director, Hawaii Department of Business, Economic Development and Tourism
- o Small Business -- Regina Pleno, Founder, Pia International
- o Energy -- Kenneth Derr, CEO, Chevron Corp.
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PARTICIPANTS' BIOGRAPHIES:

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Rollie (pronounced Roll-e) Webb is the President and COO of Todd Pacific Shipyards Corp. Mr. Webb is responsible for the day-to-day operations of the shipyard, including the \$181.5 million new construction project for three Jumbo Mark II ferries for Washington State Ferries and the maintenance of the USS Sacramento and the USS Camden.

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PANEL III: ISSUE BRIEFINGS

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ISSUE: AVIATION AND AEROSPACE MANUFACTURING INDUSTRIES

Background:

- The U.S. remains the world leader in long range aircraft, air traffic control equipment, high tech avionics and airport engineering expertise. Pacific Rim state companies such as Boeing, Hughes, Bechtel, Parsons and Rockwell are major beneficiaries of U.S. government initiatives to enhance international trade and overall economic growth.
- Two years ago the outlook for these sectors was gloomy. In 1992, the U.S aviation industry suffered its worst year ever, with total operating losses of \$2.2 billion and net losses of \$4.6 billion. Several airlines, including Eastern and Pan American -- two of America's oldest and largest airlines -- had ceased operations and three more major airlines -- America West, Continental and TWA -- had filed for bankruptcy. The aerospace industry -- particularly in California -- was in deep recession. Therefore, the President and the Transportation Secretary committed themselves to reversing this situation.

Administration Actions and Accomplishments:

- Within 90 days of the President's February 1993 visit to Boeing's 777 plant in Everett, Washington, he proposed and secured Congressional authorization for a National Commission to Ensure a Strong Competitive Airline Industry. The Commission announced its recommendations in August 1993, and the Administration unveiled its Aviation Initiative in January 1994.
- Since then, the Administration has taken numerous steps to revitalize domestic aviation and bolster international trade and competitiveness. It has:
 - Forcefully defended existing US carrier rights and expanded access to international markets.
 - Intervened to solve aviation labor disputes (e.g., flight attendants).
 - Supported legislation giving airline industry a two-year deferral of the 4.3 cent fuel tax imposed on other transportation sectors.
 - Proposed corporatization of U.S. air traffic control services to speed deployment of state-of-the-art technology.
 - Through the Federal Aviation Administration (FAA) within DOT, actively advanced international sales of high tech expertise and products in airport infrastructure development, air traffic control equipment and training, and aircraft. Secretary Peña has made several trade missions abroad, for example to Saudi Arabia and Taiwan, to support agreements to purchase American-made airplanes.
- **Airlines:** Most major airlines are profitable. Airline traffic growth rates are projected to continue at robust rates (4%-plus) through 2006. Carriers have restructured their operations to improve efficiency and cut costs. Since January 1992, no fewer than 30 new jet airlines have started up domestic operations and 12 more have received FAA authorization to operate.

- **Aircraft Manufacturing:** Boeing projects sales of \$1.4 trillion between now and the year 2014, a market \$60 billion richer than anticipated a year ago. The recovery, while slower than expected, is nonetheless well underway. There are 172 announced orders for the 777, Boeing's new ultra-modern passenger jet, which Secretary Peña recently certified for long-distance overwater flight.
- **International Trade:** Cooperation between the FAA and Russian Far East aviation Authorities has had dramatic results -- for Alaska and the entire Pacific Rim Region. New airports and routes have been opened for use by U.S. air carriers, and the number of flights expanded nearly 700-fold from 1989 to 1994.
- **Technology Sales:** Federal negotiating efforts and private sector expertise have helped make California firms such as Hughes, Litton, Magellan, Rockwell and Trimble Navigation strong international competitors. Hughes has been awarded a \$14 million contract to modernize the Air Traffic Control Center in Jakarta. In airport construction, Parsons was recently awarded a contract to lead development of the new Korean airport, and Bechtel, with a Korean firm, is involved in designing it.

ISSUE: ELECTRONICS AND OTHER HIGH TECH SECTORS

Background:

- Computers, semiconductors, and other high-tech industries are crucial to U.S. economic and national security.
- The electronics industry alone is one of the largest U.S. manufacturing industries, with shipments of about \$300 billion and employment of 1.7 million.
- Within the last several years, the U.S. has regained or strengthened its leadership in several sectors of the electronics industry (semiconductors, computers, software, networking equipment), but still lags in other sectors (consumer electronics, flat panel displays).
- This sector is very important in Pacific Rim states:
 - **California:** semiconductor, computer, and electronic test equipment manufacturers;
 - **Washington:** software developers (e.g., Microsoft);
 - **Oregon:** microprocessors (e.g., Intel) and test equipment (e.g., Tektronix);

Administration Positions and Proposals:

- The Administration has taken a number of steps to strengthen the competitiveness of the U.S. electronics industry, including tax incentives, R&D partnerships, elimination of export controls, export advocacy efforts, and promotion of the "information superhighway."

Administration Actions and Accomplishments:

- In September 1993, the Administration eliminated export controls on computers and telecommunications that freed up over \$30 billion in exports. The Administration is currently reviewing these issues again because of the rate of technological change in the industry.
- The Administration has supported R&D partnerships with the high tech sector through programs such as the Commerce Department's Advanced Technology Program and the Technology Reinvestment Project, and consortia such as SEMATECH. The Administration supports a "dual-use" approach designed to meet both commercial and military needs in critical technologies such as flat panel displays.
- High-level export advocacy by the Administration has led to billions of dollars in additional U.S. sales in industries such as satellites and telecommunications.
- The Administration's decision to transfer spectrum from the government to the private sector is creating whole new wireless industries, and could create more than 300,000 new jobs.
- The Administration's original budget included a targeted capital gains tax for investments in small (under \$50 million in capitalization) firms, and a permanent Research and Experimentation credit. Although Congress only extended it for two years, the Administration is committed to working with Congress to see that it is extended or made permanent. [Note: the R&E credit is scheduled to expire in July of this year.]

- The Administration's "information superhighway" initiative is increasing demand for high tech products and services, both here and abroad. The Administration is encouraging foreign governments to open their telecommunications markets through bilateral and multilateral negotiations.
- The Administration is working with Congress to pass comprehensive telecommunications reform that will promote competition, expand choice, lower prices for consumers, and accelerate private sector investment in an advanced telecommunications infrastructure. [Note: The Senate passed telecom reform legislation last week. The Administration has some concerns about the bill, and is working to improve it on the House side.]

ISSUES: FARMERS AS EXPORTERS

Background:

- **Exports of U.S. agricultural products are skyrocketing.** USDA recently projected *record* agricultural exports for FY1995--totalling \$51.5 billion-- nearly \$9 billion greater than when President Clinton took office in 1993. Agriculture is America's shining star, with a projected net-trade surplus of \$22 billion in FY1995.
- **Exports are critically important to the well-being of American farmers.** Twenty-three percent (23%) of agriculture's GDP comes from exports, making agriculture one of the most export-dependent sectors of our economy. The production from more than one-third of all acres planted are bound for export markets. U.S. agricultural *exports* support roughly 768,000 jobs both on the farm, and off the farm in processing, assembly, transportation, marketing, and other industries.
- **Washington apples, cherries, and California rice are now flowing into Japan and other markets for the first time.** Both NAFTA and GATT have helped open important markets like Mexico and Japan to farm products from the Pacific Northwest.
- **Trade barriers continue to restrict exports from the Pacific Northwest.** The tree fruit industry has encountered problems in exporting products to Mexico. For example, Mexico requires that U.S. cherries undergo fumigation, which USDA does not believe is justified. It is a commonly held view among the industry that the problems being experienced with Mexico are directly linked to U.S. restrictions on Mexican avocado imports. China also continues to restrict U.S. exports of wheat, cherries, pears, and many other commodities.

Administration Positions and Proposals:

- **President Clinton is committed to a sound export strategy** that will continue to expand agricultural exports. The Administration's Budget and Farm Bill proposals recognize that we are doing many things right and seek to strengthen USDA's export programs.
- **We are continuing to push for greater world market access for Pacific Northwest (PNW) products.** We are pushing hard on Mexico and China to remove unjustified trade barriers such as China's ban on PNW wheat and other grains (which China unjustifiably claims to be a threat because of the presence of the fungus TCK). We are working with Mexico to open its market to U.S. cherries, peaches, nectarines, plums, and apricots and will not allow Mexico to "link" unjustified phytosanitary (plant health) restrictions on these products to other issues. The NAFTA Sanitary & Phytosanitary Committee established a working group to provide non-binding technical advice on the matter.

Administration Actions and Accomplishments:

- Since taking office, President Clinton's Administration has helped **boost annual U.S. agricultural exports by nearly \$9 billion**, to a new record high of \$51.5 billion. **Exports to Asia**, the principal market for the PNW, reached a new record last year of \$18.6 billion, supporting 45,000 new jobs (many in the Pacific Northwest).

- **California Rice now has tremendous market opportunities in Japan.** In 1994, U.S. rice exports totalled \$240 million (about 500,000 tons) and the Japanese market will open even further under the Uruguay Round GATT agreement.
- **Exports are now a \$17 billion industry for America's forest and paper product producers.** There are close to 7,000 wood products companies in the Pacific Northwest.
- **The Washington Apple Commission has tripled apple exports** since entering USDA's Market Promotion Program (MPP). Last year alone, Washington State apple exports to Asia increased 37 percent. **Tree Top, Inc.**, of Saleh, Washington, now exports more than \$400,000 in products (119% increase) to China because of USDA export promotion programs.
- **New markets are now opening to Washington State apples.** Washington State apples officially entered the Japanese market in January 1995. This is expected to become a \$75 million market within 5 years. And an agreement allowing for the entry into China of Washington State apples was reached in June 1994.
- **Small companies benefit from USDA's export assistance programs.** With help from USDA's Market Promotion Program, Garden of Eatin', a small California Company, became the number one corn chip supplier in Singapore, and French Gourmet, of Honolulu, has hired eight new workers to meet growing demand for their frozen bread dough in Asia.
- **California, Oregon, and Washington State Pear Exports** reached a record high of \$73.5 million last year.
- **Northwest Cherry Growers** of Yakima, Washington and the California Cherry Advisory Board report that sales to the two biggest Asian markets rose sharply last year, thanks in large part to the Administration's export strategy. Exports to Japan totalled more than \$92 million-- a 20% increase over the previous year. Exports to Taiwan, our second largest offshore market, jumped 73 percent in value to just over \$8 million.
- **We continue to open markets.** The Administration reached an agreement with China on a new export protocol for U.S. sweet cherries during talks in San Francisco the week of April 17, 1995. Specifically, China agreed to permit the United States to ship, for the first time, fresh sweet cherries from Washington State, the nation's largest cherry producing state.
- **U.S. Potatoes can now be exported to Taiwan** thanks to U.S. trade policy negotiations. Seed potatoes from Alaska and table potatoes from Washington, Oregon, Idaho and California can now ship to this huge market. We expect Taiwan to open its market completely when it joins the WTO.
- **Alaskan and PNW fish product exports are growing.** Surimi exports, primarily to Japan, increased 16 percent thanks in part to the USDA Foreign Agricultural Service's work with the U.S. Surimi Commission. The Surimi Commission's cost-share Market Promotion program in Japan has been so successful that Japanese seafood processors now want to purchase directly from Pacific Northwest suppliers.

ISSUE: MANUFACTURING EXTENSION PARTNERSHIP

Background:

- America's 381,000 smaller manufacturers -- establishments with fewer than 500 employees -- play a vital role in the nation's economy. These firms are the source of two-thirds of our manufacturing jobs, they account for 75 percent of new manufacturing jobs, and they contribute more than half the value-added in US manufacturing.
- Small manufacturers face unique challenges not faced by larger manufacturers such as: lack of awareness of technologies; difficulty in obtaining neutral advice on major purchases; isolation; bigger burden from a complex regulatory environment; and, difficulty in accessing financing.
- Manufacturing extension services are supported by industry, communities, and states because they understand the unique barriers facing smaller manufacturers and the need for making appropriate technology, information and resources more accessible to them.
- The Manufacturing Extension Partnership (MEP) is a nationwide network of extension centers and experts co-funded by states and local governments that provides hands-on technical assistance to smaller manufacturers.

Administration Positions and Proposals:

- The President's FY96 budget request of \$147 million for MEP will increase the network from 42 to 75. The President's goal is to have 100 centers by 1997.
- What is particularly important to the Administration is the "partnership" approach being used in providing extension services. The federal government is partnering with states and local communities to co-fund a nationwide network of local non-profit service providers.

Administration Actions and Accomplishments:

- When the President assumed office there were seven manufacturing extension centers located in as many states. Today, there are 42 extension centers in operation in 32 states.
- Recent surveys of client firms show that MEP extension services delivered translate into anticipated benefits of \$8 for each \$1 invested by the federal government.
- The California Manufacturing Technology Center in Hawthorne, CA, provides services to the 30,000 firms in the Los Angeles Basin. This center is in its third year of operation with NIST federal share funding of \$2,400,000 in FY95.
- The Washington Alliance for Manufacturing center provides services in Seattle, WA, with TRP federal share funding of \$1,550,000.
- State Technology Extension Program (STEP) grants have been awarded to the Bay Area Regional Technology Alliance, Long Beach, CA (fed. share \$150,000) and the Wood Products Competitiveness Corporation, Bend, OR (fed. share \$201,500).
- TRP Extension Pilots have been awarded to the California Manufacturing Tech. Center in Hawthorne, CA (fed. share \$1,700,000); the Inst. for Research and Tech. Assistance, Santa Monica, CA (fed. share \$188,000); the Oregon Economic Development Dept., Salem, OR (fed. share \$183,615); and the Clean Washington Center, Seattle, WA (fed. share \$3,946,998).

ISSUE: THE NATIONAL EXPORT STRATEGY

Background:

- In the Export Enhancement Act of 1992 Congress established the Trade Promotion Coordinating Committee (TPCC), chaired by the Secretary of Commerce, to provide a unifying framework to coordinate the export promotion and financing activities of the Federal government.
- The TPCC developed the National Export Strategy -- our nation's first -- in 1993. Its purpose is to upgrade and coordinate the Federal government's export promotion and export finance programs to help U.S. firms realize their potential in foreign markets.
- The National Export Strategy is a critical component of the Administration's competitiveness agenda, and reflects extensive consultation with the business community, state and local governments, and academia.

Administration Positions and Proposals:

- The Administration believes that the ability to create high-wage jobs and promote healthy economic growth here at home is closely linked to our ability to compete in the global economy.
- The Administration believes that exports will continue to drive economic growth. Between 1986 and 1993, more than 37 percent of the growth in the nation's GDP resulted from exports.

