

June 24, 1994

MEMORANDUM TO SENATOR DOLE

FROM: SUZANNE HELLMANN

RE: CALIFORNIA POLITICAL BRIEFING

1. National Association of Radio and Talk Show Hosts
 - o See enclosed letter from National Association of Radio Talk Show Hosts, memo from Clarkson and agenda for the event.
2. Michael Huffington Lunch
 - o See enclosed talking points from campaign
3. Young Executives for Huffington
 - o U.S. House candidate Paul Stepanek -- CD 29 -- will be in attendance and would like you to mention his candidacy for the House. He is taking on the formidable Rep. Henry Waxman. Stepanek has also submitted a request to you to host a fundraiser -- we couldn't fit it in this time.

U.S. SENATE RACE

- o Huffington spent \$6.3 million in the primary.
- o As you know, President Clinton has made frequent trips to California -- these races are critical to the 1996 elections. So far, Clinton has visited CA 12 times and has attended two fund-raisers for Sen. Dianne Feinstein. Apparently, that's more visits to a single state by Clinton and more help than he's given any other candidate in the Nation. Feinstein supported the President's budget and was on his health care bill until May 25, 1994.
- o Michael Huffington's first ad began airing on June 16: "November 20th. Dianne Feinstein sponsors the Clinton health plan -- a government take-over of health care." Huffington: "The government that gave us the welfare mess now wants to screw up health care. The Clinton plan takes away your right to choose your doctor. It raises taxes and destroys jobs." ANNCR: "The Clinton health plan -- and Feinstein -- dropped in the polls. So, on May 25th, Feinstein flip-flopped and deserted the health plan. It's the only principle of a career politician -- save your own skin."
- o Ex-Baseball Commissioner, Peter Ueberroth crossed the line to endorse Feinstein. He will head up a "Republicans for Feinstein" group. The Huffington spin -- "She [Feinstein] can have Peter Ueberroth and we'll take the 500,000 Democrats that voted against her in the primary. We'll make that trade."
- o Possible write-in campaign -- Jim Worthen, ex-aide to Ex. Rep Bob Lagomarsino who lost to Huffington in 1992, hopes to encourage someone like ex-Rep. Dannemeyer or another to run against Huffington.
- o On Huffington refusing to release his tax returns, the S.F. Chronicle wrote -- "... for a person seeking the highest public trust, an imperious insistence on secrecy makes people wonder just what is lurking in those tax returns."
- o On immigration, Feinstein called for illegal immigrants who commit crimes in the U.S. to be jailed in their native countries.

GUBERNATORIAL RACE

- o According to an exit poll conducted during the 6/7 primary, 5,234 voters interviewed said that "the issue Brown has chosen to stress above all others -- the economy -- is headed down on voters' list of priorities, while crime, a topic that appears to favor Wilson, remains atop the public's agenda."
- o Also shown on the exit poll -- 2/3 of the respondents believe that the state is no the "wrong track" and 31% believe it is going in the right direction.
- o Wilson ad 6/8 in L.A.: partial text: "The national recession and defense cuts have hit California hard. Nobody understands that better than Pete Wilson. Wilson is cutting red tape and providing incentives to businesses creating new jobs... He's suing the federal government to stop illegal immigration at the border. Wilson was the first Governor in the nation to sign a Three Strikes law to keep violent criminals behind bars."
- o On immigration - Pete Wilson is seeking federal funds to offset CA's costs of illegal immigration. Leon Panetta released his figures saying that the 1995 budget asks for 33% more money for immigration than the last Bush budget of \$18.8 billion. Panetta's budget calls for \$24.8 billion. BUT the catch is that Panetta is combining figures from both legal and illegal immigration activities. Wilson has cried foul.
- o Kathleen Brown personally opposes the death penalty because of her religion -- Roman Catholic -- and because of her father who also opposed the death penalty. But Brown said she will enforce the law. Wilson's response: Kathleen's father excused about 23 people, some of whom were paroled. "I thank if you have someone who holds what they profess to be a deep personal conscientious objection, that you have to expect ... that they are not going to be much of an advocate for the death penalty and will find ways as did Pat Brown to avoid imposing it."
- o Wilson's primary opponent, Ron Unz, refused to endorse Wilson.

U.S. HOUSE RACES

See enclosed list of candidates and incumbents.

TALKING POINTS -- HUFFINGTON V. FEINSTEIN

MIKE HUFFINGTON: A successful businessman who understands that higher taxes aren't the answer.

Huffington supported the most fiscally conservative budget plan, the Burton plan.

He supports a balanced budget amendment to the Constitution.

...Not a career politician...

Supports term limits.

Vows to serve a maximum of two terms himself.

Donates salary to charity; **does not accept PAC money.**

...Committed to reforming the way Congress does business....

Wants Congress to live under the same laws it makes us live under (Shays Bill, H.R. 349)

...Will not sacrifice our nation's defense for social programs...

Opposes the \$122 billion Clinton defense cuts (Feinstein wanted cuts of \$135 billion)

...Always been strong on crime....

California's co-sponsor of "Three Strikes and You're Out"

Lifelong supporter of the death penalty -- unlike Dianne Feinstein

...Knows that welfare as we know it has hurt the poor and everyone else...

Supports Michel welfare reform proposal

...Knows that answers to problems depend, in his words, "on strong individuals and strong families, not on government."

Has sponsored legislation which would make it easier for middle-income families to donate to local charities

Meanwhile, Californians are not getting what they bargained for when they voted for Dianne Feinstein.

They voted for someone who could bring our state's economy back to greatness. They didn't know they'd be getting someone who would prove to be the deciding vote on raising our income taxes during a recession, including raising taxes on Social Security recipients and small businesses.

They wanted someone who would bring our massive deficit down to size. They didn't know they'd be voting for the eighth-biggest spender in the Senate. (Ted Kennedy ranked 12th, Barbara Boxer 22nd -- National Taxpayers Union Foundation)

They wanted someone to improve our state's business climate. They didn't know Mrs. Feinstein would vote on the side of improving the business climate only 9 percent of the time, according to the Chamber of Commerce.

They voted for someone who could protect California's high-tech defense industry, who would, in Feinstein's words, "remain vigilant on base closures." But she couldn't convince Clinton to take any California bases off of the hit list.

They wanted someone to protect California jobs. They didn't know they'd be getting someone who would support measures such as the Clinton defense cuts, the Clinton health care plan, the Desert Protection Act, and the 1993 budget deal/tax increase, which are projected to cost California more than 300,000 jobs.

They wanted someone who would send the message that her vote wasn't for sale. Instead, this year Mrs. Feinstein has nearly doubled her rate of political action committee contributions -- from 12% of her total in 1992 to 21% of her total in 1994.

They wanted someone who would protect California's agriculture industry and our farmers' livelihood. They didn't know they'd be getting someone who voted to divert hundreds of thousands of acre-feet of water from farms to the Pacific Ocean, even during periods of drought. They also didn't know Mrs. Feinstein would stand by silently while the EPA treated hard-working, law-abiding California farmers as criminals for plowing stagnant potholes on their land or running over an allegedly endangered kangaroo rat.

They wanted someone who would challenge Washington on paying the staggering costs of illegal immigration. They didn't know they'd be getting someone who would let Washington off the hook by asking the Clinton Administration to pay less than 10 percent of the \$3 billion they owe this state (source: Governor's office).

They wanted someone who would keep government and bureaucracy from ballooning in size and infringing upon our rights and freedoms. Instead, Mrs. Feinstein co-sponsored the Clinton health care plan, which will nationalize one-seventh of our entire U.S. economy, increase our taxes, add new levels of taxpayer-funded bureaucracies, and eliminate hundreds of thousands of California jobs.

They voted for someone who campaigned as a moderate, a pragmatist who would not be a knee-jerk vote for the special interests on the left. They didn't know that they'd be getting someone who would vote the same as Barbara Boxer 91 percent of the time. (source: Cal Journal)

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MIKE HUFFINGTON:

I am running for the Senate for one important reason: government has become unaccountable and uncontrollable. Washington has lost touch with the ideas -- freedom, personal responsibility, entrepreneurship, low taxes -- that have made America the greatest country in the world. I am running to change that.

Last year the government imposed the largest single tax increase in U.S. history. This hit California especially hard, costing us tens of thousands of jobs. Recently, Intel, Thrifty Drugs, and Taco Bell all announced they were making a run for the border. And, as you recall, that retroactive tax hike became law by one deciding vote -- the vote of my opponent, Mrs. Feinstein. I voted against that tax in the House of Representatives. Had I been in the Senate, it would not be law today.

For all we give it, however, government is still failing its primary mission: keeping us safe. That's why I co-chair the "Three Strikes and You're Out" Initiative, to lock repeat violent felons away in prison forever. I support truth-in-sentencing laws, so convicts do not automatically get half of their sentences reduced for "good behavior" -- only to commit more crimes once they're out. And we must expand the number of crimes punishable by the death penalty -- without letting death row appeals drag on for years.

On health care, I support its availability for every American. But I oppose the Clinton plan, a government takeover that kills jobs and endangers the quality and free choice Americans have every right to expect. Dianne Feinstein co-sponsored the Clinton plan -- and then took her name off it when it, and she, started falling in the polls. There are ways we can and must improve our health care system, such as providing tax credits for families and guaranteeing portability between jobs. But my first rule on health care is the oath of the physician: "First, Do no harm." I will vote against any plan that does.

One of my top priorities in the Senate will be to overhaul welfare, which has broken up too many families and discouraged personal responsibility for far too long. We should encourage volunteerism and local private sector initiatives, and turn away from massive government programs.

On immigration, we must not single out the hardworking Californians who have immigrated legally -- but we must stop the rising influx of illegal aliens who abuse our services. I favor a Constitutional Amendment forbidding children born here to illegal immigrants from automatically becoming U.S. citizens. I also support ending welfare for illegal aliens.

Most of all, I want to change the way Congress does business. Unlike my opponent, Mrs. Feinstein, who in her first year in the Senate ranked as the eighth-biggest spender, I favor a meaningful balanced budget amendment with teeth. I also favor term limits on all politicians. I have pledged to serve no more than two terms in office. I continue to donate my entire congressional salary to charity. And I have not and will not accept money from political action committees.

I have spent most of my career building a business -- not kowtowing to special interests. Unlike career politicians, I understand first-hand what it takes to provide jobs in the free market, and how government can interfere in the process.

I want to take government from the career politicians and give it back to the people. I want a government that listens to us, that uses common sense to make life simpler, not more difficult, for the taxpayers of California. I am running now because I don't believe that's what we're getting. I need your support to finally make Washington accountable to the people of California.

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Tax increases "stimulate the economy." -- Feinstein Campaign

Dianne Feinstein has raised or tried to raise taxes on:

**ALCOHOL • BUSINESS LICENSES •
BUSINESS PROPERTY • CITY INCOME
• CORPORATE INCOME • ESTATES •
GASOLINE • GROSS BUSINESS
RECEIPTS • GROSS RECEIPTS OF
NON-PROFIT GARAGES • HOTEL
ROOMS • MEDICARE PAYROLLS •
PARKING • PAYROLLS • PERSONAL
INCOME • PROPERTY TRANSFERS •
SALES (DRUG WAR) • SALES
(EARTHQUAKE) • SOCIAL SECURITY
BENEFITS • STADIUM OPERATORS •
UTILITY USERS**

On November 8th, Remember April 15th.

**Vote MIKE HUFFINGTON for
U.S. SENATE.**

Paid for by Californians for Huffington

CALIFORNIA

Status of Incumbent: Gov. Wilson (R) Eligible to seek reelection.

REPUBLICANS

Pete Wilson, Incumbent

DEMOCRATS

Kathleen Brown, State Treasurer

Update

Governor Pete Wilson easily won renomination on June 7 defeating businessman Ron Unz. He will now face State Treasurer Kathleen Brown who beat Insurance Commissioner John Garamendi. Governor Wilson is expected to continue with the same themes that Californians have responded to recently. The latest polls have shown that his policies against illegal immigration, for example, are widely supported throughout the state. Additionally, a KNBC/San Francisco Examiner poll conducted May 26-29 (+/- 3.5% margin of error) gave Wilson a 47% to 39% lead against Brown in the general election match-up. This contrasts with other polls which have Brown ahead by small margins.

Brown's sometimes economics advisor Joel Kotkin disassociated himself from the campaign when Brown started running an ad with the line, "America's best Treasurer to Revive America's worst Economy." Kotkin said that the campaign line itself would hurt California's ability to attract business. At the end of the primary period, *The Los Angeles Times* had called into question the first half of the campaign line when it delineated how many campaign promises Brown had broken as State Treasurer. Now a third campaign slogan is being tried, "The only candidate to build a new California." In the meantime, Brown advisor Clint Reilly has also resigned citing fundamental differences over the approach of the campaign.

Los Angeles Times primary exit polls showed that Garamendi voters would break for Wilson 39% to 29%, with 25% looking for someone else and 7% undecided.

1992 Presidential Vote

Clinton (D)	5,121,249 (46%)
Bush (R)	3,630,566 (33%)
Perot (I)	2,296,004 (21%)
Total	11,047,819

1990 Gubernatorial General Election Results

Pete Wilson (R)	3,791,904 (49%)
Dianne Feinstein (D)	3,525,197 (46%)
Other	383,316 (5%)
Total	7,700,417

RICHARD HERTZ FOR NEWS CONSORTIUM MAY 10-14, 1994(N=610 R
REGISTERED VOTERS MARGIN OF ERROR +/- 4%):

FIELD POLL FOR ORANGE COUNTY REGISTER MAY 11-16, 1994 (N=1,046
ADULTS INCLUDING 758 REGISTERED VOTERS MARGIN OF ERROR +/- 3%)

	HERTZ	FIELD
Brown	38%	50%
Wilson	38%	42%

POLITICAL MEDIA RESEARCH FOR THE SAN FRANCISCO EXAMINER, MAY 26-
29, 1994 (N= 801 LIKELY VOTERS STATEWIDE):

GENERAL ELECTION TRIAL HEAT:

	MAY	JAN.
Pete Wilson(R)	47%	38%
Kathleen Brown(D)	39%	44%
Undecided	14%	18%

BOB DOLE
KANSAS

United States Senate

OFFICE OF THE REPUBLICAN LEADER

WASHINGTON, DC 20510-7020

FACSIMILE COVER SHEET

TIME: 3:20DATE: June 23TO: Paul DurrantFROM: John Mc Cluney

RE: _____

6 PAGES TO FOLLOW THIS COVER SHEETCOMMENTS: Please deliver to
Senator Dole upon arrival

SENT BY: _____

TELEPHONE: (202) 224-7771 FACSIMILE: (202) 224-3163

PLEASE DELIVER A.S.A.P.

May 18, 1994

CONGRESSIONAL RECORD—SENATE

S5899

So I think a vote in favor of the Smith amendment is a vote for the taxpayers and a vote for environmental cleanup. Let us keep the record straight on that.

Mr. BAUCUS. Madam President, one point I want to make regarding the provisions in the committee bill. Applying prevailing wage to projects as a consequence of loans out of the State revolving loan fund under the Safe Drinking Water Act is entirely consistent with the provisions that currently apply under another revolving loan fund, the Clean Water Act State revolving loan fund.

In fact, we in the committee addressed this very issue under the Clean Water Act for loans to communities for sewage wastewater treatment plants. We decided in the committee that the prevailing wage should apply in all cases. I just think for the sake of consistency that we should apply the same principle today. Again, the committee has voted on this.

The committee, frankly, I might add, Madam President, voted this bill out unanimously, which included provisions that prevailing wage would be provided in all cases.

Basically it comes down to this: We in the Senate just should make a clear decision: Does Davis-Bacon apply or does it not apply? If it does apply, it applies. If it does not apply, it should not apply. We in the Senate have stated very clearly, a significant majority has stated that Davis-Bacon should apply to Federal projects. This is a Federal project. This is a Federal project because at least 80 percent of the funds loaned out are Federal.

I think that we should affirm our earlier position, and I urge the Senate to do so: to disapprove the amendment offered by the Senator from New Hampshire.

The PRESIDING OFFICER. Who seeks recognition?

AMENDMENT NO. 1729

(Purpose: To propose 1st degree amendment to require Federal agencies to prepare private property taking impact analyses, and for other purposes)

Mr. DOLE. Madam President, is there an amendment pending?

The PRESIDING OFFICER. There is an amendment pending.

Mr. DOLE. I ask unanimous consent that the amendment be temporarily laid aside, and I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the amendment is set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself, Mr. HEFLIN, Mr. MCCONNELL, Mr. PRESSLER, Mr. BURNS, Mr. BROWN, Mr. HATCH, Mr. BOND, Mr. GORTON, Mr. KEMPTHORNE, Mr. GRAMM, Mrs. HUTCHISON, and Mr. CRAIG, proposes an amendment numbered 1729.

Mr. DOLE. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 138, insert between lines 16 and 17 the following new section:

SEC. 18. PRIVATE PROPERTY RIGHTS.

(a) SHORT TITLE.—This section may be cited as the "Private Property Rights Act of 1994".

(b) FINDINGS.—The Congress finds that—

(1) the protection of private property from a taking by the Government without just compensation is an integral protection for private citizens incorporated into the Constitution by the Fifth Amendment and made applicable to the States by the Fourteenth Amendment; and

(2) Federal agencies should take into consideration the impact of Governmental actions on the use and ownership of private property.

(c) PURPOSE.—The Congress, recognizing the important role that the use and ownership of private property plays in ensuring the economic and social well-being of the Nation, declares that it is the policy of the Federal Government to use all practicable means and measures to minimize takings of private property by the Federal Government.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service; and

(B) does not include the General Accounting Office; and

(2) the term "taking of private property" means any action whereby private property is taken in such a way as to require compensation under the Fifth Amendment to the United States Constitution.

(e) PRIVATE PROPERTY TAKING IMPACT ANALYSIS.—

(1) IN GENERAL.—The Congress authorizes and directs that, to the fullest extent possible—

(A) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies under this section; and

(B) all agencies of the Federal Government shall submit a certification to the Attorney General of the United States that a private property taking impact analysis has been completed before issuing or promulgating any policy, regulation, proposal, recommendation (including any recommendation or report on proposal for legislation), or related agency action which could result in a taking or diminution of use or value of private property.

(2) CONTENT OF ANALYSIS.—A private property taking impact analysis shall be a written statement that includes—

(A) the specific purpose of the policy, regulation, proposal, recommendation, or related agency action;

(B) an assessment of whether a taking of private property shall occur under such policy, regulation, proposal, recommendation, or related agency action;

(C) the effect of the policy, regulation, proposal, recommendation, or related agency action on the use or value of private property, including an evaluation of whether such policy, regulation, proposal, recommendation, or related agency action requires compensation to private property owners;

(D) alternatives to the policy, regulation, proposal, recommendation, or related agency action that would lessen the adverse effects on the use or value of private property;

(E) an estimate of the cost of the Federal Government if the Government is required to compensate a private property owner; and

(F) an estimate of the reduction in use or value of any affected private property as a result of such policy, regulation, proposal, recommendation, or related agency action.

(3) PUBLIC AVAILABILITY OF ANALYSIS.—An agency shall—

(A) make each private property taking impact analysis available to the public; and

(B) to the greatest extent practicable, transmit a copy of such analysis to the owner or any other person with a property right or interest in the affected property.

(4) PRESUMPTIONS IN PROCEEDINGS.—For the purpose of any agency action or administrative or judicial proceeding, there shall be a rebuttable presumption that the cost, values, and estimates in any private property takings impact analysis shall be outdated and inaccurate, if—

(A) such analysis was completed 5 years or more before the date of such action or proceeding; and

(B) such costs, values, or estimates have not been modified within the 5-year period preceding the date of such action or proceeding.

(5) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to—

(1) limit any right remedy, or bar any claim of any person relating to such person's property under any other law, including claims made under section 1346 or 1402 of title 28, United States Code, or chapter 91 of title 23, United States Code; or

(2) constitute a conclusive determination of the value of any property for purposes of an appraisal for the acquisition of property, or for the determination of damages.

(6) STATUTE OF LIMITATIONS.—No action may be filed in a court of the United States to enforce the provisions of this section on or after the date occurring 6 years after the date of the submission of the certification of the applicable private property taking impact analysis with the Attorney General.

(7) EFFECTIVE DATE.—The provisions of this section shall take effect 120 days after the date of the enactment of this Act.

Mr. DOLE. We are not going to debate this amendment at this time. It is the so-called takings amendment in which I know a number of Members on each side have an interest. And this just protects me; so I have offered the amendment prior to 3 o'clock. I understand we have worked out some agreement. There will be two second-degree amendments.

Mr. BAUCUS. Right.

Mr. DOLE. I thank the managers. I yield the floor.

Mr. BAUCUS. Madam President, I thank the Senator, too, for being accommodating in working this out. We have worked out an understanding that three amendments will be laid down, two second-degree amendments, one offered by either Senator MITCHELL or his designee and, pending disposition of that, the Senator will offer his second, second-degree amendment, so essentially depending on how the votes come out—

Mr. DOLE. One way to shorten that would be to accept the amendment I sent up.

Mr. BAUCUS. I could think of other ways to shorten it, too.

S5904

CONGRESSIONAL RECORD—SENATE

May 18, 1994

The Senator from Arkansas [Mr. BUMPERS] for Mr. MITCHELL, for himself, Mr. BUMPERS, and Mr. BAUCUS proposes an amendment numbered 1735.

Mr. BUMPERS. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the first section heading and insert the following:

(a) **SHORT TITLE.**—This section may be cited as the "Private Property Rights Act of 1994".

(b) **FINDINGS.**—The Congress finds that—

(1) the protection of private property from a taking by the Government without just compensation is an integral protection for private citizens incorporated into the Constitution by the Fifth Amendment and made applicable to the States by the Fourteenth Amendment; and

(2) Federal agencies should take into consideration the impact of Governmental actions on the use and ownership of private property.

(c) **PURPOSE.**—The Congress, recognizing the important role that the use and ownership of private property plays in ensuring the economic and social well-being of the Nation, declares that the Federal Government should protect the health, safety, and welfare of the public and, in doing so, to the extent practicable, avoid takings of private property.

(d) **DEFINITIONS.**—For purposes of this section—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service; and

(B) does not include the General Accounting Office; and

(2) the term "taking of private property" means any action whereby private property is taken in such a way as to require compensation under the Fifth Amendment to the United States Constitution.

(e) **PRIVATE PROPERTY TAKING IMPACT ANALYSIS.**—

(1) **IN GENERAL.**—The Congress authorizes and directs that, to the fullest extent possible—

(A) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies under this section; and

(B) all agencies of the Federal Government shall complete a private property taking impact analysis before issuing or promulgating any policy, regulation, proposed legislation, or related agency action which is likely to result in a taking of private property, except that—

(i) this subparagraph shall not apply to—

(I) an action in which the power of eminent domain is formally exercised;

(II) an action taken—

(aa) with respect to property held in trust by the United States; or

(bb) in preparation for, or in connection with, treaty negotiations with foreign nations;

(III) a law enforcement action, including seizure, for a violation of law, of property for forfeiture or as evidence in a criminal proceeding;

(IV) a study or similar effort or planning activity;

(V) a communication between an agency and a State or local land-use planning agency concerning a planned or proposed State or local activity that regulates private property, regardless of whether the communication is initiated by an agency or is under-

taken in response to an invitation by the State or local authority;

(VI) the placement of a military facility or a military activity involving the use of solely Federal property; and

(VII) any military or foreign affairs function (including a procurement function under a military or foreign affairs function), but not including the civil works program of the Army Corps of Engineers; and

(ii) in a case in which there is an immediate threat to health or safety that constitutes an emergency requiring immediate response or the issuance of a regulation pursuant to section 552(b)(3) of title 5, United States Code, the taking impact analysis may be completed after the emergency action is carried out or the regulation is published.

(2) **CONTENT OF ANALYSIS.**—A private property taking impact analysis shall be a written statement that includes—

(A) the specific purpose of the policy, regulation, proposal, recommendation, or related agency action;

(B) an assessment of the likelihood that a taking of private property will occur under such policy, regulation, proposal, recommendation, or related agency action;

(C) an evaluation of whether such policy, regulation, proposal, recommendation, or related agency action is likely to require compensation to private property owners;

(D) alternatives to the policy, regulation, proposal, recommendation, or related agency action that would achieve the intended purposes of the agency action and lessen the likelihood that a taking of private property will occur; and

(E) an estimate of the potential liability of the Federal Government if the Government is required to compensate a private property owner.

(3) **SUBMISSION TO OMB.**—Each agency shall provide an analysis required by this section as part of any submission otherwise required to be made to the Office of Management and Budget in conjunction with the proposed regulation.

(f) **GUIDANCE AND REPORTING REQUIREMENTS.**—

(1) **GUIDANCE.**—The Attorney General shall provide legal guidance in a timely manner, in response to a request by an agency, to assist the agency in complying with this section.

(2) **REPORTING.**—Not later than 1 year after the date of enactment of this Act and at the end of each 1-year period thereafter, each agency shall provide a report to the Director of the Office of Management and Budget and the Attorney General identifying each agency action that has resulted in the preparation of a taking impact analysis, the filing of a taking claim, or an award of compensation pursuant to the Just Compensation Clause of the Fifth Amendment to the Constitution. The Director of the Office of Management and Budget and the Attorney General shall publish in the Federal Register, on an annual basis, a compilation of the reports of all agencies made pursuant to this paragraph.

(g) **JUDICIAL REVIEW.**—

(1) **IN GENERAL.**—Subject to paragraph (2), nothing in this section shall create any right to administrative or judicial review, or any other right or benefit or trust responsibility, substantive or procedural, enforceable by a party at law or equity against the United States, an agency or instrumentality of the United States, an officer or employee of the United States, or any other person. If an agency action is subject to judicial or administrative review under any other provision of law, any alleged failure to comply with this section may not be used as a ground for affecting or invalidating the agency action.

(2) **CLAIMS FOR JUST COMPENSATION.**—Nothing in this section shall limit the right of any person to seek just compensation pursuant to the Fifth Amendment to the Constitution.

(h) **EFFECTIVE DATE.**—The provisions of this section shall take effect 120 days after the date of the enactment of this Act.

Mr. BUMPERS. Madam President, could I inquire of the distinguished floor manager what the parliamentary situation is here, and how we are handling these amendments?

Mr. BAUCUS. Madam President, 3 o'clock having arrived, we are in a somewhat complex and unique situation.

As I understand it, after consulting with the parliamentarian, we now have 11 amendments to dispose of here. We are taking them in reverse order until 3:45, and at 3:45 we will have a vote on the Johnston risk-taking amendment. At that point, I think we can proceed in the order in which they were offered.

Mr. BUMPERS. I understood from my staff—and I want to verify it—the amendment I offered just now to the Dole amendment will be debated and voted on, at which time, if I prevail, at that point, he would be entitled to offer a second-degree amendment to mine; is that correct?

Mr. BAUCUS. That is my understanding. That is correct.

Mr. BUMPERS. I thank the floor manager.

I yield the floor.

The PRESIDING OFFICER. If the Senator will withhold, if there is no objection, the Bumpers amendment No. 1735 will be considered a second-degree amendment to the Dole amendment No. 1729.