Administration Actions and Accomplishments:

- **Government Advocacy** -- We have launched a major interagency effort to coordinate federal government support on behalf of U.S. companies bidding for major contracts overseas. To date, our aggressive advocacy strategy has helped American firms win over 120 major contracts, accounting for over \$24.5 billion in U.S. exports and 360,000 jobs.
- **Trade Finance** -- We are implementing a more flexible and aggressive approach to trade finance to enhance the international competitiveness of U.S. firms. Major elements of this plan include a \$150 million Tied Aid Capital Projects Fund to counter the effects and reduce the use of tied aid by our competitors.
- **Removing Obstacles to Exporting** -- Consistent with national security objectives, the Administration has significantly liberalized unnecessary and outdated controls on computers and telecommunications exports and streamlined the export licensing process freeing up over \$32 billion in exports.
- **U.S. Export Assistance Centers (EAC)** -- Interagency one-stop shops are open in Miami, Baltimore, Chicago, and Long Beach to provide businesses -- particularly small and medium-sized businesses -- with comprehensive export promotion and finance services from a single location. We are now beginning the second phase of our Export Assistance Center rollout and plan to open 11 more this calendar year.
- **Commercial Information** -- We've significantly upgraded our collection and dissemination of comprehensive international market information, including making information from 26 Government agencies accessible on-line through the Internet.

- **Upgrading Overseas Export Assistance Operations** -- We have opened U.S. Commercial Centers in Sao Paulo, Brazil and Jakarta, Indonesia to better assist American companies in those markets.

For 1995, the Administration has deepened the strategy to include:

- An increased focus on the 10 Big Emerging Markets -- Mexico, Argentina, Brazil, the Chinese Economic Area, India, Indonesia, South Korea, Poland, Turkey and South Africa -- that could account for dramatic increases in American sales over the next several years.
- Enhanced advocacy support to further help level the international playing field for American companies competing for overseas contracts.
- Sharpening our focus on assisting small and medium-size businesses through closer and more effective partnerships with state and local governments and the private sector.

In addition, we have developed:

- New promotion initiatives in our traditional markets like Japan and Europe and increased attention to regional strategies for Latin America, Asia, Russia and the Newly Independent States, and the Middle East.
- Efforts to promote the growth sectors of the U.S. economy -- like services -- where U.S. firms are very competitive.
- New trade finance initiatives in the areas of tied aid and project finance.
- A unified budget for trade promotion to help guide the Administration's future resource allocation decisions.

ISSUE: SMALL BUSINESS

Background:

- Small business employs almost 60 percent of American workers, contributes 50 percent of sales, and accounts for half of private sector output.
- More small businesses were created in 1994 than in any previous year.

Administration Positions and Proposals:

- The President this month announced a proposal to simplify and streamline the complex laws governing pension plans. The President's proposal will help the countless businesses that want to provide retirement benefits to their employees but now find the cost prohibitive.
- The President supports a range of (revenue-neutral) tax proposals that would benefit small business:
 - modification of estate tax law;
 - increased expensing for small business;
 - Subchapter S Corporation reforms targeted to small businesses; and
 - simplification of the Alternate Minimum Tax.

Administration Actions and Accomplishments:

- **Access to capital:** The President's credit-crunch and community reinvestment initiatives streamlined banking regulations; combined with lower interest rates, these steps produced a significant increase in commercial and industrial lending to small business.
- **Regulatory reform:** The President's regulatory reform campaign allows small business owners to cure first-time violations without penalty, halves the filing frequency of many federal forms required from small businesses, and allows small firms to apply fines to correcting violations.
- **Access to new and growing markets:** The President has revamped federal procurement, enhancing small business' ability to compete for government contracts; and removed export controls while expanding export assistance, to help small firms enter foreign markets.
- **Tax cuts:** The 1993 plan made 90 percent of small businesses eligible for tax relief by raising the small business expensing limit for equipment by 75 percent, extending the Research and Experimentation Tax Credit, and establishing a targeted tax preference for capital gains.
- **Small Business Administration:** SBA has expanded its 7(a) program by 30 percent while reducing its cost: In 1995, SBA will guarantee nearly \$8 billion in loans to 56,000 small businesses -- up from 27,000 loans totaling \$5.9 billion in 1992. And SBA cut the application form required for many guaranteed loans from an inch thick to a single page.
- **Cabinet status for SBA:** President Clinton is the first president to accord Cabinet-level status to the Administrator of the Small Business Administration.
- **Simplified Tax and Wage Reporting:** On June 9, 1995 the President announced an initiative -- STAWRS -- that will significantly streamline wage and income reporting requirements and eventually lead to a system of single electronic filing.
- **Fostering Innovation:** The Small Business Innovation Research (SBIR) program has nearly doubled under the Clinton Administration, growing from \$508 million in 1992 to \$900 million plus in 1995.

ISSUE: TRANSPORTATION INVESTMENTS AND THE PACIFIC RIM STATES

Background:

- Two years ago the outlook for regional transportation industries was gloomy. The aviation and aerospace industries were operating at a loss, U.S. shipbuilding was virtually extinct and seaports suffered because of inadequate rail and truck access.

Administration Positions and Proposals:

- The Administration has responded by backing high levels of investment in infrastructure, emphasizing high tech solutions and aggressively promoting U.S. business expertise to maintain U.S. international trade competitiveness, improve safety and enhance economic development.

Administration Actions and Accomplishments:

- **Shipbuilding.** By assisting technology upgrades and combating foreign subsidies, we have helped the domestic commercial shipbuilding industry: for the first time in 35 years the U.S. is building commercial ocean going vessels for export.
- **Earthquake Relief.** When the Northridge earthquake destroyed the southern California transportation system in January 1994, DOT moved quickly to cut red tape and rebuild highways and other infrastructure. The best example of our success is the opening of the Santa Monica Freeway just 12 weeks after the earthquake -- 8 weeks ahead of schedule.
- **Aviation Markets.** In the past two years, the Administration's economic policies have helped revive the aviation industry. From a net loss of \$4.6 billion in 1992, the industry is again highly profitable. DOT has forcefully pursued access to international markets for our air carriers, liberalizing access to Canada, the U.K. and nine smaller European nations. With aggressive promotion by the Administration, Boeing has garnered aircraft orders \$60 billion greater than anticipated one year ago and large orders for the new 777 model. Federal negotiating efforts have helped make California firms such as Hughes, Litton, Bechtel and Parsons strong international competitors in navigation technology and airport infrastructure projects.
- **Port Investments.** With the explosive growth of Pacific Rim trade, the ports of the Pacific Coast have flourished. DOT is funding projects to increase efficiency by improving truck and rail access.
- **Dredging.** For many years, ports have suffered from conflicts between environmental concerns and the need for dredging to serve big ocean-going ships. President Clinton broke through a 23-year logjam to get approval for Oakland to dredge its harbor to accommodate large ships. Secretary Peña is overseeing improvements to the dredging approval process. Federal agencies are working together to allow dredging to proceed in a manner that protects our environment.
- **Rail.** With track improvements and the use of ultra-modern trains, passenger rail is enjoying a revival in the Pacific Northwest; and, with booming trade and technological innovations like the double-stack train, freight rail is operating at capacity.
- **Technology.** The Coast Guard has moved aggressively to accommodate and facilitate increases in waterway traffic with high tech navigation and collision avoidance systems.

TALKING POINTS: JAPAN AUTOS

Two weeks ago in Halifax, I discussed the automobile dispute with Prime Minister Murayama of Japan.

- We agreed to ask our trade ministers to hold negotiations, which are now underway in Geneva.
- As I said in Halifax, we will make every effort to reach a negotiated solution that addresses U.S. concerns. But I remain committed to the use of sanctions if an acceptable solution is not reached by June 28.
- Let me explain why I believe it is important to remain firm on our demands.

Our goal is simple: fair access to Japan's market -- commensurate to the open access that Japanese companies enjoy in our market.

- For over three decades, Japan has maintained a closed market in autos and auto parts, while exporting freely to the United States and other countries. While Japanese companies have profited, foreign companies and workers and Japanese consumers have lost out.
- In the last 25 years, Japan has sent 40 million cars to the United States. We have shipped only 400,000 to Japan.
- U.S. auto parts producers are competitive around the world -- except in Japan. The United States has a \$5 billion surplus with the world in auto parts, compared with a deficit of \$13 billion with Japan.
- The premiums Japanese consumers pay provide ample evidence of the closed nature of Japan's market:
 - An alternator that costs \$120 in the U.S. costs \$600 in Japan. Shock absorbers that cost \$228 in the U.S. cost \$605 in Japan.
 - Japanese consumers pay more than U.S. consumers even for Japanese cars: \$9,000 more for an Acura LS and \$15,000 more for a Lexus LS 400.

We have been down this path before.

- You remember the claim that U.S. skis are unsuitable for Japanese snow.
- Remember the allegation that Japanese consumers could not digest American beef? Last year, when Japanese consumers were given the choice, they consumed \$1.3 billion dollars of American beef.
- It was once alleged that Japanese consumers do not favor U.S. rice. Yet last year, they consumed \$238 million of U.S. rice -- more than in any other year in the last 25 years.
- And this year, due to an agreement that we reached last summer, Japanese consumers will be able to enjoy apples from Washington state.

Is the U.S. asking for managed trade?

- Absolutely not. We are asking to "unmanage" trade -- to break down a system of corporate collusion and government regulation that distorts the market, and to negotiate a deal that gives Japanese consumers a chance to choose for themselves and U.S. companies a chance to compete fairly.

Japan owes it to itself and to the world to find a solution to this problem.

- Japan is suffering from stagnation and deflation. Over the past 5 years, Japan has consistently run large trade surpluses.
- There is a "win/win" solution: Japan should deregulate its domestic economy for its own good and the good of its trading partners. The automotive market is a good place to start.

If raised:

We chose the sanctions very carefully to minimize the impact on U.S. workers and U.S. consumers -- especially lower and middle income consumers.

- The proposed list of sanctions targets only luxury car imports. The cars on the list are not produced in the U.S. and are sold through a small number of U.S. dealerships.
- The real question is the extent to which U.S. companies and the 2.5 million U.S. autoworkers will continue to be hurt by not taking action and tolerating unfair trade practices.

We crafted the sanctions to minimize the negative impact on U.S. businesses -- including dealers. The sanctions would affect only a tiny fraction of U.S. dealers and only a limited part of their earnings.

- Only 4 percent of the thousands of dealers in the U.S. exclusively sell cars made by the five Japanese manufacturers that have car models facing sanctions.
- Many of these dealerships are owned by mega-dealers which sell many other brands that will not be affected.
- Even dealers who exclusively sell cars made by the five Japanese companies that have models facing sanctions will still be able to sell models that are not on the sanctions list. For instance, the two Mazda models that are on the sanctions list represent only 8 percent of total Mazda sales in the United States.
- In addition, new car sales account for only one fifth of total profits in the average dealership. Used car sales, parts, and service will continue to generate profits.

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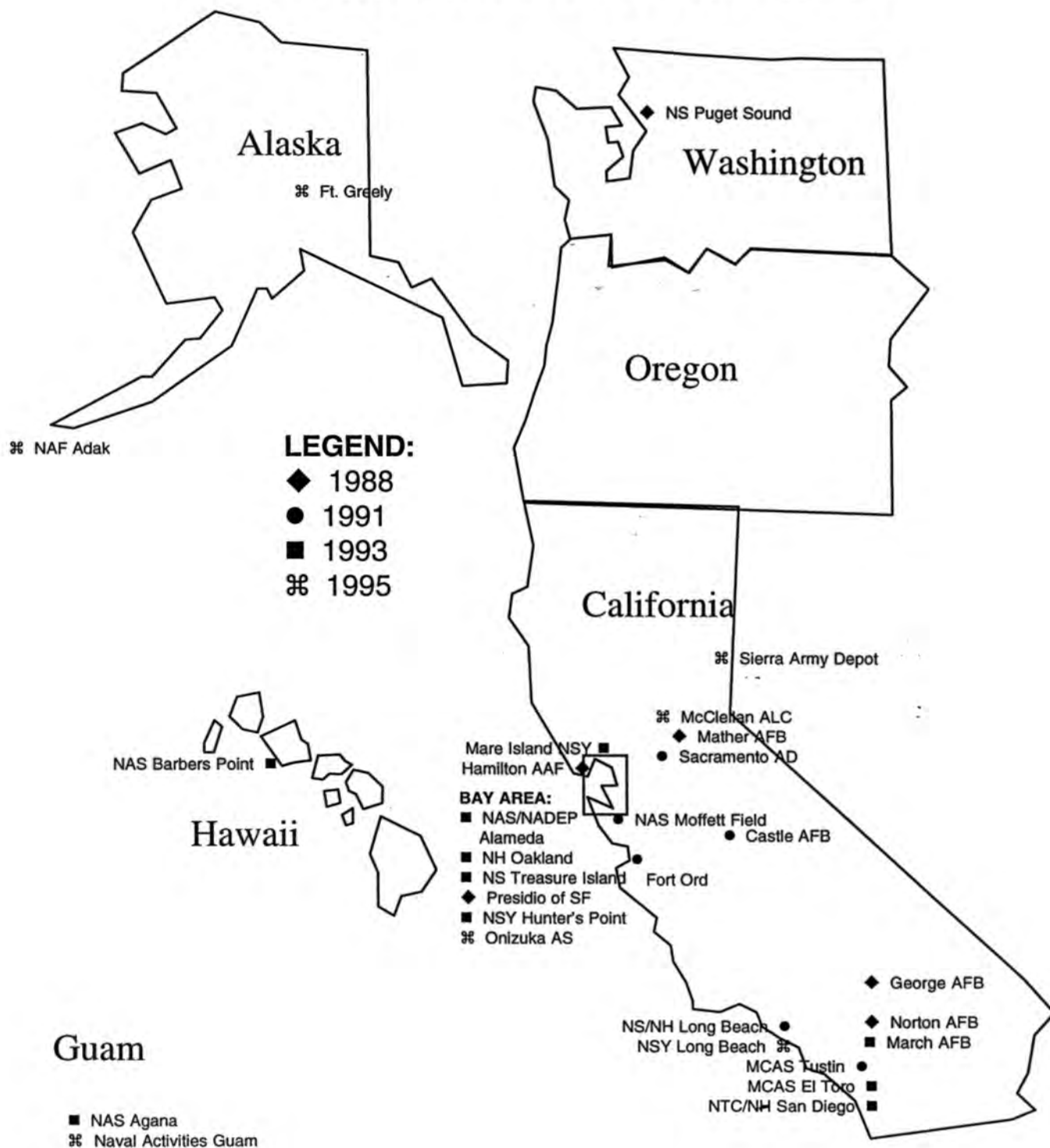
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MAJOR BASE CLOSURES IN PACIFIC STATES



STATUS OF MAJOR BASE CLOSURE PROJECTS

OFFICE OF ECONOMIC ADJUSTMENT

CALIFORNIA

Sacramento Army Depot

- Closed in March, 1995 as a result of BRAC '91.
- Job losses: 334 military and 3,164 civilian positions.
- Funding: OEA awarded the city a total of \$436,010 for reuse planning.
- Reuse group: the Sacramento Army Depot Economic Adjustment Reuse Commission is chaired by the Mayor and subject to the authority of the City Council.

Packard Bell Electronics has begun operations on the site under an interim agreement and will ultimately occupy 1.8 million square feet of the depot for its headquarters and manufacturing operations. In return the city expects the company to employ about 3,000 people, many of whom must be hired from within Sacramento County if Packard Bell is to capture enterprise zone tax credits. In addition, the city expects to attract some of Packard Bell's suppliers, who will bring additional jobs to Sacramento. Within three years the company has estimated that 10,000 people could be working on the base. In February of 1995 the City of Sacramento was one of the first LRAs to receive an economic development conveyance under new legislation.

Naval Air Station/Naval Aviation Depot Alameda

- Scheduled to close April 1997 as a result of BRAC '93.
- Job losses: 10,962 military (many aboard two aircraft carriers), 3,218 civilian and 436 contractor positions. These jobs represent about 3.7% of the local labor force.
- Funding: OEA support for organization and planning activities totals \$3,783,523.
- Reuse group: the Alameda Reuse and Redevelopment Authority (ARRA) was formed in February 1994. The East Bay Conversion and Reinvestment Commission (EBCRC) oversees regional aspects of base reuse planning.

Reuse will emphasize technology based economic development centering on the Science City proposal. Key planning concerns include resolution of Tideland Trust issues, homeless interests, interim use arrangements, transfer and upgrade of utility systems, protection of endangered species (California Least Tern), and integration of an advanced transportation cluster (CALSTART). There will likely be a sizable wildlife refuge, considerable recreation use, a private university, mixed industrial/commercial development, and residential uses on the base. The San Francisco East Bay area was selected as a Defense Pilot Project to explore regional approaches to economic adjustment and diversification. The Pilot Project incorporates regional planning efforts for NAS/NADEP Alameda, NH Oakland, and Lawrence Livermore National Lab.

Fort Ord, Monterey County

- Closed September 1994 as a result of BRAC '91.
- Job losses: 14,000 military and 2,500 civilian jobs.
- Funding: OEA provided \$2.8 million in planning assistance. The community also received \$2.5 million in EDA grant assistance; \$85,500 in FAA assistance; \$800,000 in DoL Title III funding; and \$20 million in Defense Conversion Assistance to support educational reuse.
- Reuse group: Fort Ord Reuse Authority (FORA).

The reuse plan proposes a mixed reuse of the facility to maximize job creation within the development constraints posed by some resident threatened and endangered species. Education and research comprise the catalyst for local economic recovery. Currently, the community continues to negotiate with the Army over the POM Annex enclave. California State University Monterey Bay is utilizing \$15 million of the \$20 million Defense Conversion Assistance to undertake seismic and Americans With Disabilities Act improvements to several existing structures in support of their campus development.

Mare Island Naval Shipyard, Vallejo

- Scheduled to close April 1996 as a result of BRAC '93.
- Job losses: 1,963 military and 7,567 civilian jobs.
- Funding: OEA has awarded the city two grants totaling \$1,298,955.
- Reuse group: Mare Island Futures Group.

Approximately 50% of the land at Mare Island may be subject to land use controls under the provisions of the Tidelands Trust. OEA has been working with the City, the Navy, and the State Lands Commission to develop potential solutions. Pending resolution of the Tidelands Trust, the city is undertaking the development of a marketing strategy, the conduct of a building and facilities survey, and a study of the conversion to alternative power sources. The city also is planning an Educational Center Feasibility Study and a Historic District Operations Plan.

Naval Air Station Moffett Field, Santa Clara County

- Closed July, 1994 as a result of BRAC '91.

The base consists of about 1,500 acres used for flight operations; training, ordnance storage, maintenance, administrative, and personnel support facilities; unaccompanied personnel quarters; and family housing. An additional 150 acres are leased for agricultural use. NAS Moffett Field is on the National Priority List. Community leaders from Sunnyvale, Mountain View, and Santa Clara strongly supported the transfer to NASA Ames and did not desire Moffett Field to be used for general aviation purposes. In December 1992, NASA Ames and the Navy signed an MOU for NASA to assume the operation of Moffett Field. All transfers were completed on July 1, 1994.

Marine Corps Air Station (MCAS) El Toro, Orange County

- Scheduled to close July 1999 as a result of BRAC '93.
- Job losses: 5,854 military, 1,698 civilian, and 228 contractor positions (0.9 percent of the Anaheim-Santa Ana PMSA).
- Funding: in August 1994, OEA awarded \$741,616 for initial reuse planning.
- Reuse group: based on voter approval, OEA recognized the Board of Supervisors of Orange County as the local redevelopment authority (LRA) on April 3, 1995.

The creation of a consensus-based community reuse committee has been a source of local controversy. The County of Orange is involved because approximately 4,400 acres of the base are located in incorporated land and the County government is the area's environmental regulatory body. The remaining 300 acres are located in the City of Irvine. In November 1994, voters amended (by a 51-49% vote) the Orange County General Plan to designate MCAS El Toro for civil aviation and create the El Toro Citizen's Advisory Commission (ETCAC). In March 1995, the Board of Supervisors rejected several proposed uses and approved 1,084 acres for an endangered species habitat by DoI and certain easements for the FAA.

George Air Force Base, San Bernardino County

- Closed December, 1992 as a result of BRAC '88.
- Job losses: 3,413 military and civilian.
- Funding: OEA has provided planning grant funds totaling \$336,148. The FAA contributed \$118,000 toward an airport development study. DOL has awarded \$1.0 million in Defense Conversion Assistance funds to assist dislocated employees.
- Reuse group: Victor Valley Economic Development Authority (VVEDA).

Counterproductive competition between two public jurisdictions (Victorville and Adelanto) discouraged interim private uses of the base in advance of closure. VVEDA is moving forward with planning for base reuse. Victorville has completed the planning and annexed the base for utilities purposes under California law. VVEDA has an interim lease for the airport parcel and several other major tenants are occupying space on the base.

Naval Station Long Beach

- Closed September 1994 as a result of BRAC '91.
- Job losses: 9,519 military and 721 civilian positions.

The Navy has transferred title for portions of the property at the housing sites to the Long Beach Unified School District and to the DoL Job Corps program. The City and the Navy will continue to coordinate their planning activities on consolidation of functions remaining from the Naval Station and which parcels would be conveyed for port reuse. The reuse of a small Naval Station housing site located in San Pedro, the Taper Avenue site, has become very controversial. In addition, a number of nearby communities have disputed the City of Long Beach's proposal to build a retail mall on the Naval Hospital site. OEA and the Navy are working to resolve the dispute and dispose of the site.

Marine Corps Air Station (MCAS) Tustin

- Scheduled to close in July 1997 as a result of BRAC '91.
- Job losses: 4,150 military and 348 civilian positions.
- Funding: the Marine Corps transferred \$750,000 to OEA for a July 1992 planning grant. OEA subsequently provided an additional \$88,500 for the reuse of retained family housing.

The Marine Corps requested that Tustin develop a reuse plan to determine the value of the base property and assets. Additionally, California law required Tustin to complete a Specific Plan with an attached Environmental Impact Report to determine reuse potential. The Coast Guard has intensified a request for base housing that the City does not endorse. BRAC 95 recommends changing the receiving sites from NAS North Island, NAS Miramar or MCAS Camp Pendleton to other naval air stations.

Naval Training Center (NTC) San Diego

- Scheduled to close in September of 1997 as a result of BRAC '93.
- Job losses: while the closure will cost 5,186 military and 402 civilian jobs, the San Diego metropolitan area will actually experience a net increase of 4,609 military and 1,567 civilian jobs as a result of net BRAC '93 activity.
- Funding: OEA is providing \$496,000 in organizational and planning grant assistance.
- Reuse group: the NTC Reuse Planning Committee (NTCRPC).

A co-generation plant, bachelor quarters, and adjacent non-appropriated fund activities (marinas) near the NTC site will be retained to support other Naval activities in the San Diego

area. Of the 546 acres, 520 acres will be made available for disposal through the closure action. The Navy completed negotiations for 110 acres of Navy housing and the development of a park.

March Air Force Base, Riverside County

- Scheduled to close March 1996 as a result of BRAC '93.
- Job losses: 3,200 military and 953 civilian, but 900 full-time Guard/Reserve military positions will remain and 400 new Guard/Reserve civilian jobs will be created.
- Funding: OEA has approved \$728,520 for organizational support and planning assistance.
- Reuse group: Joint Powers Authority (JPA) (County of Riverside and the cities of Moreno Valley, Perris, and Riverside).

The Air Force will retain airfield and Guard/Reserve area, but about 3,000 acres will be disposed. The airfield may also support civil aviation in the future.

Castle Air Force Base, Merced County

- Scheduled to close September 1995 as a result of BRAC '91.
- Job losses: 4,600 military and 700 civilian jobs. Local unemployment is in the 15 percent range and expected to increase.
- Funding: OEA provided four planning and organization grants between 1989-1993 for \$486,275. In addition, the FAA funded an airport master plan study for \$115,000 and EDA has funded public works (water and sewer) projects for \$2,000,000.
- Reuse group: Castle Joint Powers Authority (CJPA).

The thrust of reuse planning is to maintain a primarily aviation-related use, especially of the airfield and the support facilities. Final delivery of the reuse plan is behind schedule. The CJPA has several active leases and numerous others still in the negotiating stage. The largest lease for several large areas and buildings is with Ragu for transshipment of spaghetti sauce from their local plant. The Federal Bureau of Prisons is actively pursuing a large site on the base. EDA has invited a proposal for financing improvements connected with the proposed Space Challenger Museum.

Hamilton Military Complex, Novato

- Initial closure was in 1975. Remaining activities closed in January 1994 as a result of BRAC '88 and '91.
- Funding: in December 1994 the City of Novato received an OEA grant of \$464,000.

In 1975 the Air Force transferred most of the property to the Army except for three housing parcels, which were transferred to the Navy. In 1985 GSA auctioned 414 acres in the middle of the base, but final transfer of this property has been complicated by an inadequate baseline environmental study. The Army property, consists of 655 acres in a 100-year flood plain and the runway, taxi way, flight line and ancillary structures. The community voted five times against airport development. The City of Novato proposes to restore this property to wetlands. Navy housing of 1500 units and the auctioned parcels comprise the reuse plan.

Mather Air Force Base, Sacramento

- Closed September 1993 as a result of BRAC '88.
- Job losses: 1,988 military and 1,012 civilian jobs.
- Funding: OEA provided a \$367,500 grant to the Sacramento Housing and Redevelopment Authority (SHRA) in July 1993.
- Reuse group: the Mather Reuse Committee.

SHRA is completing a comprehensive land use plan, an inventory of physical improvements needed to redevelop the base, a marketing plan, a financing plan, and a job training, recruitment, and placement plan. In 1993, California approved special legislation to allow tax increment financing to support initial start-up costs and infrastructure improvements. A lease for the airport area was signed with Sacramento County on March 29. The County has a air cargo carrier tenant for the airport and is currently seeking clarification of a decision by the U.S. Fish and Wildlife Service that could mean that 1,000 or more acres of land earmarked for redevelopment under the reuse plan would not be available.

Norton Air Force Base, San Bernardino

- Closed in March 1994 as a result of BRAC '88.
- Job losses: 4,520 military and 2,133 civilian positions.
- Funding: OEA has provided a total of \$726,000 to the IVDA and the San Bernardino International Airport Authority (SBIAA). The State of California contributed \$50,000 and the FAA provided \$118,000 for the aviation component.
- Reuse group: Inland Valley Development Agency (IVDA).

In October 1991 the Lockheed Commercial Aircraft Center opened an airplane repair operation in two leased bays of a four-bay hangar, but lack of business will likely result in termination of this lease. IVDA and the Air Force have negotiated the lease of a major portion of the acreage so they can develop it for job generating purposes. The SBIAA signed an MOU with the San Manuel Band of Mission Indians regarding access to the San Bernardino International Airport.

Naval Hospital Oakland

- Scheduled to close in September, 1996 as a result of BRAC '93.
- Job losses: 1,472 military and 809 civilian jobs.
- Funding: in July 1994 OEA approved \$350,000 for base reuse planning (administered through the East Bay Conversion and Reinvestment Commission).
- Reuse group: the City and County recently formed a joint powers authority.

The 9-story main medical building is located on a 183 acre site surrounded by 75 other buildings (many substandard) including 81 family housing units. The building does not meet seismic standards and cannot be used again as a hospital without major structural change. The City created a 52-member Task Force to develop base reuse options. The East Bay Regional Parks authority and City of Oakland want significant portions for public recreation. Also, several homeless providers have requested McKinney Act conveyances.

Naval Station Treasure Island, San Francisco

- Scheduled to close in September 1997 as a result of BRAC '93.
- Job losses: 637 military and 454 civilian positions.
- Funding: in May 1994 OEA awarded SFRA a combined reuse planning and organizational grant for NS Treasure Island and NSY Hunters Point in the amount of \$902,392.
- Reuse group: the San Francisco Redevelopment Authority (SFRA).

The 403-acre base in the middle of San Francisco Bay is very attractive waterfront property with views of San Francisco, but has access limitations with the heavy traffic on the Oakland Bay bridge as well as some seismic risk which may limit development. SFRA will develop land use and other special plans related to the market feasibility, infrastructure assessment, public safety and service requirements, transportation impacts, and urban design and development guidelines.

Naval Shipyard Hunters Point Annex, San Francisco

- Hunter's point was initially put in mothball status in 1972. Remaining activities will be terminated as a result of BRAC '91 and '93.
- Funding: in May 1994 OEA awarded a \$902,392 planning and organizational grant for both NS Treasure Island and NSY Hunters Point.
- Reuse group: San Francisco Redevelopment Authority (SFRA).

A preferred alternative and draft reuse plan have been completed and presented to the Citizens Advisory Committee. The final draft reuse plan is scheduled to be completed by the end of the second quarter of 1995.

HAWAII

Naval Air Station (NAS) Barbers Point

- Scheduled to close in September 1997 as a result of BRAC '93.
- Job losses: 3,514 military, 331 civilian, 287 contractor, and 20 military trainee positions.
- Funding: OEA has awarded \$478,813.
- Reuse group: the Barbers Point NAS Redevelopment Commission.

NAS Barbers Point is located on the leeward coast of the island of Oahu and consists of 3,500 acres. Responding to criticism that the Commission had not allowed adequate input from the public, especially neighbors of the base and homeless advocacy groups, the new Governor restructured and renamed the local reuse authority.

WASHINGTON

Naval Station Puget Sound (Sand Point), Seattle

- Scheduled to close in September 1995 as a result of BRAC '91.
- Job losses: 345 military and 331 civilian positions are to be transferred to nearby Everett, Washington.
- Funding: OEA has provided planning grants totalling \$182,000 to the City of Seattle.

The City's reuse plan includes four redevelopment alternatives and emphasizes recreation, community services and residential reuse. The Muckleshoot Indian Tribe originally requested 85 acres of the 151-acre Naval Station Puget Sound under the sponsorship of the Bureau of Indian Affairs. Since no determination had been made regarding the Muckleshoot request, the City of Seattle entered into negotiations with the Tribe to explore alternative sites to satisfy their interest. The first interim lease of space (60,000 sq ft) was signed in July 1994 with the State of Washington Film Office for the filming of a new television series. It is estimated that this activity will bring approximately \$5 million to the local economy. Norm Rice, the Mayor of Seattle, is the new President of the U.S. Conference of Mayors.

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17

Divider Title: _____

THE PRESIDENT'S FOREST PLAN

A bold, new way of doing business managing America's natural resources



BREAKING GRIDLOCK AND MOVING FORWARD



THE PRESIDENT'S FOREST PLAN

A bold, new way of doing business managing America's natural resources

For far too long, the Pacific Northwest and northern California were deadlocked in an emotional, polarizing debate over how to manage the region's federal forest lands. It was a dilemma that previous administrations failed to address, a problem that President Clinton inherited, and one that he made a priority to solve.

The President pledged to correct the mistakes of the past, put an end to the gridlock, and move the region forward. The President and his administration succeeded by creating a science-based, legal, and balanced forest management plan that provides for both economic opportunity and protection of the environment.