Mr. BAUCUS. Madam President, what is the regular order?

The PRESIDING OFFICER. The regular order is the Johnston amendment No. 1722.

Mr. BAUCUS. Madam President—

The PRESIDING OFFICER. The pending amendment is the Hatch amendment.

Who seeks recognition?

AMENDMENT NO. 1732

Mr. BAUCUS. Madam President, I ask unanimous consent that we now take up the managers' amendment, amendment No. 1732, offered on behalf of myself, and I ask that that now be the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Madam President, this is essentially a technical amendment. This is the managers' amendment including technical provisions.

It has been cleared, and I urge the Senate to approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1732) was agreed to.

Mr. BAUCUS. Madam President, I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

S 5924

CONGRESSIONAL RECORD — SENATE

May 18, 1994

has taken their property without just compensation have the right to seek restitution in the U.S. Claims Court. The courts have defined, through the case law, what constitutes a taking of private property for public use. This bill does not change any of that—nor should it. The courts are much better situated that we are to examine the circumstances surrounding each alleged taking to determine whether one has actually occurred. Indeed, the fact that some courts have found that some Government regulations may result in a taking shows that the court system is working.

What this amendment does is simply impose a huge and unworkable paperwork burden on the Federal Government. The analysis this amendment calls for is completely out of proportion to the laudable goal of identifying potential takings in advance, so that policymakers can weigh those costs in their decisions. This amendment does not streamline government or make it more efficient. It is not consistent with any notion of reinventing government.

The proponents of the amendment have not made the case for the aggressive legislative intervention that this amendment contemplates. It is important to remember what is at stake here. This amendment would dramatically limit our Government's capacity to protect us, our health, and our safety.

For these reasons, Mr. President, I will oppose the Dole amendment. I urge my colleagues to do likewise.

Mr. LEAHY. Mr. President, I would like to ask the Chairman a few questions about the Bumpers substitute to the Dole amendment.

The Constitution, in the fifth amendment, now requires that if the Government takes property, compensation must be provided. Does this amendment change the constitutional understanding of the concept of takings?

Mr. BAUCUS. This substitute does not change the present constitutional provision on takings nor expand the concept by legislative action.

Mr. LEAHY. Beyond the obligation which exists to respect private property and to avoid takings in regulatory action where possible, does this legislation require that the agency head take any action beyond the analyses and reporting requirements in subsections (e) and (f)(2)?

Mr. BAUCUS. No, it does not.

Mr. CHAFEE. I rise to express my views on the second degree amendment offered by Senator BUMPERS. I have some significant concerns that this second degree, like the Dole amendment, will result in paralysis by analysis. While the Bumpers second degree is a substantial improvement over the Dole amendment, I question whether this type of amendment is necessary at all.

First, let me express my general concerns about this entire approach. While the scope of the Bumpers amendment is much more reasonable than the

original amendment, it still would require that a fairly extensive takings analysis be completed whenever any Federal action was likely to result in a taking. This would be a costly requirement and divert significant Federal resources.

I question whether this amendment is necessary when the fifth amendment fully protects property rights. It is proper for the courts, not the agencies, to judge when a taking has occurred.

I am also concerned that the resources for performing these takings analyses will come from the scarce resources available to protect the public health, environment and welfare. The second degree would improve this situation by including reasonable exceptions and by streamlining the required analysis, however, it will cost money that we simply do not have.

On the plus side, the second degree amendment would not require, as in the Dole amendment, agencies submit a certification regarding their takings analyses to the Attorney General. This requirement provides little protection for property owners while raising the specter of unnecessary bureaucratic delays for important Federal regulations. So, striking that requirement is an improvement.

In addition, the second degree amendment exempts a limited list of Federal actions relating to foreign policy, military matters, law enforcement and study and planning activities. These actions would rarely, if ever, effect a taking under the fifth amendment. Further, if a number of these activities were delayed due to the requirement for a takings impact assessment, United States interests would be seriously compromised. So again, adding these exemptions is an improvement.

Consistent with current Supreme Court takings jurisprudence and common sense, the second degree would require a takings impact assessment only for those actions likely to affect a taking, and not for actions which may in some way diminish the use or value of property. This will avoid redefining constitutional takings law, and reinforce the primary purpose of the legislation—to enhance constitutional protection of private property rights. This change will also ensure that the Government can continue to fulfill its other responsibilities to protect the public health, safety and environment.

Unlike the Dole amendment, the second degree would not make these internal agency analyses public. Instead, agencies would be required to provide the analyses to the Office of Management and Budget. Making these documents public would encourage takings litigation at the expense of the taxpayer. The second degree amendment would avoid the prospect of providing a bonanza for takings lawyers rather than protecting property rights.

Mr. President, I continue to believe that the fifth amendment is the best protection a property owner could

have. I know that Senator DOLE and others are concerned that Federal agencies do not always heed the words of the Constitution.

But, when that happens, when agency action crosses the line of acceptable Government regulation and results in a taking of private property, the supreme law of the land already requires compensation. We do not need new legislation to improve upon the Constitution. For that reason, Mr. President, I am opposed to the Bumpers amendment.

We are going to have a voice vote and I would like to have it noted that I voted no.

The PRESIDING OFFICER. The record will so indicate.

Is there further debate on the second degree amendment. If not, the question is on agreeing to the amendment.

The amendment (No. 1735), as modified, was agreed to.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Could I speak on the amendment now? As I understand, you may want to get the other agreement first.

I yield the floor temporarily.

Mr. BAUCUS. Mr. President I ask unanimous consent that the vote on final passage of S. 2019 occur without any intervening action or debate at 10:30 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I also ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second. There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. Does the Senator from Arkansas want to speak further on the amendment, as modified?

Mr. BUMPERS. No.

Mr. DOLE. I want to say a few words and then I would ask that the Senator from Texas, Senator GRAMM, be allowed to speak for 10 minutes.

Is there objection to that?

Mr. BAUCUS. Does the Senator mean now?

Mr. DOLE. I am going to speak now.

Mr. BAUCUS. For about how long?

Mr. DOLE. I think about 5 minutes.

Then the Senator from Texas would like to speak for about 5 or 10 minutes.

Mr. BAUCUS. Before we get to that, I would just like to thank Senators who have been involved and worked very hard to pass this bill.

Senator CHAFEE, who has worked long and hard, through thick and thin; Senators HATFIELD and KERREY have done a tremendous job in offering amendments to help put this bill together; Senator WARNER, who helped in broadening support for source water protection, along with Senator

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CONRAD; and Senator JOHNSTON, for the cooperative way he approached our discussions to draft a better amendment on risk.

Tremendous thanks to Administrator Browner, Bob Perciasepe and Jim Elder for their helpful assistance at EPA. And Martha Bennett and Doug Pahl of Senator HATFIELD's office for the long, hard, many, many hours. The same for Diane Hill, a fellow Montanan. I might add, who works for Senator KERREY, from Nebraska. Ann Loomis, with Senator WARNER; Jerry Reynoldson, with Senator REID; Barbara Cairns, with Senator LIEBERMAN.

We think we work long hours, Mr. President, but the names of the people I have just mentioned I think have worked even longer hours than we have.

From our committee staff, Jimmie Powell, Steve Shimberg, and Lori Williams. In addition, Jeff Peterson; Jo-Ellen Darcy; Bob Irvin; John Reeder, on loan from EPA; Karen Ilardo, Mike Evans, Tom Sliter, and Peter Scher. I give my heartfelt thanks to all of them.

I just thank them for their hard work.

Mr. President, also, in behalf of the majority leader, I will announce there will be no more votes tonight.

I thank the Senator for yielding.

Mr. DOLE. Mr. President, time and again, I have heard from the people all across America that Congress must do more to stop the tide of infringement on private property rights. I believe we have all heard this message. So, this amendment is a small first step toward ensuring that government mandates and government bureaucrats do not continue to run over individual citizens and individual rights.

It is time for Congress to send a very clear signal to the people affected by this and other legislation. The message is that, unless absolutely necessary, the Federal Government should not be in the business of the whole or partial taking of private property.

This amendment would send that message. The amendment is very simple. It would require Federal agencies to conduct a takings impact assessment when promulgating any agency policy, regulation or guideline, or recommending legislative proposals to Congress. This bill does not stop legitimate regulatory processes, and it only applies to actions which could result in a taking.

The assessment required by this amendment must consider the effect of the agency action, the cost of the action to the Federal Government, and must explore alternatives to taking private property.

The rights of property owners are supposed to be protected from the Federal Government under the 5th amendment and from State Governments by the 14th amendment. Unfortunately, those who have sworn to uphold our constitution are not always as vigilant as they need to be. Let's face it, wheth-

er we like it or not, there are multiple takings each year by the Federal Government.

I have several examples of court cases against the Federal Government, where a taking of private property was involved. I would like to cite just a few of these cases.

Whitney Benefits, Inc., and Peter Kiewit Sons' versus the United States. The plaintiffs purchased a large tract of minable coal. The Government later enacted the Surface Mining Control and Reclamation Act. The property owner was prevented, by the application of this law to his property, to realize the benefit of his investment. The Court of Federal Claims found that this was a taking under the fifth amendment of the U.S. Constitution, and awarded the plaintiff the sum of over \$62 million, plus interest compounded annually. Adding in interest, the total amount owed by the United States is \$300 million. 1902 Atlantic, Ltd. versus United States in 1981, the plaintiff applied for a permit to fill a hole in the ground that had been dug to provide dirt for a nearby overpass. Over the years, the hole had accumulated water. Moreover, the hole had become a local dumping site for trash and refuse. One child had been killed as a result of playing in the hole. The owners wanted to fill the hole, and build an industrial park. Neighbors were ecstatic because it would clean up an eyesore, cure a safety hazard, and increase the tax base. The Government refused the wetlands permit, and only after 14 years of litigation finally agreed to compensate the owner for a taking.

It is also important to note that a taking can occur even though title to the property remains with the original owner and the Government has only placed restrictions on its use. Fortunately, courts have recognized that these partial takings are subject to just compensation.

Some will question why this amendment is necessary if the courts are doing such a good job. Unfortunately, challenging the Federal Government in court is out of the financial reach of most Americans. The Government, backed by the seemingly limitless resources of the U.S. Justice Department, usually outlasts by outspending, while the poor citizen pays for the lawyers for both sides through fees and taxes.

This is nothing more than a companion requirement that major Government undertakings be accompanied by a takings impact statement. These efforts are complimentary, not mutually exclusive.

So, let us be clear. A vote for this amendment is a vote for taking the first step toward putting the people back in charge of their land and back in the loop of what we are doing as their elected representatives. I can assure my colleagues that there is great interest in this matter by your constituents and by a large group of organizations who will be letting your con-

stituents know exactly where we all stand on this matter.

This is a good-Government amendment. It brings Government into the sunshine. If you support the National Environmental Policy Act, if you support the Freedom of Information Act, if you support the Administrative Procedures Act, then you should support the Private Property Rights Act of 1994.

Mr. President, I ask my colleagues to ask their small business men and women, their farmers, their ranchers, those who believe in the private property rights contained in our Constitution, what they think about this amendment. When they do, I am certain they will agree that we should adopt this amendment.

Mr. MURKOWSKI. The Senators from Alaska would like to clarify the application in Alaska of several provisions of the Baucus-Chafee-Hatfield-Kerrey amendment that was adopted on Thursday, May 12, 1994.

The bill requires the principal operator of each community and noncommunity water system serving nontransient populations and any laboratory conducting tests to be certified as proficient. The Kerrey-Hatfield amendment also requires the Administrator to publish guidelines developed in consultation with the States describing minimum standards for certification of the proficiency of operators and other appropriate personnel.

It is important that these guidelines take into account the availability of certified operators in Alaska. Systems that cannot afford to train staff or hire certified operators should be able to meet requirements by having a part-time certified operator through the circuit rider program. In the view of the chairman, would a circuit rider operation and maintenance program be a viable substitute for providing a certified operator in each village?

Mr. BAUCUS. In my view, it would. In fact, the circuit rider program is a viable option for small, rural communities.

Mr. MURKOWSKI. That is fortunate because only 6 percent—14 of Alaska's 225 plus villages have an operator who has received a level of training and certification beyond that of an operator-in-training [OIT]. Obtaining an OIT certificate requires either 3 months of experience or successfully completing a 4-day course and passing a certification exam. It is my understanding that this is a very basic entry level certification. The combination of the circuit rider program and the operator-in-training program should be sufficient for Alaska to meet any guidelines for certification.

Mr. BAUCUS. Yes; we recognize that the State of Alaska, like other rural States, has numerous small systems and that it would be impractical to expect each system to have a certified operator.

Mr. STEVENS. The Chairman is correct. Statistics demonstrate that Alas-

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used in products described in section 103(e) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9603(e)), and may provide for the testing of any other substance if the Administrator determines that a widespread population may be exposed to the substance.

"(4) EXEMPTION.—Notwithstanding paragraph (3), the Administrator may, by regulation, exempt from the requirements of this subsection a biologic substance or other substance if the Administrator determines that the substance does not have any effect in humans similar to an effect produced by a naturally occurring estrogen.

"(5) COLLECTION OF INFORMATION.—

"(A) IN GENERAL.—The Administrator shall issue an order to a person that manufactures a substance for which testing is required under this subsection to conduct testing in accordance with the screening program described in paragraph (1), and submit information obtained from the testing to the Administrator, within a time period that the Administrator determines is sufficient for the generation of the information.

"(B) FAILURE TO SUBMIT INFORMATION.—

"(1) SUSPENSION.—If a person referred to in subparagraph (A) fails to submit the information required under such subparagraph within the time period established by the order, the Administrator shall issue a notice of intent to suspend the sale or distribution of the substance by the person. Any suspension proposed under this subparagraph shall become final at the end of the 30-day period beginning on the date that the person receives the notice of intent to suspend, unless during that period a person adversely affected by the notice requests a hearing or the Administrator determines that the person referred to in subparagraph (A) has complied fully with this paragraph.