• THE PRESIDENT'S FOREST PLAN •

The plan is a visionary blueprint built on five fundamental goals

- Support the region's people and communities during a period of economic transition
- Provide a sustainable timber economy
- Protect and enhance the environment
- Ensure federal agencies work together as one government
- Adhere to our nation's laws

Years of frustrating legal logjams are coming to an end

- In June, 1994, just two months after the plan's Record of Decision was adopted, federal courts dropped injunctions banning timber harvest from federal lands. For the first time in three years, timber sales in the region of the northern spotted owl could be offered and harvested.
- In December, 1994, six different lawsuits from representatives of the timber industry and environmental groups challenged the plan on 96 counts. The plan won on each and every count.
- Since that positive decision, to date there have been three other decisions on the legality of the plan, and the plan won all three. This has allowed 30 timber sales, and the region, to move forward...putting an end to gridlock.
- The plan's solid legal and scientific foundation is breaking gridlock by preventing lawsuits in the first place. For instance, many groups who originally challenged the plan chose not to appeal, and others withdrew their challenges to timber sales after examining the ecosystem protections built into the plan.



The timber supply pipeline is flowing again

In 1991, the federal timber supply pipeline was shut down to a mere trickle. A federal court injunction put the timber sale program west of the Cascade mountains in a straight jacket, because the federal government did not have a forest plan that was both balanced and protected the region's forests, salmon, and water quality. A flurry of lawsuits followed, gridlock engulfed the region, previous administrations failed to address this dilemma, and during all of this activity of inaction, the timber supply pipeline was running dry.

The President stepped up to the challenge to get a sustainable timber supply pipeline flowing again. In 1994, the injunctions were lifted just two months after the President's Forest Plan's record of decision was announced.

For the first time in three years, the legal logjam was broken, and federal timber sales in the region of the northern spotted owl are moving forward.

- Timber sales and harvests are back on track, with the Forest Service and the Bureau of Land Management working hard to move timber. Since the injunctions were lifted:

More than 300 million board feet have been offered for sale from federal forest lands in Washington, Oregon and northern California. Of that amount, 136 million board feet comes from the west side of the Cascades.

More than 900 million board feet of timber is under contract and awaiting harvest at the purchaser's discretion.

To date, nearly 870 million board feet have been harvested, enough to build 72,000 average homes and employ about 6,000 people.

The President is making good on the government's commitment to honor millions of board feet of timber sales that have been held in limbo for years.

Millions of board feet of timber sales came to a dead stop, tied up in the legal morass of lawsuits and gridlock that existed prior to the Clinton administration.

255 million board feet of these deadlocked timber sales are now cleared and ready, thanks to the re-inventing of government in the region, with the federal agencies now working together as one government, coordinating their efforts, streamlining reviews and processes.

Also, in the next three months the path will be cleared to release an additional 88 million board feet.

- Assuming that the federal agencies implementing the forest plan are given sufficient resources to get the job done, and the fire season does not pull Forest Service and Bureau of Land Management people away from timber sale planning, an estimated 800 million to 1 billion board feet of timber will be offered for sale in Washington, Oregon, and northern California by the end of this summer.



Helping people help themselves: The Economic Adjustment Initiative

While unemployment for the entire region is at its lowest level in two decades, there are still areas where changes in forest management practices have impacted many people and the communities they call home. The President recognized that these impacts would occur, and that's why the Economic Adjustment Initiative is aimed at providing both immediate and long-term relief for these people, businesses and communities.

The Initiative provides the funds needed for developing much-needed infrastructure in impacted communities, providing technical and financial assistance to rural businesses, creating new jobs through restoring the region's forested watersheds, and job training and retraining opportunities for dislocated workers.

So far, in just this year, the Initiative has distributed more than \$92 million in grants and loans; millions more will reach the region before the year ends. That builds on last year's success, which saw more than \$126 million assist more than 100 communities.

- While the list of projects and communities funded so far this year is extensive, the economic assistance projects can be placed into four main targeted areas:

Assistance to Workers and Families

Example: \$8.2 million awarded to Washington to retrain more than 1,700 dislocated timber workers.

Assistance to Business and Industry

Example: \$7 million awarded in grants and loans to stimulate business growth and economic development in rural communities in Washington, Oregon and California.

Assistance to Communities

Example: Nearly \$65 million awarded in grants and loans to help rural communities in Oregon, Washington, and California plan and build water systems, waste treatment facilities and other community infrastructure improvements.

Ecosystem Investment

Example: \$37 million will be distributed this season to fund hundreds of watershed and ecosystem restoration projects in Oregon, Washington and California, restoring the environment and providing jobs.

- People welcomed the opportunity to determine their own economic futures, but to do it right, government red tape had to be cut and the financial and technical assistance had to be delivered where and when it was needed. To accomplish this, ideas from people and communities are gathered and considered by one-stop centers for all types of financial assistance called the Community Economic Revitalization Team (CERT).
- Each state has one CERT whose membership is individually tailored to deal with the needs of workers, families, businesses and communities in their state. To eliminate red tape, the CERTs are working to streamline government and overcome bureaucratic barriers. So far this year, 22 barriers had been identified with 15 of them already removed. Last year, 25 barriers were removed.



Ecosystems: a new era in natural resources management

Recognizing forests as a complex network of biological systems that are connected and dependent on each other, a team of hundreds of scientists and technical experts designed the forest plan on ecosystem management.

- To plan for the future of the forest plan's ecosystems, Washington, Oregon and California are broken into 12 provinces that share common water and land characteristics, with watersheds serving as the basis for the planning areas to help assure clean water for people and healthy habitat for wildlife and fish such as salmon.
- An aquatic conservation strategy was developed to restore and maintain the health of watersheds, providing direction for analysis, restoration and monitoring. More than 500 watershed restoration projects are completed or initiated. About 5 million acres of watersheds have been analyzed so far, with another 5 million acres projected to be analyzed by the end of this year.
- Six different types of federal land allocations are created to preserve old growth forests, protect the environment, and allow for timber harvest of trees less than 80 years old, or for salvaging activities that help promote characteristics of ancient forests.

Riparian reserves:

2.2 million acres along streams and wetlands to protect and enhance clean water and to create habitat.

Adaptive management areas:

1.5 million acres consisting of ten areas intended for innovative forest management. Located near forest-dependent communities, these ten areas are living laboratories where experimenting with innovative, environmentally sensitive forest management techniques are being encouraged and developed.

Matrix lands:

Includes 4.9 million acres outside of reserves and withdrawn areas which are available for timber harvest.

Congressionally withdrawn areas:

7 million acres of National Parks, wilderness areas, national monuments and other federal lands where timber harvest is prohibited.

Late-successional reserves:

7.1 million acres of federal lands where old-growth or late successional cutting is prohibited.

Administratively withdrawn areas:

1.7 million acres of federal land to be used for various uses such as experimental forestry, research, recreation, and scenic areas.

- Private landowners will be voluntarily conserving millions of acres for habitat preservation, thanks to the success of the administration's new habitat conservation plans and conservation agreements. These cooperative efforts give landowners the opportunity to voluntarily comply with the endangered species act by setting aside important habitat areas, and in return they can move forward with their economic goals. 39 plans and agreements are currently underway or completed, potentially preserving about 5.5 million acres of habitat in Oregon, Washington, and California.



Making federal agencies work together as one government

In an unprecedented effort, instead of creating more bureaucracy, the president directed the federal agencies involved with the forest plan to work together in creative new interagency groups. Agencies are saving money by jointly coordinating efforts, improving communication, sharing information, and eliminating duplication.

Along with the interagency committees, advisory committees were established to help ensure federal decision makers would be able to receive valuable input from local, state, and tribal governments, the public, and communities of both place and interest.

- The Interagency Steering Committee (ISC) is based in Washington DC, and it establishes overall policies for the forest plan. It is chaired by the White House Council on Environmental Quality.
- The Regional Interagency Executive Committee (RIEC) serves as the senior regional body implementing the forest plan, coordinating and communicating policies with agencies in the forest plan area. Advising the RIEC is the Intergovernmental Advisory Committee (IAC), which ensures a forum for the state and tribes within the region.
- The Regional Ecosystem Office (REO) provides independent recommendations and scientific, technical and other staff support to the RIEC to help implement the forest plan. Staff of the REO are on loan from federal agencies involved with the forest plan.
- Each of the 12 provinces has a Provincial Interagency Executive Committee (PIEC), made up of federal agency directors who oversee the implementation of the Forest Plan within their province. Advising the PIECs are the Provincial Advisory Committees (PAC), made up of community, business, environmental groups, Native American tribes, and federal, state, and county officials.
- Assisting the Economic Adjustment Initiative are the Multi-Agency Command (MAC) and the Regional and State Community Economic Revitalization Teams (RCERT and SCERT). The MAC members are based in Washington DC, and the RCERT and state CERT members include representatives from California, Oregon, Washington, Native American tribal organizations, and the federal agencies responsible for awarding grants and loans.



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BIOS

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DRAFT

Raymond & Marjorie
Mediscript
Richland, WA

Paul Abrams
President **NeoRx**
Seattle, WA

Dr. Paul G. Abrams, M.D., J.D., is President and CEO of NeoRx in Washington State, an entrepreneurial, biopharmaceutical company developing innovative treatments for cancer and cardiovascular diseases. Abrams has worked both for the federal government and for private industry.

James Acevedo
Chief Executive Officer **Community Hospital of Huntington Park**
Huntington Park, CA

Acevedo is the CEO of Community & Mission Hospitals of Huntington Park. He is also the Chairman for the non-profit corporation Northeast Economic Empowerment Development and a member of the Hospital Council of Southern California. Acevedo previously headed his own government relations and political consulting firm.

Robert Adkins
President **Wilderness Wood Products**
Oakridge, OR

Adkins is the Founder, Owner, and President of Wilderness Wood Products, Inc. (WWPI). WWPI is a partner with Federal, State, County, and Local governments in efforts to pioneer the new directives of the Clinton Administration in regards to the economic and timber related transitions of the Northwest. WWPI took displaced timber workers from the rural Oregon area to create a successful secondary wood products firm.

Robert Alderete
Vice President **Halvorson-Alderete and Associates**
Salinas, CA

Alderete is a Partner in Halvorson/Alderete Insurance Services. He is also the owner of the Monterey Bay Jaguars, a pro soccer team, member of the US Independent Soccer League. Alderete also owns Salinas Alliance Valley Employers, a private corporation that unites companies when buying services or products.

Richard Alexander
President **Viking Industries Incorporated**
Portland, OR

Alexander is President and founder of Viking Industries, Inc. He served in the U.S. Marine Corps and is Chairman of the Board of Associated Oregon Industries.

Kenneth L. Allen
Interim Executive Director **AFSCME Council 75**
Salem, OR

Allen has over 20 years experience in the labor movement of which the last eight years have been spent with the Oregon AFSCME. Currently, Mr. Allen serves on the State of Oregon AFL-CIO Executive Board and he was on Gov. John Kitzhaber's transition team.

Phil Angelides
River West Developments
Sacramento, CA

Clarence Avant
Chairman **Motown Record Company, LP**
Los Angeles, CA

Mary Baechler
President **Racing Strollers, Inc.**
Yakima, Wa

Baechler is the President of Racing Strollers, Inc. She is responsible for planning, financial forecasting, and primarily teaching and empowering the managers.

Alan Bair
Pacific Yurts
Cottage Grove, OR

Bair is President and founder of Pacific Yurts. He was the original designer and manufacturer of the modern lattice wall yurt- a domed, tent-like structure stretched over a portable wooden frame. The design is popular with Ecotourism resorts worldwide as people look for ways to travel with minimum impact on the places they visit. Pacific Yurts has an annual growth rate of 40% and boasts complete employee satisfaction. Bair was named 1994 SBA Exporter of the Year (Oregon and Region X)

Richard Baldwin
The Springfield Group
Eugene, OR

Baldwin is President and CEO of the Springfield Group. He founded the company, a leader in the forest products industry, in 1989. Baldwin operates veneer and plywood plants in six Oregon communities. He is the author of four books devoted to forest products operations and management.

Patricia Baltz

Arcadia, CA

Baltz is an elementary school teacher who was named California Teacher of the Year and Disney Teacher of the Year in 1993. She serves on the National Education Research Policies and Priorities Board. Baltz, though she suffered through eight strokes and open heart surgery, went back to her teaching career in 1983, despite her disability.

Stanley Barer
Co-Chairman and Chief Executive Officer **Totem Resources**
Corporation
Seattle, WA

Stanley H. Barer is Co-Chairman/CEO of Totem Resources Corporation in Washington, which is a holding company for 3 U.S. Flag maritime operating entities. He remains counsel to a law firm where he previously specialized in governmental regulation, shipping, and international trade. In 1991, he was selected Puget Sound Maritime Man of the Year for his service to international and domestic shipping.

Leo Barlow
Chief Executive Officer **SEALASKA Corporation**
Juneau, AK

Leo H. Barlow is the President and CEO of Sealaska Corporation. Sealaska is Alaska's largest Regional Native Corporation created under the Alaska Native Claims Settlement Act of 1971.

Carol Bartz
Chairman of the Board, President, and Chief Executive Officer
Autodesk, Incorporated
San Rafael, CA

Carol Bartz, California, Autodesk, Inc.
In 1992, Carol Bartz became Chairman of the Board and CEO of Autodesk, the largest supplier of computer-aided design automation and the fifth largest PC software company in the world. During the last two years, the company has grown from \$285 million to \$406 million. She previously worked at Sun Microsystems.
Susanjoy Baskoro

Grescham, OR

Judith W. Battey
President **Inland Action, Incorporated**
San Bernardino, CA

Battey is the district manager responsible for the Company's East District which encompasses a significant portion of San Bernardino County.

Spencer Bebe
Ecotrust
Portland, OR

Bebe is the Founding Chairman and President of Ecotrust, a Portland-based conservation organization. Ecotrust has joined forces with Shorebank Corporation, the nation's oldest community development banking institution, in order to devise a development initiative which would foster "conservation-based economic development" in the coastal temperate rain forest. The company is also working with South Shore Bank to develop ShoreTrust, the First Environmental Bancorporation, a bank

Rick Bender
President **Washington State Labor Council, AFL-CIO**
Seattle, WA

Mr. Rick S. Bender is the President of Washington State's AFL-CIO Labor Council. He was a State Legislator from 1973 to 1991. He is also president of the Coalition of Labor and Business.

Craig Berkman
Chief Executive Officer **EVI Corporation**
Portland, OR

Berkman is Chairman of Craig Berkman & Associates. This is a company which organizes, finances, and manages technology companies. Berkman was one of the organizers of Applied Materials, a California electronics firm, is Chairman and Co-Founder of EVI Corporation, a manufacturer of less invasive surgical products, and is Chairman of American Physicians Network. He is involved in projects to encourage capital formation and increased industrial productivity. He was also

Randall Blakely
Director **Portland Community College Skill Center**
Portland, OR

Richard Blum
President and Chairman **Richard Blum and Associates**
San Francisco, CA

Lori Bodi
American Rivers
Seattle, WA

Scott L. Boley
Gold Beach, OR

Alcena Boozer
Principal **Jefferson High School**
Portland, OR

Rev. Boozer is the principal at Jefferson High School and has done much to increase public awareness of the educational needs of at-risk children. In addition to several clerical assignments, she has produced 2 publications and is a member of many civic organizations. Her philosophy : "Problems are solved when you get people to sit down together and talk."

Michael Borrus
Co-Director **BRIE**
Berkeley, CA

Michael G. Borrus, California, University of California at Berkeley.
Borrus is Co-director of the Berkeley Roundtable on the International Economy and Adjunct Professor in the College of Engineering, where he teaches management of technology. He has served as a consultant to a variety of governments and firms in the U.S., Asia and Europe on policy and business strategy for international competition in high-technology industries.
Gertrude Boyle
Chief Executive Officer **Columbia Sportswear**
Portland, OR

Bill Bradbury
Pacific States Marine Fisheries Commission
Gladstone, OR

Bradbury was elected President of the Oregon State Senate in 1993 and led a program called watershed health. He helped appropriate \$10M to energize local watershed councils in their effort to protect and restore their watersheds and their salmon.

Martin Brantley
President and General Manager **KPTV Channel 12**
Portland, OR

Martin Brantley, Portland, Oregon, KPTV--TV
Mr. Brantley was promoted to President of KPTV in 1983. Over the past two years, the KPTV News Department has won many awards including the Peabody Award, known as the "Pulitzer Prize of broadcasting," and was selected by VIEW magazine as one of the 25 best TV stations in the country. Mr. Brantley himself was selected as Broadcaster of the Year in Oregon in 1992.

Eli Broad
Chief Executive Officer **SunAmerica, Incorporated**
Los Angeles, CA

Broad is Chairman, President and CEO of Sun America (formerly Broad Inc.), a NYSE financial services holding company. A co-founder of this company, he has developed it from a one - market homebuilder to a leading financial services company responsible for \$25 billion. He is also Founder-Chairman of Kaufman and Broad Home Corporation, now an independent billion dollar NYSE homebuilder. Broad is active in a wide range of civic and cultural activities and in 1991 endowed the Eli Broad

Samuel Brooks
President **Sam Brooks and Associates Incorporated**
Portland, OR

Tom Bruggere

Wilsonville, OR

Bruggere retired as Chairman and CEO of Mentor Graphics in 1994, the company he founded in 1981. The company today is one of the world's leading suppliers of EDA systems. Bruggere has been named the Small Business Person of the Year, Oregon Executive of the Year and one of the electronics industry's most respected CEOs.

John Bryant
Founder and Chairman **Operation HOPE**
Los Angeles, CA

Mr. John Bryant is the Founder and Chairman of Operation HOPE in Los Angeles, America's first non-profit investment banking organization. Operation HOPE is committed to the revitalization of under-served communities and is the national voice for minority and urban economic empowerment. He also serves as Chairman and CEO of Bryant Group Consulting & Management, Inc., a strategic business advisory, management consulting and training company. Among many other awards and

John Bryson
Chairman and Chief Executive Officer **Southern California**
Edison Company
Rosemead, CA

Mike Burton
Executive Officer **Metro**
Portland, OR

Burton is the Executive Officer of Metro, the regional government that serves the greater Portland-Metropolitan area including urbanized portions of Multnomah, Washington, and Clackamas counties. He is a retired Air Force Lt. Colonel, and in 1985 he was elected to Oregon's State House of Representatives from the 17th district where he served five consecutive terms.

Ezunial Burts
Executive Director **World Port Los Angeles**
San Pedro, CA

Burts is the Executive Director of the Port of Los Angeles. He is responsible for the day-to-day operations including administration, marketing, engineering, maintenance, strategic planning, and the Port's multimillion dollar capital development program. WORLDPORT L.A., the Port of Los Angeles, is the most successful port in the U.S. He also administered a County-wide youth program and received the 1994 Public Service Award from the National Forum for Black Public Administrators.

Gerry Cameron
Chairman **US Bancorp**
Portland, OR

Gerry B. Cameron, Oregon, U.S. Bancorp
As Chairman and CEO of U.S. Bancorp, the largest bank holding company headquartered in the Northwest, Cameron oversees all operations for U.S. Bancorp and its subsidiaries. He is also Chairman of the Board of the U.S. Bank of Oregon, the largest subsidiary of U.S. Bancorp and Oregon's largest financial institution. He is Director of the Federal Reserve Bank of San Francisco.

Audrey Castille
S & L Landscaping
Tigard, OR

Chung-Po Chang
President **Summa Foods Corporation**
Kent, WA

Washington, SUMMA Foods Corporation. Chang is the founder and President of SUMMA Foods Corporation. Previously, he was employed as a nuclear physicist working on defense projects.

Deborah Coleman
Chief Executive Officer **Merix Corporation**
Forest Grove, OR

Ms. Debi Coleman is chairman of the board and CEO of Merix Corporation in Forest Grove, Oregon, a leading manufacturer of technologically advanced electronic interconnect solutions. Business Week magazine listed Ms. Coleman as one of 50 "Fast Track Kids" in corporate management in 1986 and in 1995 was listed in both the Oregonian and the Portland Business Journal's list of "People to Watch in '95."

Philip M. Condit
The Boeing Company

Condit is President of The Boeing Company. He is responsible for Boeing's three product organizations (Boeing Commercial Airplane Group, Boeing Defense & Space Group, and Boeing Computer Services); the corporate engineering and operations functions; and the corporate continuous quality improvement function. Condit received the MSOE/EAA Medal in 1993 for outstanding achievement in aerospace engineering.

Susan Corrales-Diaz
President and Chief Executive Officer **Systems Integrated**
Orange, CA

Corrales-Diaz is President and CEO of Systems Integrated, a world-wide provider of automation systems for control of electric, telecommunications, and water systems. Under Corrales-Diaz's management, the company expanded beyond its primary work for the Department of Defense's U.S. Navy to the commercial market. International sales represent approximately one quarter of System Integrated's annual sales. The SBA selected Systems Integrated as their National Small Business

Thomas Costabile
Senior Vice President of Operations **Sony Disc Manufacturing**
Eugene, OR

Thomas Costabile, Oregon, Sony Disc Manufacturing. Mr. Costabile is Senior Vice President, Operations, overseeing the manufacturing operations of the new optical disc manufacturing facility in Springfield, Oregon. Prior to this appointment, he served as Vice President of Production and Facilities at Sony Music International, where he helped to develop Compact Disc manufacturing facilities in Australia, Brazil, Canada, and Mexico.

John W. Creighton, Jr.
Chief Executive Officer **Weyerhaeuser Company**
Tacoma, WA

Washington, Weyerhaeuser Co. - President and CEO of Weyerhaeuser Co. He is a director of the American Forest and Paper Assoc. and Exec. Vice Pres. of the Boy Scouts of America.

Cristi Cristich
President Cristek
Anaheim, CA

Cristich founded Cristek Interconnects, Inc. With a \$20,000 loan from a friend, a \$25,000 purchase order from Litton Guidance, and any money she could cash advance on her credit cards to meet payroll, Cristich started Cristek in 1985. It is an electronic connector manufacturer entirely focused on MIL/Aerospace prime contractors. Cristich won the SBA's Small Business Person of the Year Award in 1992.

Joseph J. Crosetti
President Crosetti Lands
Watsonville, CA

Mr. Joseph Crosetti of California works with several companies including J.J. Crosetti Company, a vegetable growing and shipping organization, and Crosetti Frozen Foods, Inc., a frozen vegetable packing company. He is currently working on setting up Central Coast Berry Sales, a strawberry sales and shipping company.

Alice Dale
Oregon Public Employees, Local 503
Salem, OR

Karen Darling
Owner The Darling House
Santa Cruz, CA

Darling is the Co-owner and manager of the Darling House--A Bed and Breakfast Inn by the Sea. She is also President of the Santa Cruz County Democratic Women's Club.

Patty DeDominic
President and Chief Executive Officer PDQ Personnel
Services, Incorporated
Los Angeles, CA

Ms. Patty DeDominic is CEO, Chairwoman and founder of California's PDQ Personnel Services, Inc., the largest woman-owned personnel service in the greater Los Angeles area. She has published many articles and was a pilot member in the U.S. Small Business Administration's Women's Networking Entrepreneurial Program.

Danny Delcambre
Delcambre's Ragin' Cajun Restaurant
Seattle, WA

Gun Denhart
President Hanna Anderson Clothing
Portland, OR

Denhart is co-founder, co-owner, Chairman, and CEO of Hanna Anderson Corporation. Hanna Anderson is a direct marketer of exclusively designed, 100% cotton family apparel. It is known for its Hannadown program which encourages its customers to send back their used Hanna Anderson clothing for 20% credit of the original purchase price. The company then donates the clothing to children in need. Denhart has received much recognition for her company's customer service, charitable

Kenneth T. Derr
Chairman and Chief Executive Officer Chevron
San Francisco, CA

Derr is Chairman and CEO of the Chevron Corporation, where previously he headed the program to implement the merger of Chevron and Gulf Corporations. He is Chairman and a director of the American Petroleum Institute, served on President Bush's Commission on Environmental Quality and is a member of President Clinton's Council on Sustainable Development.

Martha Diepenbrock
Executive Director L.A. Conservation Corps
Los Angeles, CA

Diepenbrock was the Founder and Managing Executive Director of LA Conservation Corps. This is a non-profit, charitable youth employment, education, and community services organization serving approximately 1500 youth annually. She had the overall responsibility for all fundraising, organized the programs, and operated the facilities. She is now a consultant to youth corps community service programs and other non-profit groups.

Rocky Dixon
Endeavor Capital
Portland, OR

Antonio S. Dodero

Cerritos, CA

Antonio S. Dodero, California.

Mr. Dodero lost his job at Northrop Corporation in 1992 after working 30 years in the aerospace industry. So he, a Navy veteran and father of five children in college and high school, enrolled in a job training program funded by Title III (Economic Dislocation and Worker Adjustment Act) of the Job Training Partnership Act. After graduation, he quickly found a job as a service technician and has recently moved to an even

Michael V. Draper

General Executive Board Member

United Brotherhood of

Carpenters and Joiners

Portland, OR

Mr. Michael Draper was appointed the General Executive Board Member for the United Brotherhood of Carpenters and Joiners of America's Seventh District in Portland, Oregon in May of 1994. He services six Northwestern states in both construction and industrial industries, and represents 50,000 members in the region. He also helped found the National Labor/Management Committee on Timber Supply.

Donna Dubinsky

President

Palm Computing

Los Altos, CA

Kenneth W. Eakes

Founder and President

Real World Solutions

Mercer Island, WA

Eakes is President of Real World Solutions, a company which advises small businesses in the areas of market planning, strategic planning, trade negotiations, crisis management, and dispute resolution. Eakes was also a Presidential Delegate to the White House Conference on Small Business.

Kenneth Epley

President

South Salem Pharmacy

Salem, OR

Epley is President of South Salem Pharmacy. He is Chairman of the Executive Committee of the National Association of Retail Druggists and the Co-Chairman of the National Bipartisan Committee of Independent Pharmacists for Clinton/Gore.

Rudolph Estrada
President and Chief Executive Officer **The Summit Group**
South Pasadena, CA

Estrada is the President and CEO of the Summit Group. The Summit Group is a small business, a banking and management consulting firm. The company is responsible for developing and managing corporate and commercial lending and investment divisions for the independent banking industry. The firm represents over 25 independent banks. Estrada is also a Adjunct Professor of Finance and Management at California State University and he serves as Chairman of the Personnel

Marcia Farver
KidsCentre
Kent, WA

Farver is responsible for meeting the nutritional needs of 80 children at KidsCentre. KidsCentre is a large childcare facility in downtown Seattle.

Mike Fitzgerald
Director **Washington State Department of Trade and Economic Development**
Olympia, WA

Fitzgerald is director of the Washington State Department of Community, Trade and Economic Development. His responsibilities include tourism, technology development, growth management, affordable housing programs, and youth violence prevention programs.

Irvin Fletcher
President **Oregon AFL-CIO**
Salem, OR

Carla Floyd
President **Communications Workers of America, Local 7901**
Portland, OR

Floyd is the President of CWA Local 7901. As a local President of the CWA, she has been involved in several cooperative projects with U.S. West Communications. She has also been appointed by the CWA to several national committees.

Ron Fortune
Northwest Oregon Labor Council
Portland, OR

Fortune is the Executive Secretary-Treasurer of Northwest Oregon Labor Council, AFL-CIO. His primary responsibility is to protect the rights of the members and of the community at large.

Billy Frank
Chairman Northwest Indian Fisheries Commission
Olympia, WA

Mr. Billy Frank is the Chairman of the Northwest Indian Fisheries Commission in Washington State and acts as the key natural resources representative for the 20 Treaty Indian Tribes of western Washington. He has worked to achieve a number of agreements between the tribes and various local, state, and federal officials that further strengthen treaty-guaranteed fishing rights and environmental protection laws. Frank is a member of the Nisqually Tribe. He has

Billy Frank
Chairman Northwest Indian Fisheries Commission
Olympia, WA

John Freidenrich
Partner Bay Partners
Cupertino, CA

Mr. John Freidenrich formed Bay Partners, a venture capital firm, in California in 1976. It has invested over \$100 million in technology companies since 1980. He also founded the law firm of Ware & Freidenrich in 1968, and it has grown to be one of the leading firms in the Silicon Valley, employing over 100 attorneys. He is a director of Octel Communications Corporation, Stanford University Hospital and other private corporations and foundations.

Murray Galinson
President and Chief Executive Officer San Diego National Bank
San Diego, CA

Galinson is President and CEO of San Diego National Bank. He received the 1992 San Diego Youth at Risk, Youth and Community Leadership Award.

Allen Garcia
Garcia Family Farms
Orland, CA

Garcia is a grain and rice farmer from California. He has owned and operated farms for over 20 years. He is a recognized authority on sustainable agriculture in Northern California, with a special interest in wildlife habitat enhancement. He is currently serving as an agriculture and environmental resource consultant to Camp, Dresser & McKee.

Karen Garrison
Natural Resources Defense Council
San Francisco, CA

Ross Gaussoin
President Silver Eagle Industries, Inc.
Portland, OR

Gaussoin is President of Silver Eagle Industries, Inc., whose operations encompass the general freight between the states of Oregon, Washington, Idaho, and recently California and Vancouver. The Silver Eagle Industries Manufacturing Company is engaged in the production of trailer units for the U.S. Army. Mr. Gaussoin is an active member of the Executive Committee of the American Trucking Association and he was the Chairman of that association in 1982.

George and Claire Gering
George Industries
Los Angeles, CA

Gary D. Goldberg
Founder UBU Productions

Goldberg formed UBU Productions in 1981. Since then, seven television series have been created under this banner including "Family Ties" and "Brooklyn Bridge," for both of which Goldberg was the creator and executive producer. He has also made two feature films, 1989's "Dad" and 1995's "Bye Bye Love." He has won several Emmys, Writer's Guild Awards, and many other honors.

David Gregory
Director of Region IX AFL-CIO
Seattle, WA

Mr. David J. Gregory of Washington state is the AFL-CIO Regional Director for Organization and Field Services in region 9, covering five Northwestern states. He is also a member of the Bakery, Confectionary & Tobacco Workers International Union.