"(ii) HEARING.—If a person requests a hearing under clause (i), the hearing shall be conducted in accordance with section 554 of title 5, United States Code. The only matter for resolution at the hearing shall be whether the person has failed to submit information required under this paragraph. A decision by the Administrator after completion of a hearing shall be considered to be a final agency action.

"(iii) TERMINATION OF SUSPENSIONS.—The Administrator shall terminate a suspension under this subparagraph issued with respect to a person if the Administrator determines that the person has complied fully with this paragraph.

"(6) AGENCY ACTION.—In the case of any substance that is found to have a potential adverse effect on humans as a result of testing and evaluation under this subsection, the Administrator shall take such action, including appropriate regulatory action by rule or by order under statutory authority available to the Administrator, as is necessary to ensure the protection of public health.

"(7) REPORT TO CONGRESS.—Not later than 4 years after the date of enactment of this subsection, the Administrator shall prepare and submit to Congress a report containing—

"(A) the findings of the Administrator resulting from the screening program described in paragraph (1);

"(B) recommendations for further testing and research needed to evaluate the impact on human health of the substances tested under the screening program; and

"(C) recommendations for any further actions (including any action described in paragraph (6)) that the Administrator determines are appropriate based on the findings."

ROBB (AND WARNER) AMENDMENT
NO. 1726

Mr. ROBB (for himself and Mr. WARNER) proposed an amendment to the bill S. 2019, supra; as follows:

On page 141, between lines 2 and 3, insert the following new subsection:

(g) HARDSHIP COMMUNITY DEMONSTRATION PROGRAM.—Section 1444 (42 U.S.C. 300j-3) is amended by adding at the end the following new subsection:

"(e) HARDSHIP COMMUNITY DEMONSTRATION PROGRAM.—

"(1) IN GENERAL.—The State agency administering a loan fund pursuant to part G in the State of Virginia (referred to in this subsection as the 'State agency') may conduct a program in accordance with this subsection to demonstrate alternative approaches to intergovernmental coordination in the financing of drinking water projects in rural communities in southwestern Virginia that are experiencing severe economic hardship.

"(2) REGIONAL ASSISTANCE FUND.—

"(A) ESTABLISHMENT.—The State agency may establish a regional endowment fund (referred to in this subsection as the 'regional fund') to assist in financing projects that are eligible under this subsection.

"(B) USE OF REGIONAL FUND.—The State agency shall invest amounts in the regional fund and shall use interest earned on amounts in the regional fund to pay a portion of the non-Federal share of a Federal grant to assist a project that is eligible under this subsection. Interest earned on amounts in the regional fund shall not be considered to be Federal funds.

"(C) DEPOSITS TO REGIONAL FUND.—

"(i) IN GENERAL.—Notwithstanding any other provision of this title, the State agency may deposit into the regional fund \$2,000,000 from funds made available pursuant to section 1472 for each of fiscal years 1994 through 1997, if there are commitments to deposit into the regional fund a total of not less than 25 percent of that amount from non-Federal sources.

"(ii) LESSER AMOUNT.—Notwithstanding clause (i), the State agency may deposit into the regional fund an amount less than \$2,000,000 from funds made available pursuant to section 1472, if the amount deposited is equal to 3 times the amount committed to be deposited into the regional fund from non-Federal sources.

"(3) ELIGIBLE PROJECTS.—

"(A) IN GENERAL.—Assistance provided under this subsection shall meet the requirements of subsections (a), (b), (c) of section 1473.

"(B) ELIGIBLE RECIPIENTS.—Assistance under this subsection shall be available only—

"(i) for a project that serves a disadvantaged community (as defined in section 1473(e)(1)); and

"(ii) to a public water system located, in whole or in part, in Lee County, Wise County, Scott County, Dickenson County, Russell County, Buchanan County, Tazewell County, and the city of Norton, Virginia.

"(C) ADVISORY GROUP.—The State agency shall establish an advisory group, including representatives of jurisdictions identified in paragraph (B)(ii) and other appropriate parties, to assist the State agency in setting priorities for the use of funds under this subsection. The advisory group shall include a representative of Mountain Empire Community College, Wise County, Virginia."

On page 141, line 3, strike "(g)" and insert "(h)".

On page 141, line 13, strike "(h)" and insert "(i)".

HATCH AMENDMENT NO. 1727

Mr. CHAFEE (for Mr. HATCH) proposed an amendment to the bill S. 2019, supra; as follows:

On page 82, line 8, after "(D)" insert "and notices submitted by public water systems serving Indian Tribes provided to the Administrator pursuant to subparagraph (B) or (C)".

On page 82 line 10, insert the following after the period:

"The report shall include information about public water system compliance on Indian reservations and about enforcement activities undertaken and financial assistance provided by the Administrator on Indian reservations, and shall make specific recommendations concerning the resources needed to improve compliance with this title on Indian reservations."

SMITH (AND GREGG) AMENDMENT
NO. 1728

Mr. SMITH (for himself and Mr. GREGG) proposed an amendment to the bill S. 2019, supra; as follows:

On page 22, line 17, insert "but not" before "including".

DOLE (AND OTHERS) AMENDMENT
NO. 1729

Mr. DOLE (for himself, Mr. HEFLIN, Mr. MCCONNELL, Mr. PRESSLER, Mr. BURNS, Mr. BROWN, Mr. HATCH, Mr. BOND, Mr. GORTON, Mr. KEMPTHORNE, Mr. GRAMM, Mrs. HUTCHISON, and Mr. CRAIG) proposed an amendment to the bill S. 2019, supra; as follows:

On page 138, insert between lines 16 and 17 the following new section:

SEC. 18. PRIVATE PROPERTY RIGHTS.

(A) SHORT TITLE.—This section may be cited as the "Private Property Rights Act of 1994".

(b) FINDINGS.—The Congress finds that—

(1) the protection of private property from a taking by the Government without just compensation is an integral protection for private citizens incorporated into the Constitution by the Fifth Amendment and made applicable to the States by the Fourteenth Amendment; and

(2) Federal agencies should take into consideration the impact of Governmental actions on the use and ownership of private property.

(c) PURPOSE.—The Congress, recognizing the important role that the use and ownership of private property plays in ensuring the economic and social well-being of the Nation, declares that it is the policy of the Federal Government to use all practicable means and measures to minimize takings of private property by the Federal Government.

(d) DEFINITIONS.—For purposes of this section—

(1) the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code, and—

(A) includes the United States Postal Service; and

(B) does not include the General Accounting Office; and

(2) the term "taking of private property" means any action whereby private property is taken in such a way as to require compensation under the Fifth Amendment to the United States Constitution.

(e) PRIVATE PROPERTY TAKING IMPACT ANALYSIS.—

(1) IN GENERAL.—The Congress authorizes and directs that, to the fullest extent possible—

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(A) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies under this section; and

(B) all agencies of the Federal Government shall submit a certification to the Attorney General of the United States that a private property taking impact analysis has been completed before issuing or promulgating any policy, regulation, proposal, recommendation (including any recommendation or report on proposal for legislation), or related agency action which could result in a taking or diminution of use or value of private property.

(2) **CONTENT OF ANALYSIS.**—A private property taking impact analysis shall be a written statement that includes—

(A) the specific purpose of the policy, regulation, proposal, recommendation, or related agency action;

(B) an assessment of whether a taking of private property shall occur under such policy, regulation, proposal, recommendation, or related agency action;

(C) the effect of the policy, regulation, proposal, recommendation, or related agency action on the use or value of private property, including an evaluation of whether such policy, regulation, proposal, recommendation, or related agency action requires compensation to private property owners;

(D) alternatives to the policy, regulation, proposal, recommendation, or related agency action that would lessen the adverse effects on the use or value of private property;

(E) an estimate of the cost to the Federal Government if the Government is required to compensate a private property owner; and

(F) an estimate of the reduction in use or value of any affected private property as a result of such policy, regulation, proposal, recommendation, or related agency action.

(3) **PUBLIC AVAILABILITY OF ANALYSIS.**—An agency shall—

(A) make each private property taking impact analysis available to the public; and

(B) to the greatest extent practicable, transmit a copy of such analysis to the owner or any other person with a property right or interest in the affected property.

(4) **PRESUMPTIONS IN PROCEEDINGS.**—For the purpose of any agency action or administrative or judicial proceeding, there shall be a rebuttable presumption that the costs, values, and estimates in any private property takings impact analysis shall be outdated and inaccurate, if—

(A) such analysis was completed 5 years or more before the date of such action or proceeding; and

(B) such costs, values, or estimates have not been modified within the 5-year period preceding the date of such action or proceeding.

(f) **RULES OF CONSTRUCTION.**—Nothing in this section shall be construed to—

(1) limit any right or remedy, or bar any claim of any person relating to such person's property under any other law, including claims made under section 1346 or 1402 of title 28, United States Code, or chapter 91 of title 28, United States Code; or

(2) constitute a conclusive determination of the value of any property for purposes of any appraisal for the acquisition of property, or for the determination of damages.

(g) **STATUTE OF LIMITATIONS.**—No action may be filed in a court of the United States to enforce the provisions of this section on or after the date occurring 6 years after the date of the submission of the certification of the applicable private property taking impact analysis with the Attorney General.

(h) **EFFECTIVE DATE.**—The provisions of this section shall take effect 120 days after the date of the enactment of this Act.

SIMPSON AMENDMENT NO. 1730

Mr. SIMPSON proposed amendment to the bill S. 2019, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . EXEMPTION OF CERTAIN CONTRACTS FROM REQUIREMENTS OF THE DAVIS-BACON ACT.

Notwithstanding any other provision of law, the Act of March 3, 1931 (commonly known as the Davis-Bacon Act; 40 U.S.C. 276 et seq.) shall not apply to a contract entered into by the United States or District of Columbia for construction, alteration, or repair work that—

(1) is performed in a disadvantaged community (as defined by the State in which the disadvantaged community is located) in a State; and

(2) is necessary to comply with the requirements of title XIV of the Public Health Service Act (commonly known as the Safe Drinking Water Act; 42 U.S.C. 300f et seq.).

GLENN (AND OTHERS AMENDMENT) NO. 1731

Mr. GLENN (for himself, Mr. SASSER, and Mr. LEVIN) proposed an amendment to the bill S. 2019, supra; as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Department of Environmental Protection Act of 1993".

(b) **TABLE OF CONTENTS.**—The table of contents is as follows:

Sec. 1. Short title and table of contents.

TITLE I—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

Sec. 101. Short title.

Sec. 102. Findings.

Sec. 103. Establishment of the Department of Environmental Protection.

Sec. 104. Assistant Secretaries.

Sec. 105. Deputy Assistant Secretaries.

Sec. 106. Office of the General Counsel.

Sec. 107. Office of the Inspector General.

Sec. 108. Small business compliance assistance.

Sec. 109. Small governmental jurisdiction compliance assistance.

Sec. 110. Bureau of Environmental Statistics.

Sec. 111. Grant and contract authority for certain activities.

Sec. 112. Study of data needs.

Sec. 113. Miscellaneous employment restrictions.

Sec. 114. Termination of the Council on Environmental Quality and transfer of functions.

Sec. 115. Administrative provisions.

Sec. 116. Inherently governmental functions.

Sec. 117. References.

Sec. 118. Savings provisions.

Sec. 119. Conforming amendments.

Sec. 120. Additional conforming amendments.

Sec. 121. Sense of the Senate.

Sec. 122. Office of Environmental Justice.

Sec. 123. Human health and safety or the environment final regulations.

Sec. 124. Wetland determinations by a single agency.

TITLE II—ESTABLISHMENT OF THE COMMISSION ON IMPROVING ENVIRONMENTAL PROTECTION

Sec. 201. Establishment, membership.

Sec. 202. Commission responsibilities.

Sec. 203. Report to the President and Congress.

Sec. 204. Commission staff.

Sec. 205. Advisory groups.

Sec. 206. Termination of Commission.

Sec. 207. Funding; authorization of appropriations.

TITLE III—EFFECTIVE DATE

Sec. 301. Effective date.

TITLE I—ELEVATION OF THE ENVIRONMENTAL PROTECTION AGENCY TO CABINET LEVEL

SEC. 101. SHORT TITLE.

This title may be cited as the "Department of Environmental Protection Act".

SEC. 102. FINDINGS.

The Congress finds that—

(1) recent concern with Federal environmental policy has highlighted the necessity of assigning to protection of the domestic and international environment a priority which is at least equal to that assigned to other functions of the Federal Government;

(2) protection of the environment increasingly involves cooperation with foreign states, including the most highly industrialized states all of whose top environmental officials have ministerial status;

(3) the size of the budget and the number of Federal civil servants devoted to tasks associated with environmental protection at the Environmental Protection Agency is commensurate with departmental status; and

(4) a cabinet-level Department of Environmental Protection should be established.

SEC. 103. ESTABLISHMENT OF THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

(a) **REDESIGNATION.**—The Environmental Protection Agency is hereby redesignated as the Department of Environmental Protection (hereafter referred to as the "Department") and shall be an executive department in the executive branch of the Government. The official acronym of the Department shall be the "U.S.D.E.P.".

(b) **SECRETARY OF ENVIRONMENTAL PROTECTION.**—(1) There shall be at the head of the Department a Secretary of Environmental Protection who shall be appointed by the President, by and with the advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary.

(2) The Secretary may not assign duties for or delegate authority for the supervision of the Assistant Secretaries, the General Counsel, the Director of Environmental Statistics, or the Inspector General of the Department to any officer of the Department other than the Deputy Secretary.