Elaine Griffin
c/o Council of Chief State School Officers
Washington, D.C., AK

James Hebe
President Freightliner Corporation
Portland, OR

James L. Hebe, Oregon, Freightliner Corporation.
Mr. James L. Hebe is Chairman, President, and CEO of Freightliner Corporation, a member of the Mercedes-Benz AG Group, the world's largest commercial vehicle manufacturer. He is also a member of the Board of Directors of the Mercedes-Benz Credit Corporation.

Linda J.E. Henrickson
President Linder Construction Company
Anchorage, AK

Henrickson is President of Linder Construction, Inc., a general and environmental contractor performing government work throughout the state of Alaska. In 1994 Linder received the U.S. Department of Transportation's Woman Owned Contractor of the Year Award, for Linder's performance on Coast Guard Projects in Alaska. Linder is a member of the Associated General Contractors and Ms. Henrickson is a sustaining member of the Society of American Military Engineers. She is a past

Richard Herr
Vice Admiral US Coast Guard Pacific Area
Alameda, CA

Vice Admiral Richard Herr became Commander of the Pacific Area and U.S. Maritime Defense Zone Pacific in June of 1994. His awards include three Legions of Merit, two Meritorious Service Metals, and the Coast Guard Achievement Metal.

Jim Hill

Salem, OR

Stanley Hirsch
President Mercentile Center
Los Angeles, CA

James K. Ho

San Francisco, CA

James Catherwood Hormel
Chairman Equidex, Incorporated
San Francisco, CA

Mr. James Hormel is Chairman of California's Equidex, Inc., a firm that manages his and his family's investment and philanthropic activities. He has assisted in creating the foundation and structure for several community service organizations, including the San Francisco AIDS Foundation and 18th Street Services, a substance abuse counseling and recovery program serving the gay community. In 1992 he was a Clinton delegate to the Democratic National Convention in New York.

Paul C. Hudson
President and Chief Executive Officer Broadway Federal
Savings and Loan
Los Angeles, CA

Paul C. Hudson, Los Angeles, California, Broadway Federal Savings & Loan.

Mr. Hudson is the President and CEO of Broadway Federal Savings, the oldest African-American savings and loan association west of the Mississippi, with assets exceeding \$100 million. Broadway Federal has served the South Central Los Angeles market since 1947. Mr. Hudson is a past President of

James Hurd
Chief Executive Officer **Planar America, Incorporated**
Beaverton, OR

Oregon, Planar Systems, Inc. - President, CEO, and co-founder of Planar Systems, a leader in the development and marketing of high-performance display products. Recognized as a leader and spokesman within the flat panel industry.

James Irvine
President **The Conifer Group**
Portland, OR

James R. Irvine, Oregon, National Association of Home Builders & The Conifer Group.

Mr. Irvine is the 1995 President of the 185,000-member National Association of Home Builders. He is also President of the Conifer Group, a construction, development, and property management company. He is very active in housing issues at the local, state, and national levels, serving on many task forces

Scott Jackson
President and Chief Executive Officer **TRADEC, Incorporated**
Seattle, WA

Mr. Scott Jackson is President and CEO of TRADEC, Inc. in Washington State. He has been directly responsible for numerous international marketing and promotion events and activities resulting in the opening of new markets for business.

Rick Jacobsen
Chief Executive Officer **NORPAC Foods**
Stayton, OR

Mr. Rick Jacobsen, of Oregon, has been President and CEO of NORPAC Foods, Inc. since January of 1995. He has worked closely with the cooperative's members on agriculture and membership issues. He has said: "NORPAC foods is far more than a company, it is a system."

Carlton Jenkins
President **Founders National Bank of Los Angeles**
Los Angeles, CA

Carlton J. Jenkins, California, Founders National Bank. Mr. Jenkins is the Chairman, President, and CEO of the only African-American owned commercial bank in California. The bank opened in 1991 with \$4.1 million in assets, 3 branches and \$3 million in capital. Today it has over \$100 million in assets and 5 branches. Founders National Bank has been a significant force in the economic development of the inner city areas of Los Angeles. He is also the Director and Founder of Dryades

Michael Johnson
Principal **Claremont High School**
Belmont, CA

Johnson is the Principal at Carlmont High School in the San Francisco Bay Area. Having grown up in the Far East in a bicultural, bilingual, poor family, his understanding and knowledge of Asian cultures, history, and language provide him with appreciation for the vital economic and political linkages that are essential between overseas Pacific Rim countries and the rest of the world. He was National Principal of the Year Runner-Up in 1994 and he serves as Commissioner of

Margaret W. Johnson
Vice-President **Ogden, Beeman & Associates, Inc.**
Portland, OR

Johnson is Vice-President of Ogden, Beeman & Associates, Inc. (OBAI), and she is currently completing her Master's degree in economics at Portland State. OBAI is a small consulting firm specializing in ports, waterways and marine facilities. Ms. Johnson is a fervent supporter of President Clinton and she lobbied the Oregon Congressional delegation for the passage of NAFTA.

Quincy Jones
Chief Executive Officer **Quincy Jones & David Salzman**
Entertainment
Los Angeles, CA

Jones is co-CEO and Chairman of Quincy Jones*David Salzman Entertainment (QDE). This company, the result of a 1993 merger, is a co-venture with Time Warner, Inc. It has a broad ranging, multi-media agenda to encompass programming for current and future technologies. QDE is active in motion pictures, television, live entertainment, and publishing. Jones' Qwest Records is also still active in the recording

Robert Trent Jones, Jr.
President **Robert Trent Jones II, Incorporated**
Palo Alto, CA

Jones is the President and Principal designer for Robert Trent Jones II, golf course architects and master planners. He has designed more than 160 courses on 5 continents and 33 countries. He is the author of the book "Golf by Design" and a member of the California Golf Hall of Fame. Jones has won many Best Course and Best New Course awards.

Gretchen Kafoury
Commissioner **City of Portland**
Portland, OR

Bruce Karatz
Chief Executive Officer **Kaufman-Broad**
Los Angeles, CA

Karatz is Chairman and CEO of Kaufman and Broad Home Corporation, the largest home builder in the West and among the largest builders in metropolitan Paris, France. Karatz is well known for his marketing savvy and has guided the company with consistent growth and profitability.

Neven Karlovac
Chief Executive Officer **Accuwave Corporation**
Santa Monica, CA

Dr. Neven Karlovac is President, CEO and a director of California's Accuwave, a supplier of advanced fiber optic products to the telecommunications industry. He is credited with a major contribution to the development of fiber optic industries in the mid 80's when Rockwell fiber optic sales grew from \$1 million to \$200 million in five years.

Barbara Karmel
President **The Reed Company**
Lake Oswego, OR

Dr. Karmel founded the Reed Company in 1982, offering management consulting services to business, government, and the professions. Trained as an organizational psychologist, she combines practical business skills with expertise in organizational structure, conflict resolution, and the management of change.

Vera Katz
Mayor of the City of Portland
Portland, OR

Katz is the Mayor of the City of Portland. As Mayor, Katz has focused her efforts on meeting four critical challenges: A Safer Community, A Prosperous Portland, More Trust in Government, and a Livable Future. Some of her accomplishments include a \$3M allocation for 1994-96 to pay for police officers in public schools so that the schools can focus on their teachers and programs and the development of 50,000 housing units to accommodate Portland residents in the next 20 years.

Phil Keisling
Secretary of State **State of Oregon**
Salem, OR

Paul Keller
President **Keller Construction**
El Monte, CA

Keller is the President of Keller Construction Co., Inc. and Keller Construction co., Ltd. Keller is a family-owned and operated general contracting firm. Keller serves on the Investment and Services Policy Advisory Committee through the USTR.

Jim Kelly
Rejuvenation, Incorporated
Portland, OR

John King
President and Chief Executive Officer **Legacy Health System**
Portland, OR

John Kitzhaber

Salem, OR

Kitzhaber was elected Governor of Oregon in 1994. He created the ground-breaking Oregon Health Plan and brought together disparate interest groups to pass the law. In addition to his reputation as an expert on health care, he has also received recognition for his accomplishments in environmental stewardship.

Laura Kleinheinz
Loo Na, Incorporated
San Francisco, CA

Peter Kohler
President **Oregon Health Sciences University**
Portland, OR

Dr. Kohler is President of the Oregon Health Sciences University. He is active in health policy, research and education at the national level. He is an advocate of increased access to health care for underserved populations. He received the Mentor Award in 1994 from the Medical Research Foundation of Oregon.

John Koza
Chief Executive Officer **Third Millenium Venture Capital**
Los Altos, CA

Dr. John Koza of California, is President of Third Millenium Venture Capital Limited. Prior to becoming President in 1987 he was Chairman, CEO and co-founder of Scientific Games, Inc. of Atlanta.

Harry Kubo
Farmer **Nisei Farmers League**
Fresno, CA

Harry Kubo, California, Nisei Farmers League.
Kubo is in partnership with his son and his brother in farming 120 acres of grapes, trees, and row crops. He is the President of the Farm Labor Alliance, Inc. and the California Fresh Fruit Growers.

Theodore Kulongoski
Attorney General **State of Oregon**
Salem, OR

Fred Lane
Executive Director **American Indian Trade & Development**
Council
Seattle, WA

Lane is the Executive Director of the AITDC, an inter-tribal, international trade organization. He is also a member of the Lummi Nation.

Gerry Leahy
Sacred Heart Medical Center
Spokane, WA

Charles Lenard
Vice President-Oregon **US West Communications**
Portland, OR

Lenard is Vice President of Oregon/U.S. West Communications. This company is responsible for over 3400 employees in Oregon and an investment of \$2 billion.

Mike Lindberg
Commissioner **City of Portland**
Portland, OR

Commissioner Lindberg was re-elected to serve another term on the Portland City Council in 1992. He frequently testifies before the Oregon State Legislature and Congress on energy and local government issues, and he chairs the Urban Consortium Energy Task Force. Lindberg's current portfolio includes: Bureau of Hydroelectric Power, and Portland Energy Office.

Tom Lindley
Attorney **Miller, Nash, Wiener, Hager & Carlsen**
Portland, OR

Tom Lindley, Oregon. Miller, Nash, Wiener, Hager & Carlson. Mr. Lindley is a partner in Miller, Nash, Wiener, Hager & Carlson and he chairs the firm's Environmental and Natural Resources Practice Group. He assists clients with water and air quality permit uses, regulation of waste treatment, the cleanup of hazardous waste spills, and several other topics. He also frequently works with the EPA and other environmental organizations.

David C. Lizarraga
President and Chief Executive Officer **TELACU**
Los Angeles, CA

Lizarraga is President, CEO, and Chairman of The East Los Angeles Community Union (TELACU). He has presided over the development of the TELACU from a federally subsidized non-profit development corporation to a financially independent business corporation with more than \$100M in revenues annually. It is the largest Hispanic-owned business in LA County. Through its holding company, TELACU Industries, Inc., and its 12 subsidiaries, TELACU serves as a catalyst for the economic

Patricia Loui
President **Omnitrak Group, Incorporated**
Honolulu, HI

Loui is President of Omnitrak Group, Inc. She is a marketing and research consultant to multinational corporations in the U.S. Omnitrak is the largest Asian American owned market research company in the U.S. and has several international offices. Loui's areas of expertise include multi-country research in the Pacific Rim, new product and market expansion studies, brand positioning surveys, acquisition analyses, and financial industry research. Multinational clients of Omnitrak

Mike Lowry
Governor of the State of Washington
Olympia, WA

In 1992 Lowry was elected the 20th Governor of the State of Washington. During the campaign, Lowry refused to accept contributions over \$1,500, leaving him free to govern the state without being captive to lobbyists and special interests. Emphasizing during his campaign the need to maintain a strong education system, invest in infrastructure, and improve government efficiency, the governor himself has taken a \$31,000 pay cut while reducing the Governor's Office budget by \$1.3M.

Gary MacDonald
Vice President, Marketing **Kingston Technology Corporation**
, CA

MacDonald is Vice President, Marketing of the Kingston Technology Corporation in California. He has more than 20 years experience in the semiconductor and systems industry.

John Mack
President **Los Angeles Urban League**
Los Angeles, CA

Mr. John Mack has been President of the Los Angeles Urban League since 1969. It has become one of the most successful nonprofit community organizations in Los Angeles with an annual budget of \$10 million, serving over 100,000 individuals. It operates result oriented job training, job placement, education, academic literacy, and business development programs. Mr. Mack has received numerous awards for leadership in race relations and education.

Charles Maples
IPAC Pharmacy Services
Portland, OR

Catherine Mater
Vice President **Mater Engineering Limited**
Corvallis, OR

As a principal and Vice President of Mater Engineering Ltd., Ms. Catherine Mater has been involved in assisting the forest products industry in using new engineering technologies and market strategies to profitably manufacture special forest products and value-added and secondary wood products. Mater was recently retained by the World Resources Institute as an expert advisor for the "U.S. Sustainability Project."

Tom Mathison
President and Chief Executive Officer **Northwest Fruit**
Exporters
Wenatchee, WA

Mathison is Chairman of the Northwest Fruit Exporters. He also organized the Stemilt Growers, Inc. in the 1960's and is the President and General Manager. It is one of the largest fruit growing, packing, and marketing enterprises in the Northwest. Mathison operates 800 acres of orchards with his sons. He is also a Commissioner of the Washington State Apple Commission.

Regis McKenna
Chairman **Regis McKenna, Incorporated**
Palo Alto, CA

Diana Meehan
President **VU Productions**
Los Angeles, CA

Meehan created VU Productions as a partnership of women committed to producing non-fiction media on issues relating to women, children, and the family. She was also the founding director of the Institute for the Study of Women and Men at the University of Southern California. She is the author of two books.

Jerry Meninick
Chairman **Yakima Indian Nation**
Toppenish, WA

Meninick is the Chairman of the Yakama Indian Nation. He serves as Chairman of the Budget and Finance, Public Relations, and Media Committees and is a member of the Legislative and Immigration Committees. Meninick also owns and operates a ranch and farm, does commercial salmon fishing, works in the accounting and communications fields, and is a Yakama Cultural Resources Program employee.

Mark Mercier

Confederated Tribes of the Grand Ronde
Grand Ronde, OR

Mercier is the Tribal Chairman for the Confederated Tribes of the Grand Ronde Community of Oregon. His duties include serving as a liaison between the Tribal Council and County and State Government agencies, and branches of the Federal Government.

David Mertes

Chancellor **California Community Colleges**
Sacramento, CA

California, California Community Colleges - Chancellor of the California Community Colleges. Member of the National Task Force for Minority Achievement in Higher Education and the American Council on Education.

Robert Miller

President **Mount Jefferson Farms**
Salem, OR

Robert Miller is the President of Mount Jefferson Farms, Inc., specializing in new crop development, plant genetics, and "new forestry" plantations. He currently serves on the Oregon State Board of Higher Education and the Oregon Center for Applied Agriculture Research.

Steven Miller

Hippo Hardware & Trading Company
Portland, OR

Shirley Minor

President **S.G.Minor, Inc.**
Portland, OR

Shirley Minor is the President of S.G. Minor, Inc., a mechanical sub-contractor specializing in plumbing, heating, ventilation, and air conditioning. The firm works in the four county Portland Metro area with a workforce that draws from the local African-American community. She founded the Black Contractor Alliance (BCA) and is a member of the Women Construction Owners & Executives (WCOE).

Antone Minthorn

Chairman **Confederated Tribes of the Umatilla Reservation**
Pendleton, OR

Minthorn is the Chairman of the Confederated Tribes of the Umatilla Indian Reservation. He is also Chairman of the Confederated Tribes Economic Development Commission and the First Vice President of the Affiliated Tribes of Northwest Indians.

Daniel Moriarty

President **Portland Community College**
Portland, OR

Moriarty is the President of Portland Community College, and he was honored with CEO Executive of the Year in 1994 by the Association of Community College Trustees. He is also Co-Chair of the Washington County Business-Education Compact.

Edwardo Mosqueda

Wilmington, CA

Bradley Mossman

President and Chief Executive Officer **Strategy Pacifica**
Inc.
Honolulu, HI

Mossman is President of Strategy Pacifica, Inc. Strategy Pacifica is a business consulting firm specializing in market and financial feasibility analysis, land use economics, project management and facilitation, economic negotiation support, and business planning.

William Naito

President **Norcrest China**
Portland, OR

Seiji Naya

**Director
& Tourism**

Honolulu, HI

Hawaii Department of Business Economic Development

Dr. Seiji Naya is Director of the Department of Business, Economic Development and Tourism of the state of Hawaii and a Professor of Economics since 1971 at the University of Hawaii. His activities have focused on the international economic problems of Asian countries and issues of economic cooperation in the Asia-Pacific region. He has written many professional books and articles.

Mary T. Nolan

President Avrotec

Hillsboro, OR

Mary T. Nolan is the President and Founder of AVROTEC, Inc., and she is the founder of KIDZ ON LOCATION. AVROTEC develops revolutionary technologies for the U.S. general aviation industry such as its Flite Monitor remote display for moving map software. In 1994 Avrotec became a member of AGATE Alliance, an innovative partnership among NASA, the FAA, and aviation industry leaders. KIDZ ON LOCATION is a video production program specializing in children's programs. Ms.

Kenneth M. Novack

President Schnitzer Investment Corporation

Portland, OR

Novack is President of the Schnitzer Group. He is also Adjunct Professor of Law, Northwestern School of Law, Lewis & Clark College.

Phillip Nudelman

President and Chief Executive Officer

Group Health

Cooperative of Puget Sound

Seattle Washington, WA

Phillip M. Nudelman, PhD, is President and Chief Executive Officer of Group Health Cooperative of Puget Sound, the nation's largest consumer-governed health care organization. Dr. Nudelman has served on the White House Task Force on Healthcare Reform and is Chairman of the American Hospital Association Governing Council for Healthcare Systems. He is also Chairman of the Board of PIPE--Partners in Public

Scott Oki

President Oki Foundation

Bellevue, WA

Mr. Scott Oki is President of Washington State's Oki Developments, Inc., a personal investment company with a broad range of investment vehicles including golf course development, a professional soccer team, and early stage and development stage high technology companies. Prior to this he worked at Microsoft Corporation.

Audrey Rice Oliver
President **Integrated Business Solutions Incorporated**
San Ramon, CA

Audrey Rice Oliver is President and Chief Executive Officer of Integrated Business Solutions, Inc. in San Ramon California. In 1994, she was appointed to the U.S. Department of Commerce District Export Council by Secretary of Commerce Ron Brown. She has been honored by the NAACP Legal Defense and Educational Fund and the National Association of Woman Business Owners.

James M. Ondo
Chief Executive Officer **Shelton Structures International,**
Incorporated
Kirkland, WA

Mr. James Ondo is the Chairman and CEO of Ondo & Co. and the President of Shelton Structures International, Inc. His companies specialize in the importation and exportation of finished wood products and related building materials.

Janet Orth
Chief Administrative Officer **Renewable Energy Development**
Institute
Willits, CA

Orth is the Chief Administrative Officer for the Renewable Energy Development Institute (REDI), a tax-exempt, nonprofit educational and scientific corporation. REDI is dedicated to fostering the widespread use of environmentally sound technologies while facilitating research and development, focusing on renewable energy and clean-air transportation.

Geoff Pampush
Executive Director **Oregon Trout**

Pampush is the Executive Director of Oregon Trout. He was a founder of Emerald Blue Project, an environmental grantmaking organization, and of the Oregon Water Trust, the first organization dedicated to the acquisition of instream water rights for fish and wildlife. He was also a co-chair of the development of the Governor's Office of Natural Resource Policy.

Norman J. Pattiz
Chairman **Westwood One**
Culver City, CA

Norman J. Pattiz of Culver City, California is the Founder and Chairman of the Board of Westwood One, the country's largest producer and distributor of radio programming. Mr. Pattiz currently serves on the Board of Directors of numerous civic and professional organizations, including the Broadcast Education Association, National Public Radio's KCRW, and Cedars Sinai Hospital in Los Angeles.

Bertha Pendleton
San Diego County Unified School District
San Diego, CA

Cheryl Perrin
Senior Vice President, Public Affairs **Fred Meyer,**
Incorporated
Portland, OR

Perrin is Senior Vice President of public affairs for Fred Meyer, one of the largest retail chains in the Pacific Northwest with a unique selection of food and nonfood products in large one-stop-shopping stores. Her department is responsible for government relations, lobbying activities, news media relations, community relations, and environmental programs.

Elaine Petrocelli
Owner Book Passage Book Store
Mill Valley, CA

Petrocelli is Founder and President of Book Passage, Inc. Book Passage's bi-monthly newsletter, News & Reviews, and mail-order travel book have attracted an international following. Book Passage presents a constant line-up of major authors, supports and introduces promising authors to the community, runs workshops and on-going classes for writers, has two major summer writing conferences, and sponsors many other activities.

Regina Pleno
President Pia International
Torrence, CA

Pleno started Pia International in 1981 selling napkin rings at gift shows. Since then, the company has grown to incorporate dinnerware and silverware. Pia International is continuously expanding its market worldwide.

Bill Pritchett
Director SEIU--Western Region
Los Angeles, CA

Judith Ramaley
President Portland State University
Portland, OR

Dr. Judith A. Ramaley currently serves as President of Portland State University (PSU) in Portland, Oregon. She established the Portland Educational Network (PEN) which supports collaboration among K-12, community college, and four-year institutions throughout the Portland metropolitan area. Dr. Ramaley is also a Professor of Biology at PSU, and she is a member of the Board of Directors for the Portland Chamber of Commerce.

Buzz Ramsey
Senior Executive Luhr-Jensen
Hood River, OR

Mr. Buzz Ramsey is a trout, salmon, steelhead expert and a professional fisherman as well as the Northwest Sales and Promotion manager for Luhr Jensen & Sons, a fishing and outdoor products company. Mr. Ramsey is also part owner and a regular host of "The American Fisherman" syndicated television program.

Robert Randolph
Trade Representative, State of Washington Office of the
Trade Representative
Seattle, WA

Mr. Robert Randolph was appointed Washington State's Special Trade Representative by Governor Lowry in March 1994. He serves as the policy advisor to the Legislature and Governor on trade issues, as well as acting as the State's trade envoy to foreign governments and the State's liaison to the federal government and Congress on trade matters. He attended Magdalen College, Oxford University, on a Rhodes scholarship.

Michael D. Ray
Partner Sanderson-J. Ray Development
Irvine, CA

Michael D. Ray is a partner of Sanderson J. Ray Development and is in charge of all financial matters. The company has developed several hundred million dollars of commercial and industrial properties in Orange County. Mr. Ray was formerly the CFO for the J. Ray Construction Company and earlier the Loan Officer for the Real Estate Division of Citibank. Mr. Ray was a co-founder and former chair of the Democratic Foundation of Orange County, a founding member of the Democratic

Richard G. Reiten
President Portland General Electric Company
Portland, OR

Dick Reiten is President and Chief Operating Officer of Portland General Electric, in Portland, Oregon. He is also the Chairman and Director of the Portland Chamber of Commerce, and Director of the Association for Portland Progress. He also serves on the University of Washington Graduate School of Business Advisory Board.

Beth Renge
President Renge Securities & Company
Los Angeles, CA

I. Beth Renge is the Founder, President, and Chief Executive Officer of Renge Securities & Company, Inc. of Los Angeles and San Francisco, the nation's first Japanese American, woman-owned municipal bond investment banking firm. Ms. Renge participated in the President's Economic Conferences in Los Angeles in December, 1993 and Little Rock in December, 1992 as well as the California 1993 Economic Summit.

Norman B. Rice
Mayor City of Seattle
Seattle, WA

Rice is the Mayor of Seattle, Washington. He was elected in 1989, the first African-American mayor in Seattle's history. Among his top priorities and accomplishments are: revitalizing the public school system, promoting diversity in the government and the community, streamlining city government, providing shelter for the homeless, and preserving the unique environment of Seattle. He is a member of the Strengthening America Commission.

George E. Richardson, Jr.
Manager, Federal & Local Government Relations and Community Affairs
Northwest Natural Gas Company
, OR

Richardson is the Manager of Federal and Local Government Relations and Community Affairs at Northwest Natural Gas Company in Oregon. He manages relations with congressional delegations from Oregon and Washington, industry associations, local governments, and agencies responsible for regional energy planning. He also manages community relations and develops and implements Company policies. He is a member of many boards

Robert Ridgely
President and Chief Executive Officer Northwest Natural Gas
Portland, OR

Ridgely is President and CEO of Northwest Natural Gas Company. He is also Chairman of the Oregon Business Council and the Central City 2000 Task Force.

Thurston Roach
Executive Vice President and Chief Financial Officer
Simpson Investment
Seattle, WA

Roach is Senior Vice President, Chief Financial Officer, and Secretary of Simpson Investment Company, the parent company for Simpson Timber Company, Simpson Paper Company, and Pacific Western Extruded Plastics Company. Roach served in the U.S. Marine Corps.

Jack Roberts
Commissioner
Salem, OR

Bureau of Labor & Industries, State of Oregon

Prior to serving as Commissioner for Oregon's Bureau of Labor & Industries, Roberts served as a Lane County Commissioner starting in November 1989. This was after ten years of private practice as an attorney. Mr. Roberts attended both the University of Oregon School of Journalism and School of Law, and he later received a Master's of Law in Taxation from New York University.

Nicholas Rockefeller

Los Angeles, CA

Gary W. Rodrigues
Director **Hawaii State AFL-CIO**
Honolulu, HI

Robert Rossi
World Sport Research & Publications
Los Angeles, CA

James E. Rottsolk
Chief Executive Officer **Tera Computer Company**
Seattle, WA

Rottsolk is President, co-Founder and CEO of Tera Computer Company. He currently serves as Vice-Chair of the Board of Directors of Washington Technology Center.

Chuck Rouse
Owner **Rouse's Home Furnishings**
Baker City, OR

Sandra M. Rowe
Editor **The Portland Oregonian**
Portland, OR

Sandra Mims Rowe is the editor of The Oregonian, the largest newspaper in the Northwest with a daily circulation of 360,000 and a Sunday circulation of 450,000. Ms. Rowe is a member of the board of directors and treasurer of the American Society of Newspaper Editors. In 1994, she was elected to the Pulitzer Prize Board, which chooses the Pulitzer Prize winners each year.

Jerry Rust
Lane County
Eugene, OR

Lane County Commissioner Jerry Rust specializes in criminal justice, environmental, and international trade issues. He has written two books, and was a Peace Corps volunteer in India from 1965-67.

Sam Rutledge
First Vice President **Oregon AFL-CIO**
Klamath Falls, OR

Mr. Sam Rutledge is the Vice-President and Financial Secretary/Business Agent of the Oregon AFL-CIO.

David P. Saltman
Vice President **Gridcore Systems International**
Long Beach, CA

Mr. David Saltman is the Corporate Vice President of Marketing and Sales at Gridcore Systems International, a company that manufactures honeycomb panels from recovered resources that are used as building material for exhibits, stage sets, walls, ceilings, furniture and, eventually, entire housing systems. Mr. Saltman previously served as Executive Director for Surfrider Foundation, an environmental organization that in 1991 won the largest Clean Water Act lawsuit in American

Debby Saltzman
Chief Executive Officer **White Swan Seed Company**
Beaverton, OR

Saltzman is the President of White Swan. When she joined the company in 1984, it was a speciality distributor for garden products. She shifted the company's focus to the development and marketing of only propriety products versus distributing other manufacturers' products. She developed the company from one with only three staff members and sales under \$ 700,000, to one with 50 staff members and sales of over \$6,000,000. White Swan sells unique seed mixtures and decorative assortments.

Franck Sanchez
The Sanchez Family Farm
Los Angeles, CA

Dori Schnitzer
Vice President **Lasco Shipping Company**
Portland, OR

Dori Schnitzer is Vice President, Administration at Lasco Shipping Company in Portland. She is also on the Board of Visitors at both the Northwestern School of Law, and Lewis & Clark College, as well as member of the Board of Trustees for the Portland Art Museum.

Leonard Schnitzer
Chief Executive Officer **Schnitzer Steel**
Portland, OR

Leonard Schnitzer is Chairman and CEO of Schnitzer Steel Industries, Inc., recognized as one of the largest scrap metal recyclers in the U.S.. He also, with his brothers, is involved in major real estate, industrial gas production, ocean shipping, and cold storage business.

Christy Sermersheim
Service Employees International Union
San Jose, CA

Velaida Shephard
Friends of the Children
Portland, OR

Brenda Shockley
President Community Build, Incorporated
Los Angeles, CA

Shockley is President of Community Build, Inc. Community Build is a non-profit community-based corporation organized in response to the conditions which led the civil disturbance in April, 1992.

Walter Shorenstein
Chairman Shorenstein Properties
San Francisco, CA

Mr. Walter Shorenstein is Owner and Chairman of The Shorenstein Company, one of the nation's oldest and largest privately owned real estate firms. He was appointed by President Clinton to the Board of Directors of the Corporation for National Service. Mr. Shorenstein is active in numerous civic, political and cultural organizations in his home town of San Francisco. His wife of 49 years, Phyllis, died in June, 1994.

Sam Smith
Chancellor Washington State University
Pullman, WA

Roger W. Smith
President Rubicon International
Portland, OR

Oregon, Rubicon International - Founder and CEO of Rubicon International where he oversees the consulting practice in the U. S., Europe and the Pacific Rim. Has extensive experience in strategic planning, cost management, information technology, public policy and international initiatives. Co-author of "Strategic Management for Bankers".

Howard Sohn
Sun Studs, Inc.
Roseburg, OR

Susan Sokol-Blosser
President Sokol-Blosser Winery
Dundee, OR

Sokol-Blosser is President and CEO of the Sokol Blosser Winery and Managing Partner of Sokol Blosser Vineyards.

Susan Sokol-Blosser
Sokol-Blosser Winery
Dundee, OR

Richard Sonstelie
President and Chief Executive Officer **Puget Sound Power and Light**
Bellevue, WA

Mr. Richard Sonstelie is President and CEO of Puget Sound Power & Light Company in Bellevue, Washington. He served in the U.S. Army Corps of Engineers and saw duty in Vietnam as a company commander and division staff officer. Prior to joining Puget Sound Power & Light he was a project manager and staff member at the Los Alamos Scientific Laboratories in New Mexico.

John Stanton
Chief Executive Officer **Western Wireless**
Bellevue, WA

Stanton is co-founded Western Wirless Corporation in 1992 and serves as its CEO and Chairman. It operates FCC licensed cellular telephone systems in 71 rural markets and 16 western states. The company now employs 900 people and is generating 1995 revenues of \$135M. It is now ranked as the 11th largest wireless company in the U.S.