(3) Except as described under paragraph (2) of this section and section 104(b)(2), and notwithstanding any other provision of law, the Secretary may delegate any functions including the making of regulations to such officers and employees of the Department as the Secretary may designate, and may authorize such successive delegations of such functions within the Department as determined to be necessary or appropriate.

(c) **DEPUTY SECRETARY.**—There shall be in the Department a Deputy Secretary of Environmental Protection, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall perform such responsibilities as the Secretary shall prescribe and shall act as the Secretary during the absence or disability of the Secretary or in the event of a vacancy in the position of Secretary.

(d) **OFFICE OF THE SECRETARY.**—The Office of the Secretary shall consist of a Secretary and a Deputy Secretary and may include an Executive Secretary and such other executive officers as the Secretary may determine necessary.

(e) **REGIONAL OFFICES.**—The Secretary is authorized to establish, alter, discontinue, or

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HUFFINGTON

**CONTACT: Peggy Bengs
(714) 434-5085**

June 20, 1994

PRESS RELEASE

FEINSTEIN'S HEALTH CARE INDEX

Recently, Mrs. Feinstein withdrew her co-sponsorship of Clinton's legislative plan for a government takeover the U.S. health care system.

Mike Huffington has opposed this socialized medicine scheme from the start. It will destroy jobs and top quality health care.

Feinstein, who quickly signed on as co-sponsor of the legislation, on May 25th quietly removed her name from the bill. Later, when asked by reporters for her reasoning, she said she wanted more flexibility.

Curiously, Feinstein changed her mind at the same time the plan was becoming increasingly unpopular and she saw herself dropping in the polls. Feinstein also ranks 18th in the amount of campaign contributions she has received from the health and insurance industry.

This is not the first time Feinstein has flip-flopped on health care. In 1990, she said she supported a pay-or-play scheme of mandatory health insurance, whereby employers would be required to provide health insurance to all workers, or pay into a state-run program that would provide insurance. But in October, 1992, she did an about-face and said she did not support pay-or-play.

For your enjoyment, we prepared the enclosed "Feinstein's Health Care Index."

Attachment

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P.03



Feinstein's Health Care Index

Public support for Clinton's health plan when it was announced: 59%

Public support for Clinton's health plan when Feinstein flopped: 42%
(source: the CNN/USA Today/Gallup Poll, 9/93 and 8/94)

Feinstein lead in polls as Clinton's health plan announced: 27%

Feinstein lead in polls as she flopped on health plan: 1%
(source: Field Poll 10/93 and KABC Poll 8/94)

Jobs lost in California because of Clinton's health plan: 100,000+

Jobs lost in California because of Clinton's 1993 tax plan: 84,000+
(sources: CONRAD Research Corp. and the Tax Foundation)

Year of the last health care Fein-Flop (on pay-or-play): 1992

Year in which Feinstein last campaigned for office: 1992
(source: San Francisco Chronicle, 10/1/92)

Feinstein's \$\$\$ from health care industry since 1990: \$425,000

Feinstein's Senate rank in \$\$\$ from health & insurance groups: 18th
(source: Feinstein's contribution reports and Wall Street Journal, 8/23/93)



R-91X

VIA FAX

TOTAL P.07

06-20-94 08:06PM P003 #41

MEMORANDUM

June 23, 1994

To: Senator Bob Dole

From: Paul Curcio

Re: California Briefing

REPUBLICAN:

Congressman Michael Huffington

DEMOCRAT:

Incumbent Senator: Dianne Feinstein

POLITICAL UPDATE

1. Congressman Michael Huffington was nominated in the June 7 primary, winning a 3-way primary race with 55% of the vote. This general election race closed dramatically even before the primary, with Huffington and incumbent Dianne Feinstein dead even in the polls.
2. The dramatic collapse of the polls is due principally to Huffington's aggressive advertising. He was the candidate who launched a statewide media buy with a \$6 million ad campaign. The ads first introduced Huffington and then later attacked Feinstein on crime and on her deciding vote for the Clinton tax plan last year.
3. The Huffington campaign has now launched into another phase of their attack on Feinstein. They have begun airing ads critical of Feinstein on her flip-flop on co-sponsorship of the Clinton health care plan (she quietly removed her name as a co-sponsor of the Clinton health plan). The tag line of the ad that started airing last Friday, June 17 is: "The Clinton health plan -- and Feinstein -- dropped in the polls. So, on May 25th, Feinstein flip-flopped and deserted the health plan. It's the only principle of a career politician -- save your own skin." Needless to say, Feinstein was trying to keep a low profile about backing out of the President's plan.
4. Huffington wants to portray himself as a political outsider. Feinstein's strategy seems to be one that Republicans have used for the twelve years of the Reagan/Bush administrations: experience and access to the White House.
5. The newest Huffington point of attack is on President Clinton's new welfare proposal. Huffington is stressing the fact that Clinton's plan will not decrease the number of welfare recipients, but will increase the size of the government.

6. One of Feinstein's counter-attacks on Huffington has been about his residency in California. Huffington only registered to vote in California three years ago. Feinstein also attacked Huffington because of the fact that he was claiming residency in Texas for tax purposes while he was continuing to do business there. His wife and child were living in California (Note: the legality of this issue is not being challenged, just the propriety). Feinstein is calling Huffington a "carpet-bagger" and is calling for him to release his tax forms. He has refused. And Feinstein's ad was roundly criticized as ineffective and reminiscent of Michael Dukakis' ads in '88 that attacked George Bush's consultants.

LATEST POLLING INFORMATION

Hertz (6/2/94)

BALLOT

Huffington	41%
Feinstein	42

Baldassare (5/29/94)

BALLOT

Huffington	39%
Feinstein	47

Political Media Research (5/29/94)

BALLOTS

Huffington	39%
Feinstein	44

FEINSTEIN JOB

Excellent/Good	38%
Fair/Poor	57

FEINSTEIN I.D.

Favorable	38%
Unfavorable	33

L.A. Times (5/25/94)

BALLOT

Huffington	38%
Feinstein	52

FEINSTEIN JOB

Approve	49%
Disapprove	36

Field (5/16/94)

BALLOT

Huffington	41%
Feinstein	48

FEINSTEIN JOB

Excellent/Good	35%
Fair	30
Poor/Very Poor	21

FINANCIAL INFORMATION

Candidate	Raised 5/18	Spent 5/18	PAC \$	COH 5/18	Debt
Feinstein	\$5,285,872	NA	\$910,959	\$3,151,639	\$67,074
Huffington	\$6,783,307	\$5,743,228	\$0	\$1,042,403	\$1,502,675

Coord. Limit
\$2,650,830

June 24, 1994

M E M O R A N D U M

TO: SENATOR DOLE
FROM: DENNIS SHEA
SUBJECT: IMMIGRATION--UPDATE

During your recent meeting with Mike Antonovich, he mentioned a ballot initiative in California aimed at controlling illegal immigration. The initiative, which is called Save Our State ("SOS"), was authored by Alan Nelson, former Commissioner of the Immigration and Naturalization Service during the Reagan Administration. The initiative is also closely identified with the Federation of Americans for Immigration Reform ("FAIR"), the restrictionist immigration group.

SOS has qualified for the ballot in November.

If passed, the initiative would 1) deny public education and health care services (except for emergencies) to illegal aliens, 2) require state and local government agencies to report illegal aliens to the INS, and 3) make it a felony under California law to produce or purchase false citizenship documents.

The initiative has the support of the California State Republican Party, the Los Angeles County Republican Party, and many chapters of United We Stand. According to the attached Los Angeles Times article, Governor Wilson has indicated that he would probably vote "yes" on the initiative.

It may be premature to endorse the initiative at this time. But during one of your next trips to California, you may want to issue an endorsement. The initiative is something that President Clinton clearly could not support.

Wilson Backs Immigration Initiative

■ **Referendum:** The measure would deny public education and some medical care to illegal residents. The governor says he would welcome a constitutional test.

By GLENN F. BUNTING
TIMES STAFF WRITER

WASHINGTON—Gov. Pete Wilson indicated his support Thursday for a proposed November ballot measure that would deny public education and non-emergency medical care to illegal immigrants in California.

Wilson said passage of the initiative would not result in children of illegal immigrants being kicked out of schools as predicted by some

opponents. Instead, the governor told reporters that the measure would probably provoke a lawsuit to test the constitutionality of denying the use of state tax dollars to educate illegal immigrants.

"We would be delighted to see a test of that kind," Wilson said.

Backers of the petition drive, "Save Our State," say they have collected enough signatures to qualify the initiative for the November ballot. While reserving the right to differ on specific provisions, Wilson said: "I think I'd

probably vote 'yes' on it."

If the initiative qualifies for the ballot, it is likely to play a significant role in the fall campaign for governor. The Democratic candidate opposes the measure and front-runner Kathleen Brown has described it as "mean-spirited and dangerous."

In a statement Thursday, Enrique M. Loaeza, Mexico's consul general in Los Angeles, disputed one of the petition drive's central assumptions: that immigrants enter the United States to benefit from social services—a theme championed by Wilson. Rather, the Mexican official reiterated the opinion of many experts that jobs are the principal magnet.

"We strongly reject the notion

that Mexican immigrants are driven to come here to have children and to gain access to primary education, emergency health care and citizenship," Loaeza told the Los Angeles Human Relations Commission. "The demand for low-cost labor brings immigrant workers seeking better incomes for their families."

Wrapping up his fourth lobbying trip to Washington in five months, Wilson departed Thursday without any encouraging signals that the federal government will meet his request to reimburse California \$3.1 billion for immigrant services.

But Wilson announced that he will return to Washington next month to testify before the Senate

Please see WILSON, A3

WILSON: Initiative Backed

Continued from A3

Appropriations Committee as part of his ongoing quest to get Congress to pay for health, education and incarceration costs associated with illegal immigration.

The Republican governor is counting on Washington to fill a \$3.1-billion hole in his proposed 1994-95 budget even though most federal lawmakers predict that there is little or no chance that Congress will approve even a fraction of that amount in time for state budget deliberations this summer.

"I think if you make that statement and throw in the towel, you can be virtually assured that you will not get a damned thing," Wilson said at a news conference.

Wilson was buoyed by reports that a bipartisan group of 10 senators joined to press for increased immigrant funding and that Texas became the fifth state to announce plans to sue the federal government to recover immigration costs.

Sen. Dianne Feinstein (D-Calif.), a member of the Appropriations Committee, said the senators are pushing for \$600 million to reimburse states for the cost of incarcerating illegal immigrants. California would receive about half that amount.

While Feinstein pledged in a meeting with Wilson to help California get its fair share of federal funds, she warned the governor that his demands were excessive.

"I felt I had to be honest with the governor and tell him that securing \$3 billion this year would be highly unlikely," Feinstein said.

Some California Democrats and Clinton Administration officials contend that the governor's numbers are based on an inflated estimate of California's illegal immigrant population.

"It is disingenuous for the governor to claim there is really a \$3.1-billion budget gap he expects the federal government to fill when the true number is significantly less," said Tom Epstein, White House liaison for California affairs.

WASHINGTON EDITION / LOS ANGELES TIMES

FRIDAY, JUNE 24, 1994

CALIFORNIA ELECTIONS

Clinton Vows to Visit State on Behalf of Brown

By GLENN F. BUNTING
TIMES STAFF WRITER

WASHINGTON—California Treasurer Kathleen Brown picked up a commitment from President Clinton on Thursday to campaign throughout the state in support of her bid to defeat Gov. Pete Wilson in the November election.

During a 30-minute meeting in the Oval Office, Clinton said he would be happy to appear on Brown's behalf in California "if she asks me."

"I'm asking, I'm asking," Brown said. "Come ride our bus."

Clinton's backing is the first public indication that his Administration will lend strong support to the Democratic candidate as the governor's race heats up. The President is expected to make appearances in California this fall, and Vice President Gore, who also attended the meeting, will host a San Francisco fund-raiser in July, aides said Thursday.

Brown called Clinton "a great asset in California" and said she welcomes his support. The President enjoyed a 55% approval rating in a Times poll last month, only slightly down from a 58% positive ranking in March.

Brown said Clinton has done more for California's economy than Wilson has. "I told him he's the best governor California's had in the last 12 years," Brown said. "And what we need is to replace the one we've got with a Democratic governor who will be working with the President and working with Congress to revive the California economy."

Wilson's camp responded with glee at the prospect of Clinton, who has struggled in popularity polls nationwide, stumping

Please see BROWN, B4

BROWN: President to Campaign in State

Continued from B1
for Brown this fall.

"By the time they get through with health care and Whitewater, we'll pay his air fare," said Wilson campaign spokesman Dan Schnur. "Now that Kathleen Brown has fallen behind in the polls, she is looking for help anywhere she can find it."

On a one-day trip to Washington, Brown also met privately with First Lady Hillary Rodham Clinton to discuss health care issues, huddled with members of the California congressional delegation and attended a fund-raiser sponsored by Emily's List, the feminist organization that gathers millions of dollars for pro-choice Democratic female candidates.

Brown's trip followed Wilson's appearance Wednesday before the Senate Appropriations Committee to lobby for federal reimbursement of the state's cost of providing services to illegal immigrants. At the hearing, Sen. Robert C. Byrd (D-W. Va.) called Wilson's complaints hypocritical because Wilson's Department of Health Services last year actively urged undocumented pregnant women to

apply for a publicly funded program to pay their medical bills.

Brown said Thursday that she does not think it was necessary for the state to promote the availability of government-paid services to illegal immigrants who are pregnant.

In her meeting with Clinton, Brown said they discussed illegal immigration issues and the urgent need for assigning more law enforcement agents on the Mexican border. The treasurer said she also stressed to Clinton the importance of defeating a November ballot initiative that would deny public education and non-emergency medical care to undocumented immigrants in California.