Bev Stein
Chairman **Multnomah County Board of Commissioners**
Portland, OR

Bess Stephens
Manager of Corporate K-12 Education Relations
Hewlett-Packard
Palo Alto, CA

Bess McDowell Stephens is the Manager of Corporate K-12 Education Relations for Hewlett-Packard Company, making her responsible for bringing direction and leadership to HP's growing interest and involvement with education. A former chemistry and physics teacher, Ms. Stephens is a member of the Board of Fellows at Santa Clara University and a graduate of the California Leadership Program.

Fred Stickel
Publisher **Portland Oregonian**
Portland, OR

Mr. Fred Stickel is Publisher of the Oregonian Publishing Company in Portland, Oregon. He has been with the Oregonian since 1967, first as General Manager, then as President and Publisher. Mr. Stickel graduated from Georgetown University in 1943. He is active in several anti-drug community organizations, including service as the Chairman of Portland's Citizens Crime Commission.

Susan Storie
Storie & Associates
Portland, OR

Ted Strong
Executive Director **Columbia River Intertribal Fish**
Commission
Portland, OR

Strong is the Executive Director of the Columbia River Inter-Tribal Fish Commission (CRITFC). He implements the consensus policies of CRITFC's parent tribes who founded CRITFC in 1977 as their technical and coordinating agency. Strong is on the Council on Sustainable Development where he serves as co-chair of the Natural Resources Task Force.

Harolf L. Sumpter, II
H & H Industries
Riverside, CA

Doug Sweat
Kaltag, AK

Strong Ted
Executive Director **Columbia River Intertribal Fish**
Commission
Portland, OR

Ken Thompson
President **ARCO Incorporated**
Anchorage, AK

Mr. Ken Thompson is President of ARCO Alaska, Inc. and Senior Vice President of Atlantic Richfield Company. He also serves as president of the Alaska Oil and Gas Association.

Kathryn Thompson
Chief Executive Officer **Kathryn G. Thompson Company**
Aliso Viejo, CA

Ms. Kathryn Thompson is Chairman and CEO of the Kathryn G. Thompson Company, a building and real estate concern in Orange County, California. She attended President Clinton's Little Rock Economic Summit in December, 1992. She is Chairwoman of the Orange County Performing Arts Center Community Council.

Keith Thomson
Intel Corporation
Hillsboro, OR

Lori Thornburg
Gorge Computer Services
White Salmon, WA

Thornburg and her husband started George Computer Services in 1993 where she provides typing, resume, and tutoring services while her husband provides the technical and material knowledge. She is also the sales representative for the catnip and culinary division of the Trout Lake Farm Co. and was for three years the Secretary of the Klickitat County Democratic Central Committee. Raised in New Hampshire in foster and group homes, and partly by her mother and grandmother, Thornburg

Mike Thorne
Executive Director **Port of Portland**
Portland, OR

Chang-Lin Tien
Chancellor **University of California at Berkeley**
Berkeley, CA

Ronald E. Timpe
President and Chief Executive Officer **Standard Insurance**
Company
Portland, OR

Mr. Ronald E. Timpe is President and CEO of Standard Insurance Company of Portland, Oregon, where he has worked since joining the company as an assistant actuary in 1968. He served as Chairman of the Board for Goodwill Industries of Oregon from 1986-88 and continues to participate in numerous local business and cultural organizations.

John Tu
President **Kingston Technology**
Fountain Valley, CA

Marc Turtletaub
Chief Executive Officer **The Money Store**
Sacramento, CA

Marc Turtletaub, California, The Money Store.
Mr. Turtletaub is President and CEO of The Money Store, Inc., a financial services company engaged primarily in the business of originating, selling, and servicing consumer and commercial loans. It is a national leader in each of its product areas --home equity lending, government guaranteed small business lending, and government guaranteed student lending. Turtletaub founded The Money Store's SBA lending subsidiary in 1979 and he
Daniel D. Villanueva
Managing Director **Bastion Capital Corporation**
Los Angeles, CA

Daniel D. Villanueva, California, Bastion Capital Corporation.
Villanueva is the Managing Director of Bastion Capital, a minority controlled private equity investment firm specializing in management buyouts of leading middle market companies. He is on various boards including the American Red Cross, the National YMCA, and the United Way.

Gary Walls
Trailblazer Foods
Portland, OR

David Watson
Director **COPE Region IX**
Seattle, WA

Watson is the Cope Director of Region IX for the National AFL-CIO. Mr. Watson's civic activities include the Governor's Committee on Economic Development, and the Aloha United Way. Mr. Watson is also a member of the Technical and Vocational Education Board.

Rollie Webb
President & CEO . . . **Todd Pacific Shipyards Corporation**
Seattle, WA

Webb is the President & CEO of Todd Pacific Shipyards. He has overall responsibility for the day-to-day operations of the shipyard which include the \$181.5M new construction project for three Jumbo Mark II ferries for Washington State Ferries, and the Phased Maintenance of the USS SACRAMENTO and the USS CAMDEN.

David Welsh
Executive Director . . . **Oregon Environmental Technology Association**
Portland, OR

Mr. David Welsh oversees the activities of the Oregon Environmental Technology Association, an organization that represents more than 250 Oregon environmental technology firms. The member companies are involved in waste management, pollution prevention, equipment and instrument manufacturing, and related services.

Paul Wenner
Wholseome & Hearty Foods
Portland, OR

Ed Whitelaw
Founder and President . . . **ECONorthwest**
, OR

Whitelaw is the founder and president of ECONorthwest, as well as a professor of economics at the University of Oregon. He specializes in urban and regional economics, resource and environmental economics, and the economic consequences of policy decisions. He has testified before administrative, legislative, congressional, and judicial bodies on a variety of economic issues.

Brett Wilcox
Northwest Aluminum
Vancouver, WA

William Wiley
Senior Vice President for Science and Technology **Battelle**
Northwest
Richland, WA

Wiley is Senior Vice President for science and technology policy at Battelle, and independent, science-based organization. He is organizing the establishment of an industry/government forum for gaining a consensus on the roles of government and the private sector in the creation of wealth to provide a means of implementing R&D procedures that will increase the rate of the public's return on the government's

Julie Williams
Partner **RARE Productions, Incorporated**
Oakland, CA

As one of the two founding members of the multimedia production company known as RARE Productions, Inc., Williams is responsible for business development, marketing, administration and contract negotiations in addition to her production duties. In 1994, she negotiated the voice-over contracts for the entire "Star Trek: The Next Generation" cast to participate in four video games, one of which is being developed and produced by RARE Productions.

Dick Wise
ILWU
Portland, OR

John A. Wolford
Tanon Manufacturing
Milpitas, CA

Through NOVA, Wolford obtained a Process Engineer's job at Tanon Manufacturing, requiring him to make a shift from working in a defense industry environment to working in a commercial manufacturing workplace. Through job training provided by the employer and support from NOVA, John was able to obtain steady employment.

James M. Wood
Secretary/Treasurer **Los Angeles County Federation of Labor**
Los Angeles, CA

Wood is the Executive Secretary Treasurer of the LA Federation of Labor. He has been on the Federation staff since 1974.

Bruce W. Woolpert
President & Chief Executive Officer **Granite Rock Company**
Watsonville, CA

Woolpert is President and CEO of Granite Rock Company. Granite Rock is a supplier of construction building materials and a heavy engineering contractor. It received the 1994 Governor's Golden State Quality Award.

Li Pei Wu
Chairman and Chief Executive Officer **General Bank of**
California
Los Angeles, CA

Wu is President, Chairman & CEO of GCB Bancorp & General Bank - a commercial bank with more than \$1 billion in assets including four subsidiary companies. In 1995 Wu was ranked 10 among the top 100 Asian American entrepreneurs by "Transpacific Magazine".

Duncan Wyse
President **Oregon Business Council**
Portland, OR

Wyse is President of the Oregon Business Council. In June 1995, he became President of the Oregon Business Council, a private, non-profit organization of 42 business executives focusing on long-range policy issues facing Oregon. Wyse developed Oregon Shines, Oregon's long-range strategy for economic growth, and Oregon Benchmarks, indicators which measure how Oregon is doing as a people, place, and economy.

Lily Yao
Chairman of the Board and Chief Executive Officer **Pioneer**
Savings
Honolulu, HI

Mrs. Lily K. Yao is Chairman of the Board and CEO of Pioneer Federal Savings Bank in Honolulu, Hawaii. She is the first woman to hold that post at a major financial institution in Hawaii. Mrs. Yao is a native of Shanghai. She started her career with Pioneer Federal as a bank teller in 1968. Her community involvement includes service on the boards of several children's organizations.

Jerry Yudelson
President **World Envirotech Services & Technologies,**
Incorporated
Portland, OR

Yudelson founded World Envirotech in 1993 to commercialize pollution prevention products based on environmental biotechnology. He is Chairman, President, and the CEO of the company which has focused on biofiltration technology, the use of microorganisms to destroy hazardous and toxic wastes in the vapor form. Yudelson also currently serves as president of the Oregon Environmental Technology Association, a 200-member

Jay Zidell
President Zidell Companies
Portland, OR

Mr. Jay Zidell is a shareholder, officer and director of the Zidell Companies in Portland, Oregon. The Zidell Companies are a group of family owned businesses that specialize in the construction and leasing of barges, and the manufacture and distribution of shipping materials. Mr. Zidell is a strong advocate of free trade and has testified before the U.S. International Trade Commission.

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STATE BY STATE

Divider Title: _____

State by State Data

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Per-capita income jumps 4.9%

In 1994, per-capita income was highest in the District of Columbia, at \$31,136, a 5.5% increase from 1993. The U.S. average was \$21,809, up 4.9%. How the states rank:

State	'94 per capita income	Rank	Pct. change from '93	State	'94 per capita income	Rank	Pct. change from '93	State	'94 per capita income	Rank	Pct. change from '93	State	'94 per capita income	Rank	Pct. change from '93
Ala.	\$18,010	40	6.1%	Ind.	\$20,378	28	6.1%	Neb.	\$20,488	25	6.9%	R.I.	\$22,251	19	4.7%
Alaska	\$23,788	8	3.1%	Iowa	\$20,265	29	10.9%	Nev.	\$24,023	7	4.9%	S.C.	\$17,695	44	4.9%
Ariz.	\$19,001	37	5.1%	Kan.	\$20,896	23	5.3%	N.H.	\$23,434	10	4.8%	S.D.	\$19,577	35	9.5%
Ark.	\$16,898	49	5.6%	Ky.	\$17,807	42	5.4%	N.J.	\$28,038	2	4.3%	Tenn.	\$19,482	36	5.7%
Calif.	\$22,493	14	2.7%	La.	\$17,651	45	6.3%	N.M.	\$17,106	47	4.6%	Texas	\$19,857	32	3.7%
Colo.	\$22,333	17	3.9%	Maine	\$19,663	34	4.7%	N.Y.	\$25,999	3	4.7%	Utah	\$17,043	48	5.6%
Conn.	\$28,402	1	4.4%	Md.	\$24,933	6	4.3%	N.C.	\$19,869	33	5.4%	Vt.	\$20,224	31	4.0%
Del.	\$22,828	11	4.5%	Mass.	\$25,616	4	4.9%	N.D.	\$18,546	38	8.6%	Va.	\$22,594	13	4.3%
Fla.	\$21,877	20	5.0%	Mich.	\$22,333	16	8.5%	Ohio	\$20,928	22	6.3%	Wash.	\$22,610	12	3.8%
Ga.	\$20,251	30	5.2%	Minn.	\$22,453	15	7.0%	Okla.	\$17,744	43	4.2%	W. Va.	\$17,208	46	6.4%
Hawaii	\$24,057	6	2.4%	Miss.	\$16,838	50	7.4%	Ore.	\$20,419	27	5.1%	Wis.	\$21,019	21	6.1%
Idaho	\$18,231	39	4.1%	Mo.	\$20,717	24	5.9%	Pa.	\$22,324	18	4.9%	Wyo.	\$20,436	26	3.6%
Ill.	\$23,784	9	6.4%	Mont.	\$17,865	41	2.8%								

Source: Commerce Department

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ALAS.

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ECONOMIC PROGRESS IN ALASKA UNDER PRESIDENT CLINTON

President Clinton's strategy to strengthen the economy is based on reducing the federal budget deficit, lowering trade barriers, and empowering workers, families, businesses and communities to succeed. Here are some of the results for Alaska after the first 28 months of the Clinton Administration:

Improved Economic Conditions in Alaska:

- The unemployment rate has dropped from 8.1% to 6.7%.
- In 27 months Alaska has added 11,000 total jobs or 4,889 per year. During the previous 4 years combined, Alaska added 31,600 total jobs or 7,900 per year.
- In 27 months, Alaska has added 11,900 private sector jobs, or 5,289 per year. During the previous four years combined, Alaska added 24,300 total jobs or 6,075 per year.
- 1,900 manufacturing jobs *LOST* in 27 months -- after 2,300 added during the previous 4 years combined.
- Home building has increased 19% per year.
- Bankruptcy filings have dropped 12% per year.
- The Help Wanted Index has increased 18%.
- Bank lending has increased 12% per year -- after declining 6% per year during the previous 8 years.

What President Clinton's Accomplishments Have Achieved for the People of Alaska:

\$10,000 OF REDUCED FEDERAL DEBT FOR EVERY FAMILY OF FOUR IN ALASKA: By 1998, the national debt will be over \$600 billion lower than was projected before the passage of the President's economic plan. That's about \$10,000 of reduced federal debt for each family of four in Alaska.

7 TIMES MORE ALASKA FAMILIES RECEIVE A TAX CUT THAN A TAX INCREASE: As a result of the expanded Earned Income Tax Credit, 20,299 working families in Alaska will receive a tax cut. This compares to an increase in the income tax rate for only the 2,817 wealthiest taxpayers in Alaska.

TAX CUT FOR 4,651 SMALL BUSINESSES IN ALASKA: The President helped entrepreneurs, proprietors, and other small businessmen and women by expanding the annual expensing allowance from \$10,000 to \$17,500. About 4,651 small businesses in Alaska are likely to benefit from the expansion of the expensing allowance this year alone and many more will benefit over the coming years.

66,000 ALASKA WORKERS PROTECTED BY FAMILY AND MEDICAL LEAVE ACT: The Family and Medical Leave Act allows workers to take up to 12 weeks of unpaid leave for the birth of a child, to care for a sick family member, or if they become too sick to work. This law covers about 66,113 workers in Alaska, and protects the jobs of 3,972 workers in Alaska who are likely to use unpaid leave this year alone.

8,800 STUDENTS AND FORMER STUDENTS IN ALASKA WILL BE ABLE TO BENEFIT FROM STUDENT LOAN REFORMS: Approximately 8,800 Alaska borrowers -- 6,200 current borrowers and 2,600 new borrowers in the next few years -- can take advantage of the new direct student loan program by participating directly in the program or by consolidating guaranteed loans into direct loans. Some will benefit from lower interest rates, and all will benefit from more repayment options, including income contingent repayment.

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Alaska

- The Senate EITC proposal would increase taxes for 18,350 working families in Alaska by an average of \$203 in 1996.
- For 9,905 families with two or more children, the average tax increase in 1996 would be \$246.

District Representative	Families Facing EITC Tax Increase	Tax Increase 1996-2002 (millions)
Don Young	18,350	\$25.

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CAL

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