The controversial measure, called Save Our State, "is not the way to deal with the subject of illegal immigration," Brown said. "It is going to cost tens of millions of dollars for Californians, threatens education, and could result in greater crime and violence on our streets by putting schoolchildren out on the streets."

Clinton did not express a position on the initiative. Wilson has indicated that he supports it.

June 24, 1994

M E M O R A N D U M

TO: SENATOR DOLE
FROM: DENNIS SHEA
SUBJECT: IMMIGRATION

Attached is Governor Wilson's recent testimony before the Senate Appropriations Committee urging full federal reimbursement of the cost of providing social services to illegal immigrants.

Key facts: 1) California is home to more than half of the nation's illegal immigrants. 2) California spends more than \$3 billion annually on services for illegal immigrants and their families.

Wilson proposes that the Border Patrol add to its ranks by tapping those who have been recently discharged from the military. This is similar to your troops-to-cops program, which proposes to retrain discharged military as police officers.



GOVERNOR PETE WILSON

Testimony by Governor Pete Wilson to the Senate Appropriations Committee on the crisis of illegal immigration

Wednesday, June 22, 1994

(as prepared)

Good morning. I'd like to thank this committee and Chairman Byrd, in particular, for holding this hearing and showing leadership on an important issue -- the crisis of illegal immigration.

I applaud you for taking the time to learn about and help find realistic solutions to this crisis.

No state is immune from the crisis of illegal immigration, but certainly no state feels the effect of the federal government's failure to control the border more than California.

California is home to more than half of the nation's illegal immigrants.

In Los Angeles alone, illegal immigrants and their children total a million people. That's enough people to fill a city one-and-a-half times the size of Washington, D.C.

And the cost of providing these individuals government services -- services mandated by federal law but financed by state taxpayers -- is exploding.

Let me give you an idea of the magnitude of the problem and how it is growing, as illustrated on these charts:

*** Just since 1988, the costs of providing medical care to illegal immigrants in California has grown 18-fold.

*** The number of illegal immigrant felons behind bars in California has tripled during that same period and could now fill 8 state prisons to design capacity.

*** And next year, our schools will have to spend \$1.7 billion providing education to people who are in our country illegally.

- 2 -

Everyone agrees that these are costs that by fairness and by law should be paid by the federal government. After all, the Constitution makes it clear that immigration is strictly a federal responsibility. As President Clinton himself has said, these costs are the result of a "failure of federal policy."

So, the question isn't whether or not this is a federal responsibility. There's no dispute there. The only questions is: When will the federal government accept its responsibility and act to solve this crisis?

Let me tell you why it's imperative that we see action this year.

California spends more than \$3 billion for services for illegal immigrants and their families. That's nearly 10 percent of our state's General Fund budget or almost \$400 a year for a family of four.

And the cost of paying to these bills is now forcing us to cut services for California's legal residents. Just this year, we'll be forced to:

*** End dental services for 800,000 welfare mothers and elderly poor;

*** Reduce drug treatment and outreach for 3,200 drug-exposed pregnant women; and,

*** Reduce funding increases for California's 29 public universities.

In fact, our system has become so twisted that we now have illegal immigrants being guaranteed services by federal mandate that our poor legal residents can't afford themselves and that our state can't afford to provide them because of the federally imposed state spending on illegal immigrants.

Consider this scenario: Two women are pregnant in California. Let's say they're both of Hispanic descent and both are poor. They both need maternity care but can't afford it on their own.

One woman will get care. One will not.

The one who gets care is an illegal immigrant. She can't legally work in our country, but by federal law she's guaranteed maternity care.

The woman who doesn't get care is the legal resident. She's working at a low-wage job, but is too poor to purchase her own health care coverage. And California can't afford to provide her

Interesting
+
Shocking

- 3 -

that care. On February 1, we were forced to cap enrollment in our innovative program that provides maternity care for California's working poor legal residents, known as Access for Infants and Mothers, or AIM, because of the costs we bear for illegal immigrants.

So an individual who is in our country illegally will get the care, but a legal resident -- in equal need -- will not.

That's not just bitter irony; it is terribly, intolerably unfair. But it's what happens when the federal government forces us to pay for services to illegal immigrants that we can't afford to provide to our own legal residents.

That's why we must have reform this year: To avoid deeper cuts and further hardship and unfairness to needy legal residents.

To prevent that hardship, the federal government must do two things: It must secure our borders, and it must pay the bill for illegal immigration.

I know that paying these bills won't be easy. But the alternative is making the hard-pressed states pay for what is an exclusively federal responsibility. And I assure you, we get no discount in providing these services from budgets that are a tiny fraction of the trillion and a half dollar federal budget.

Because of the hardships we've faced, Californians have already made far deeper spending cuts than the federal government will ever have to make.

Consider this: In the past three years, federal spending has grown by nearly 10 percent, while California's General Fund budget has been reduced by more than 10 percent.

As difficult as it is for the Administration and Congress to find the funds to make full reimbursement to the states, it will be far tougher -- and impose greater hardship on the people of California -- if you don't.

Full reimbursement will also underscore the importance of effective border control. And preventing people from entering the country in the first place is far more cost-effective and more humane than what's happening today.

It's impossible not to sympathize with their effort to seek a better life. I admire their gumption. But while they intend no harm, their numbers threaten jobs for legal residents, and -- because of their impact on state budgets -- they threaten the quality and availability of state services to needy legal residents.

- 4 -

Our immigration crisis demands action, and it demands it this year.

In your invitation to testify at this hearing, Senator Byrd, you asked for specific proposals for border control. This is what I would propose:

First, to help finance additional Border Patrol agents, we should enact Senator Feinstein's border crossing fee. This plan enjoys bipartisan support; it can be enacted quickly; and, it will provide substantial additional resources -- \$300 million a year --for border enforcement.

Second, we should encourage the Border Patrol to take advantage of the skills offered by military personnel looking for new careers because of defense down-sizing. With their military experience, these men and women can be trained for the Border Patrol in half the time of a typical recruit. And there are thousands of these individuals looking for work in California.

Finally, if the current training facilities are inadequate to train the personnel as quickly as they're needed, we must find new facilities.

INS Commissioner Doris Meissner's plan has her sending just 40 new Border Patrol agents a month to the San Diego sector. At that rate, it will be years before we have a fully staffed Border Patrol.

Half of all the illegal immigrants entering the country come through that 15-mile stretch of the border from the Pacific Ocean to Otay Mesa. And yet, there are more law enforcement personnel guarding this building we're in than there are on that border.

With existing resources, the border patrol faces Mission Impossible. It's the equivalent of having one cop walk a beat 4 times the size of New York City's Central Park.

So to help the federal government train and deploy Border Patrol agents more quickly, today I'm sending a letter to Commissioner Meissner and President Clinton offering a state facility in California as a second Border Patrol training facility.

The bottom line is, it's time to regain control of our nation's borders and restore integrity and fairness to our nation's immigration laws.

Some members of Congress might agree that illegal immigration is a serious problem in Los Angeles, Phoenix, or Miami, but ask why their constituents in Minneapolis, or Muncie, or Montgomery should share the costs of illegal immigration.

- 5 -

The most obvious answer is because it's the right thing to do as a matter of fairness and as a matter of public policy. But it's also true that your constituents are already sharing the costs.

They pay for it when their tax dollars are spent to keep illegal immigrants in federal prison, or spent on Medicaid for illegals, or spent to finance welfare payments for the citizen children of illegal immigrants.

And although the problem is most acute in our states, the problem is growing across the country. That is why our brother and sister governors voted unanimously to adopt as the policy of the National Governors' Association that full federal reimbursement be paid the states for as long as we are forced to bear the burden of illegal immigration.

Other members of Congress may say "It's wrong to spend any tax dollars -- state or federal -- to subsidize illegal immigration. We should instead be turning off the magnetic lure of guaranteed benefits that today reward people who break the law and successfully evade the border patrol." That is, in fact, my own view. But until a majority in Congress can make that the law, than there must be full federal reimbursement.

The only way to solve the problem is to face up to the problem. Confront it squarely now, or the problem will only grow rapidly worse and become more difficult to solve next year. If it has not yet spilled into your state, it soon will. And already, your constituents are paying far more each year as federal taxpayers for federal failure to secure the border than it would cost us to fix it.

So, I ask for your support in fixing the problem. Washington must secure the border without further excuse or delay, and either by repeal of mandated services or full reimbursement for their cost prevent further hardship and unfairness to state taxpayers and needy legal residents.

The time has come to end illegal immigration as we know it.

Thank you very much.

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United States Senate

OFFICE OF THE REPUBLICAN LEADER
WASHINGTON, DC 20510-7020

June 23, 1994

The Honorable Doris M. Meissner
Commissioner
Immigration and Naturalization Service
425 Eye Street, N.W.
Washington, D.C. 20530

Dear Commissioner Meissner:

I do not need to remind you of the social costs associated with illegal immigration. In California alone, for example, recent estimates suggest there are over one million undocumented residents. Providing health care, education, and other social services to these undocumented residents places an enormous strain on state and local budgets.

I also do not need to remind you of the challenges posed by a multi-billion dollar federal budget deficit. It is now more critical than ever for the Administration to consider innovative ways of more efficiently utilizing federal resources. For example, the INS may wish to consider establishing a civilian Border Patrol reserve program which would allow volunteers to perform non-law enforcement support functions. These functions might include performing search and rescue, serving in chaplain and non-critical office positions, and language interpretation services. If civilian volunteers were permitted to perform some of these duties, which are now performed by Border Patrol personnel themselves, more resources could be dedicated to actual border enforcement.

A number of local law enforcement agencies, including the Los Angeles County Sheriff's Department, have highly successful and cost-effective reserve programs. In the Los Angeles program, Reserve Deputy Sheriffs are part-time volunteer law enforcement officers and they supplement the regular operations of the Sheriff's Department by working in a number of support roles.

Commissioner Meissner, we share a common desire to ensure that our nation's immigration laws are vigorously enforced. I encourage you to consider whether a volunteer reserve program would advance this objective.

Sincerely,

BOB DOLE

BD/ds

Remembering Its Strengths, California

By William Hamilton
Washington Post Staff Writer

FOUNTAIN VALLEY, Calif.—Once embodied by a nugget of gold, a crate of oranges or a gleaming missile, the California Dream now comes packaged in the small cardboard boxes that Kingston Technology Corp. ships overnight to distributors from its headquarters here in Orange County. Inside the boxes are boards and modules that supply added memory or power to personal computers—upgrades

that Kingston in seven years has parlayed into a \$750 million-a-year business.

Founded by two Chinese immigrants and employing a work force that is predominantly Asian and Latino, Kingston is a testament to the enduring promise of California as a place of possibility and growth. The company is what many economists see as the future of the state—a future based on high technology, entrepreneurship and the successful assimilation of a vast influx of immigrants.

After nearly four years of a recession that was deeper here than anywhere in the United

States, this year's job growth has fallen to 8.3 percent from 1990. And a few weeks in Palo Alto by the California Economic Study of the California that the state will add more than 1 million jobs per year over the next decade.

"The

California Starts to Recover

on the way back. So far has added about 50,000 new growth since early has fallen to 8.3 percent January and the mori- industry has come to life. last week in Palo Alto by ng Study of the Califor- that the state will add per year over the next

underway," said Ted Gibson, chief economist for the state Department of Finance.

Throughout its history, the California economy has adapted to change—less than a century passed from the discovery of gold at Sutter's Mill in 1848 to the state's emergence as the nation's produce provider and its role as the main supplier of the tanks and aircraft that fought World War II and stood guard during the Cold War.

Now, after the loss of more than 600,000

See CALIFORNIA, A14, Col. 1

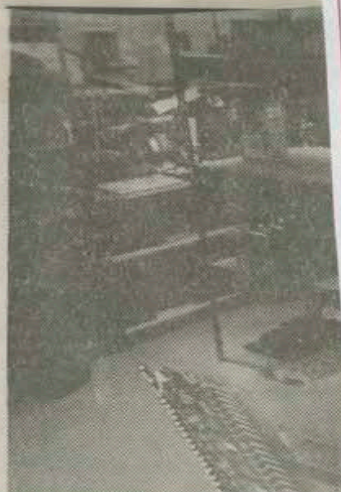
Recovery Is Reviving Optimism in California

CALIFORNIA, From A1

jobs since 1990—161,000 of them in the aircraft, space and defense industries—California faces another turning point. Whether it can recapture the dynamism of the past—leading the way to a new economy based on services, telecommunica-

for 70 percent of the lost jobs, most of them in defense-related industries or in construction, a sector notoriously susceptible to cyclical downturn. That prompts Friedman to argue that there is nothing structurally wrong with the economy.

Still, economists expect the down-



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Kathleen Brown, Another Wobbly New Democrat

By JOEL KOTKIN

LOS ANGELES—With her victory in California's gubernatorial primary yesterday, Kathleen Brown has emerged as the newest rising star of the Democratic Party. But for those who saw in her a New Democrat standard-bearer, she has been a source of profound disappointment.

Fundamentally, New Democratic politics revolves around a realization of the central role of the entrepreneurial "new economy." But in recent months Ms. Brown has shifted her political "body language"—and campaign—away from this 1990s economic perspective to a big-labor-oriented perspective more firmly rooted in the politics of the 1930s or 1960s. For instance, instead of visiting the thriving information-age companies now creating jobs in telecommunications, Ms. Brown in recent weeks walked the picket line of the Communication Workers of America, a union losing members and influence in the fast-moving industry.

Perhaps nothing better illustrates this backward-looking tendency than Ms. Brown's campaign ads, which feature the slogan "America's Best Treasurer to Revive America's Worst Economy." The California in these ads has little to do with the "grass-roots capitalism" that she spoke of months earlier in a meeting with growth-company CEOs in Orange County. The ads' depiction of California—locked up factory buildings and references to the "days of the Great Depression"—hark back instead to the 1930s imagery that so

excites the state's union activists.

Ms. Brown's return to such old Democratic standbys suggests the tremendous hold that traditional interest groups maintain within the Democratic Party both here in California and nationwide. It's not surprising that they consider the California economy "the worst," since virtually all the new jobs in the state are being created by micro-businesses and fast growing "gazelle" firms, almost all nonunion. This year California boasted 33 of the 100 fastest-growing public firms listed on the annual Inc. Magazine list.

But the union leadership represents only 600,000 California workers, less than half the number of self-employed people in the state. Moreover, last year successful Republican mayoral candidate Richard Riordan received roughly half the union vote in Los Angeles against a candidate backed by organized labor. Thus, Ms. Brown's growing identification with labor seems less a reflection of economic or even electoral reality than a kind of totemic reflex among party members that to be "real" Democrats they must have the blessings of the labor leadership.

Perhaps the first sign of this came in the fall. Up to then she had led many to believe she was a strong free trader; she talked convincingly about "California's role in the global economy." But she turned tail and denounced Nafta. But the Nafta cave-in was not the end to the unmaking of this New Democrat. Once inside the Brown tent, the union establishment seemed to

work against any ideas about cutting government costs that could have cost bureaucratic jobs; something Ms. Brown seemed to favor in earlier conversations with business people and economists. "It's because she's been captured by SEIU [Service Employees International Union] advisers," admits one top campaign aide. "She can't propose job cuts, at least not now."

So instead of using Gov. Wilson's inability to cut bloat as a prototypical New Democrat wedge issue, Ms. Brown is proposing to

appoint a regulatory "ombudsman." And how would Ms. Brown deal with the state's looming \$3 billion budget deficit? Instead of cutting the state budget, as even Democratic primary rival Tom Hayden called for, she proposes filling in the gap with bond financing. This embrace of more indebtedness should not come as a surprise: Her most consistent backers in her short political career have come from the ranks of investment banks that profit from bond sales.

A former bond lawyer herself, Ms. Brown seems most comfortable with the liberal wing of New York's investment community. Among her influential economic advisers is Lazard Frere's Felix Rohatyn, the fiercest lion of the party's corporatist wing and longtime advocate for a



Kathleen Brown

neo-New Deal style "industrial policy."

This drift toward a statist liberal orientation has diminished her ability to speak forcibly about the true dynamism of the California economy. Instead of campaigning at the site of fast-growing companies that she formerly visited—like BACE Plastics in Anaheim—Ms. Brown now takes her economic lead from the likes of Mike Gage, the politico who runs the wobbly Calstart electric-car consortium.

But perhaps the biggest cost of Ms. Brown's current drift lies in sacrificing the critical issue of optimism. Months ago, she could rightly denounce Pete Wilson for his negative immigrant-bashing and calling the state "a bad product." Now it can be said that if Pete Wilson kicked California when it was on the ground, Kathleen Brown has chosen to kick it in the groin as it struggles back to its feet.

But perhaps all is not lost. Some Brown advisers claim that, after the primary, she will drop the "worst economy" message and reassert her New Democrat credentials. "She's had problems with the slogan," one Democrat strategist acknowledges. "She knows it's problematic and has a shelf-life problem. There's going to be a strong pro-new-economy message."

This adviser suggests that, having gone through several makeovers already in this still young political season, Ms. Brown may decide once again that her "happy" face provides the California electorate with the best antidote to the dreary prospect of four more years of Mr. Wilson. But that will require Ms. Brown and other Democrats to stop replaying the beloved "struggles" of the 1960s and the 1930s, and start focusing on the enormous economic opportunities of the decade ahead.

Mr. Kotkin is a Los Angeles-based fellow with the Center for the New West and the Progressive Policy Institute, a think tank connected with the Democratic Leadership Council in Washington.

06/15/94 12:49

NO.520 P001/001



1020 12th STREET, STE 300
 SACRAMENTO, CA 95814
 TELEPHONE 916.565.1994

A new poll of likely voters by a major Democratic polling firm shows:

Pete Wilson	44%
Kathleen Brown	36%
Neither	7%
Undecided	12%

That puts us 8 points ahead!

A new all registered persons poll by a Republican firm has it:

Pete Wilson	43%
Kathleen Brown	42%
Undecided	15%

Howard Jarvis Taxpayers Association Endorses Wilson

Pete Wilson has earned the reputation as a tight-fisted manager of government spending. He understands the meaning of a "hard-earned dollar" and has consistently fought to keep costs and taxes to a minimum.

Despite unprecedented budget gaps, Governor Wilson has balanced the budget every year he has been in office while increasing funding for his two top priorities — children and public safety.

Reduced Spending

Both Joel Fox, president of the Howard Jarvis Taxpayers Association and Jay Curtis, president of the Los Angeles Taxpayers Association emphasized that the Wilson Administration has slashed government spending by \$2.10 for every dollar raised in new revenues, cut the size of government by 4.5 billion dollars and last year enacted the most sweeping package of job-creating reforms since Howard Jarvis' own Proposition 13.

Over the past three years, had Wilson not made the tough decision to cut spending, the state General Fund would be \$16 billion higher than it is today. That would mean a burden of \$1,300 more in taxes for the average California taxpayer.

"Throughout his career Pete Wilson has been the last line of defense for California's taxpayers. If you care about the way government handles your money then you want Pete Wilson as your Governor watching out for your tax dollars. We must keep this taxpayer's friend in the Governor's office."

-- Joel Fox, President of the Howard Jarvis Taxpayers Association, April 11, 1994

Cutting the State Budget

Governor Wilson cut General Fund spending by \$4.5 billion, from \$43.3 billion in 1991-92 to a projected \$38.8 billion in the coming budget year. General Fund spending per person in California is projected to be \$220 lower this year than when Governor Wilson first took office. No other California Governor since the end of World War II has actually reduced state spending from year to year!

"In four years as Governor, he (Pete Wilson) cut the state budget — not just reduced its rate of growth but actually shrunk it. . . In the last four years he has fought off every effort to turn back the clock to the days of tax-and-spend here in California. In the last four years he has advanced our great conservative cause of restoring personal freedom to the people."

-- President Ronald Reagan, February 28, 1994, Republican Convention

Leading the Nation in Spending Cuts

At a time when other states' general fund expenditures are increasing by an average of 3 percent a year, Governor Wilson's proposed General Fund budget for the coming year will cut spending by 10.5 percent below the 1991-92 levels.

FRIDAY, JUNE 24, 1994

B3

CALIFORNIA ELECTIONS

Wilson Assails Brown's Basis for Opposing Death Penalty

By DANIEL M. WEINTRAUB
TIMES STAFF WRITER

SACRAMENTO—Gov. Pete Wilson chided Democrat Kathleen Brown, on Thursday for basing her opposition to the death penalty in part on her father's experience applying capital punishment when he was the state's chief executive nearly 30 years ago.

Wilson, escalating what has become an increasingly personal debate between the two candidates on the sensitive issue, questioned his opponent's explanation and three times quoted her father, former Gov. Edmund G. (Pat) Brown, who wrote a book about his personal turmoil over the state's ultimate criminal sentence.

"She says that her opposition to the death penalty is a result of what she learned from her father," Wilson told

highest office, returned to the old Governor's Mansion on Tuesday to explain how she came to oppose the death penalty.

There, in the same room in which her father had pondered the fate of 59 condemned criminals—and had decided to send 36 to the gas chamber—the younger Brown said her position was not based on logic or philosophy, nor on arguments over the death penalty's effectiveness as a deterrent. She described her reasoning as a "gut thing," based on her family and religious values.

Brown added that even though she personally opposes the death penalty she would carry it out if called upon to do so, appoint judges who supported it, and not stand in the way if lawmakers wanted to put a measure on the ballot to expand it.

"I oppose it because my father taught me it was wrong and the religious experiences I had reinforced that," she said.

Wilson said he did not think Brown's statement was "much of an explanation" and in clear terms spelled out his own position.

"In my case," Wilson said, "I believe the death penalty is a deterrent, I think it is an entirely legitimate form of punishment, I think it answers the requirements of justice."

Wilson quoted extensively from Pat Brown's book, "Public Justice, Private Mercy, a Governor's Education on Death Row."

In weighing one case, Brown wrote: "I was trying to move beyond legal limits as I looked for reasons to commute" an inmate's death sentence.

In another case, the elder Brown

for Opposing Death Penalty

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"She says that her opposition to the death penalty is a result of what she learned from her father," Wilson told reporters at a Capitol news conference. "But I think her explanation to date indicates that if she may be a dutiful daughter, she would not be a good governor."

Wilson added: "With all respect to Pat Brown, however people may remember him fondly for other reasons, I don't think he was greatly admired as governor because of his performance on the death penalty."

Kathleen Brown, at the White House for a meeting with President Clinton, was informed of Wilson's remarks and lashed back at the governor.

"That is typical Pete Wilson," she said. "If Pete Wilson wants to ridicule me and my father and my family values, I would say Pete Wilson has a problem with his values."

Brown, who is seeking to follow her father and her brother, former Gov. Edmund G. (Jerry) Brown, into the state's

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my family values, I would say
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In weighing one case, Brown wrote: "I was trying to move beyond legal limits as I looked for reasons to commute" an inmate's death sentence.

In another case, the elder Brown commuted the sentence of a killer who had not yet formally requested clemency.

"I couldn't see," Brown wrote, "how sending him to the gas chamber would deter some future frightened would-be robber from panicking and striking out at his victim."

Wilson's point: If Kathleen Brown says she is following the example of her father, then her father's reasoning and actions are fair game for criticism. And the record, Wilson said, shows that Pat Brown, as time wore on, leaned more toward granting clemency than denying it.

"We know clearly what Pat Brown brought to these deliberations," Wilson said. "He was, I think, a good man but he agonized and was ambivalent and through life his attitude changed. More and more he was able to find excuses for granting clemency. I would not have found those excuses."

Wilson also criticized an Assembly committee for bottling up two bills to expand the death penalty to cover killings committed in connection with carjackings or drive-by shootings. Wilson aides have suggested that Democrats blocked the measures so that Brown would not have to defend her opposition to them during the fall campaign.

Times staff writer Glenn Bunting in Washington contributed to this story.



PETE WILSON
GOVERNOR

State of California

GOVERNOR'S OFFICE OF PLANNING AND RESEARCH

1400 TENTH STREET
SACRAMENTO 95814



LEE GRISSOM
DIRECTOR

WILSON'S OFFICE OF PLANNING AND RESEARCH RELEASES ECONOMIC ANALYSIS OF CLINTON HEALTH CARE PLAN: PLAN COULD COST CALIFORNIA MORE JOBS THAN DEFENSE DOWNSIZING

EMBARGOED FOR RELEASE
Until 10:00 AM, Friday, June 3, 1994

CONTACTS: Philip Romero
Paul Miner
(916) 322-2318

Governor Pete Wilson's Office of Planning and Research released a report to the Governor today that projects California could lose 650,000 jobs from the Clinton Health Plan -- more than from all defense cutbacks to date. The report, which evaluates the Plan's economic impact on both the U.S. and California, is titled "Above All, Do No Harm: the Clinton Health Plan's Economic Risks for California."

The study concludes that under the Plan, health spending would increase enough to suppress 3.7 million jobs. Those losses would come as private employers lay off workers -- primarily low-paid workers such as retail clerks and restaurant employees -- in response to mandated health premiums, and due to the depressing impact of higher taxes to finance expanded federally-funded health coverage. Promised health care savings would not come until the year 2000 at best.

The Plan's *actual* consequences would probably be much worse, however, because few analysts expect it to control health spending as completely as the Administration predicts. The Congressional Budget Office's February report projected that the Plan will deviate 3% from its savings goal. Lewin-VHI, an independent consulting firm, believes the Administration has underestimated premiums by 17%. The Office of Management and Budget has estimated that net savings could be as little as only 30% of the White House's forecast.

OPR did not specify a single forecast, but examined the consequences of a very modest shortfall in the Plan's savings performance: 5% of the White House's claims. U.S. job losses would peak at 3.7 million in 1999, and still exceed 2.8 million by 2000.

EMPLOYMENT CONSEQUENCES OF CLINTON PLAN IN TWO SCENARIOS

	National	California
Maximum Job Loss		
Best Case Scenario (no deviation from Administration projections)	2.6 M (in 1998)	476,000 (in 1999)
Still Optimistic Scenario (-5% deviation from Administration projections)	3.7 M (in 1999)	650,000 (in 1999)
Cumulative Job Losses by 2000		
Best Case Scenario (no deviation from Administration projections)	1.0 M	332,000
Still Optimistic Scenario (-5% deviation from Administration projections)	2.8 M	593,000

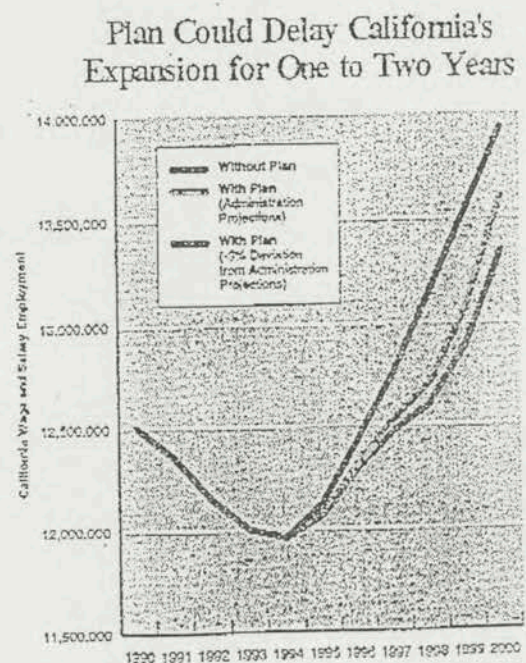
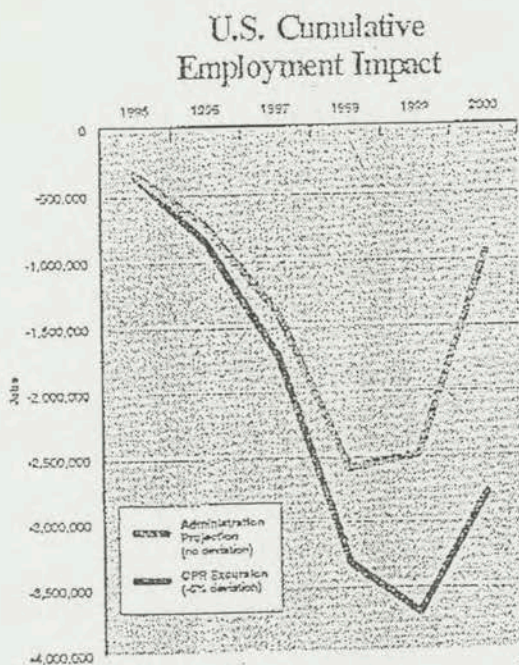
However, OPR found that California will suffer economically even if the Plan delivers completely on the White House's promises, mostly because a higher proportion of California's workers are uninsured. Higher health spending will suppress between 475,000 and 650,000 jobs, exceeding all the California jobs lost from defense cuts.

Lee Grissom, OPR's director, summarized, "The President says his goal is to control the escalating costs of health care. But the Plan places the entire burden on the private sector through taxes and mandatory premiums. Business would take on hundreds of billions of dollars in additional costs to fund an expanded Federal role in health care.

"California as a state and the nation as a whole cannot trade the immediate and substantial employment losses that the Plan produces in blind hope of realizing some uncertain benefits at some unknown future time," Grissom concluded.

"Over half of the 800,000 jobs California lost between 1990 and 1993 were due to defense downsizing," noted Philip Romero, Governor Wilson's chief economist and the report's principal author. "California's new recovery is imperiled by the Washington-induced cribdeath." He added, "The Federal government should not compound economic burdens by imposing yet another mandate on California's fragile economy."

Romero summarized the report's findings as follows: "The Clinton Plan requires that we pay more for health care now in hope of savings later. It fails to offer economic rewards if everything works perfectly. But if it falls short of its savings target by only a few percent, the economic losses are truly staggering."



Romero noted that OPR's "excursion" that assumes the Plan falls only 5% short of the Administration's goals is very generous. "Costs of new health care programs have historically been grossly underestimated. When Congress enacted Medicare in 1965, government actuaries projected that costs for hospital insurance would amount to \$14.6 billion from 1966 through 1971. Actual program costs totaled \$24.7 billion."



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LEE GRISSOM
DIRECTOR

QUESTIONS AND ANSWERS ON THE ECONOMIC EFFECTS OF PRESIDENT CLINTON'S HEALTH REFORM PLAN

Q. The President says that health care reform is a critical national issue. Is he right?

A. Yes. Costs in the 1970s and 1980s rose much faster than the general rate of inflation. While health care inflation has somewhat moderated, spending is still consuming an ever-growing share of our nation's wealth. This leaves less and less for more economically productive uses. High health costs have also priced one out of seven Americans and one out of five Californians out of the health insurance market.

Q. The President has proposed a plan that overlays Federal mandates on top of the existing private insurance system. He says it will save jobs. His opponents claim it will destroy jobs. Who's right?

A. His opponents are certainly right in the short run (at least for the rest of the decade). The Clinton Plan asks American employers to pay more for health care now in order to achieve universal coverage.

Higher health care costs will suppress 2.6 million U.S. jobs by 1998, before the promised savings begin saving jobs. The Plan will add \$100 billion to Federal health spending costs between 1995 and 1998. Over the five years between 1995 and 2000, the Plan will suppress an average of over 160,000 jobs a year, even assuming the savings projected by the Clinton Administration.

In the long run the Plan promises to save money via giant, largely mandatory purchasing pools. But even using the Administration's assumptions about the speed with which savings are achieved, the net effect of the Plan is to depress substantial numbers of jobs through the decade. So if the President is right, it won't be until well after the year 2000.

Q. Are the Administration's forecasts realistic?

A. Other analysts don't seem to think so. The Congressional Budget Office expects the deficit to widen \$132 billion more than the Administration does, just in the first few years of the Plan. The Office of Management and Budget examined scenarios in which the deficit widens by nearly one trillion dollars over six years.

We did not forecast how well the Plan's goals will actually be achieved. But we found that the Plan is very fragile. If the actual changes in national health care costs are just 5% different from the Administration's projects, U.S. job losses will reach

nearly 3.7 million. While no one knows how much health savings the Plan would actually produce, it is likely to be less than the Administration's estimates--entitlement programs rarely stay within their cost projections.

Q. What about the Plan's impact on California's economy? Would it be better or worse than for the nation?

Worse. California is home to a disproportionate share of the uninsured, so employer mandates and other financing tools will fall relatively harder here than in the nation as a whole.

By 1999 nearly 500,000 jobs will be lost if the Plan performs as the Administration projects. If actual performance deviates by 5% from the Clinton Administration's projections--a more likely but still quite optimistic assumption--jobs lost could total 650,000: more than all the jobs lost to defense cuts.

California's job losses from the Plan would be more than one-third of the nation's, even though California's population is about one-eighth of the nation's. Overall, the Plan's effect would be to delay California's economic expansion by at least two years.

Q. How do your numbers compare with other studies?

For the nation, we estimate job losses through 1998 (as an illustrative year) for the nation under the Plan will be between 2.6 million and 3.3 million (including both direct job losses from workers laid off because of mandates, and indirect losses because those workers have less disposable income). The Employment Policies Institute estimates 5.2 million (3.1 million direct jobs alone). The RAND Corporation estimates that 1.1 million direct and indirect jobs will be lost. So OPR's study is slightly below the median of the other two studies.

For California, OPR's estimate is near the bottom: our estimate of the employer mandate is at least one-third below Mercer-CWCI's computation. And our employment figure, at 143,000 direct and indirect jobs lost in 1997, is nearly identical to Lewin-VHI's 135,000 (of which 79,000 are direct jobs lost). OPR's estimates are quite conservative.

Q. What is your basic conclusion about the Clinton Plan?

The Plan calls on the private sector to accept higher health spending now, taking dollars away from more productive uses, in the hope of savings later. Those savings, if they occur, will not compensate for the up-front costs within this decade. The Clinton Plan will discourage employers from doing what the economy needs most: creating jobs to fuel California's recovery.

OVERVIEW
REPORTS TO THE GOVERNOR
CALIFORNIA'S ANALYSIS OF THE HEALTH SECURITY ACT

EMPLOYMENT IMPACT

CALIFORNIA EMPLOYMENT IMPACT

- ✓ By 1999, nearly 476,000 jobs in California would be lost if the revenue estimates proposed by the Act are accurate. ~~If the Administration's savings and cost estimates deviate from their projections by 5 percent, total job loss could reach 650,000 in California.~~
- ✓ California's job losses from the Act would be more than one-third of the nation's overall job loss, even though California's population is about one-eighth of the nation's population.

NATIONAL EMPLOYMENT IMPACT

- ✓ The Act would increase national health costs by \$100 billion between 1995 and 1998. Higher health costs would eliminate 2.6 million jobs nationwide. Over the five year period between 1995 and 2000, the Act would eliminate an average of over 160,000 jobs a year, assuming the savings projected by the Clinton Administration are accurate.
- ✓ If the actual changes in national health care savings and costs vary by just 5 percent from the Clinton Administration's estimates, job losses nationwide could reach nearly 3.7 million.

COVERAGE OF ILLEGAL IMMIGRANTS

- ✓ In 1994-95, California's Medicaid program (Medi-Cal) will provide emergency services to an estimated 317,500 illegal immigrants at a state General Fund cost of \$395 million.
- ✓ The Act's failure to adequately address the costs of medical care for illegal immigrants threatens the financial underpinnings of the Act's implementation in California and represents an unacceptable validation of the status quo.
- ✓ The Act fails to acknowledge the Federal Government's exclusive responsibility for the costs of providing medical care to illegal immigrants.

STATE FINANCIAL IMPLICATIONS

MEDI-CAL

- ✓ State General Fund costs would increase \$1.1 billion under the Act between 1996 and 2000. County costs of up to \$3.7 billion between 1996-2000 could also result under the Act.

ALLIANCE STRUCTURE

- ✓ The proposed alliance structure -- with mandatory participation, limited negotiation authority and excessive regulation -- is overly cumbersome and bureaucratic, and unnecessary to achieve the goal of expanding access to affordable health coverage.
- ✓ The Act would eliminate California's nationally renown CalPERS program and the Health Insurance Plan of California, despite their success in reducing health costs.
- ✓ ~~The Act undervalues the role of insurance agents and brokers.~~

- ✓ While California would lose authority to set Medi-Cal program and service levels, the State, counties and other local entities would be required to make continued federal maintenance of effort (MOE) payments at nationally prescribed service levels.
- ✓ The Act financially disadvantages California by locking-in the antiquated Federal Matching Assistance Percentage (FMAP) rate, which does not appropriately reflect California's population and income levels, to define California's Medi-Cal MOE contributions.

HOME AND COMMUNITY-BASED SERVICES

- ✓ While the proposed expansion of home and community-based care is commendable and would substantially increase the federal financial contribution for this care, it would leave the State vulnerable to substantial increased costs.
- ✓ The Act would result in an estimated state cost of \$837 million between 1996 and 2000, due to an expansion of services to an estimated 172,000 new clients, and savings up to \$186 million during the same period for clients currently served in state institutions.

FINANCING AND EMPLOYER MANDATE

- ✓ Federal spending and revenue projections are unrealistic, undermining the viability of the Act.
- ✓ The Act expands benefits and imposes new costs on the state, and relies on unproven savings to pay the bill in the long term, placing states, employers and consumers at enormous risk.
- ✓ Primary financing mechanism is an employer mandate, which is essentially a new tax on Californians and will result in reduced hiring, reduced wages, and/or an increase in consumer prices.

COST-CONTAINMENT

- ✓ Premium caps, set arbitrarily through regulation rather than market forces, will likely lead to price controls, resulting in rationed care, reduced quality and reduced investment in California's research and technology industries.
- ✓ California's Medical Injury Compensation Reform Act represents a stronger basis for medical liability reform than the Act's provisions to reduce malpractice costs and should serve as a national model.

HOTLINE 6/24/94

===== CALIFORNIA CABLE =====

*18 SENATE: DOLE'S GOIN' TO CALIFORNIA FOR HUFFINGTON

Sen. Min. Leader Bob Dole will be in CA 6/25 for a fundraiser for Rep. Michael Huffington (R-22) in his bid to unseat Sen. Dianne Feinstein (D). S.F. CHRONICLE's Wildermuth writes, this "would not normally be much of a story," but Huffington, who made millions in his family's TX oil business, "has not really had to do much fund raising in his short political career." Huffington has vowed to spend "whatever it takes" to defeat Feinstein, "but a few checks from traditional GOP sources would be nice. Dole is just one in what is likely to be a steady stream of national Republican figures" fundraising for Huffington. Dole will be featured at a \$25/head event for Huffington in L.A. and a "more intimate" \$1,000/head lunch, for which 200 are expected by the Huffington campaign (6/24).

MONEY MANDATE: SACRAMENTO BEE's Jacobs writes Feinstein "is starting to fight back" with charges Huffington is attempting to buy his way into the Senate: "[He] could have diffused a lot of Feinstein's criticism of he had been a little more patient, spent a few more years in the House and achieved at least some success of respect, however modest, instead of turning around almost immediately to climb to the next rung" (6/21).

"COMMON SENSE"



No. 2

June 1994

HUFFINGTON WINS FOCUSES ON FEINSTEIN

Mike Huffington rolled to a smashing 30-point victory in the California Republican Senate primary, setting the stage for a closely-fought, closely-watched Senate race against Dianne Feinstein.

"The message is strong and clear -- business as usual in Washington must be stopped," Huffington told a cheering throng of hundreds of supporters. "I want big government out of our wallets and off our backs."

Huffington noted Feinstein's lack of experience in the private sector: "Whether we're talking about welfare, or health care, or the economy, Dianne Feinstein believes that more government is the answer... It is high time for common sense to prevail over liberal nonsense."

With national interest focused on the race, Huffington reminded the audience of the broader message of the campaign: "giving back."

"Most political campaigns are about what government can do. This campaign is about what people can do," said Huffington. "Imagine what could happen if each one of us personally took action, and made a commitment to solve one problem, or help one person, right here in our own community."



POLLWATCH

KABC-TV, Los Angeles

Huffington: 41%

Feinstein: 42%

KCRA-TV, Sacramento

Huffington: 39%

Feinstein: 44%

Political/Media Research Inc.

Huffington: 39%

Feinstein: 44%

KNBC-TV, Los Angeles

Huffington: 39%

Feinstein: 45%

KCAL-TV, Los Angeles

Huffington: 39%

Feinstein: 47%

MORE ON THE ELECTION

- In the Democratic primary, though she faced only token opposition, Dianne Feinstein lost more than one out of every four votes cast. She spent Election Day in Washington, D.C., according to her staff.
- A Los Angeles Times Exit Poll found that 17% of Democratic Primary voters would vote for Mike Huffington in November. The poll found only nine percent of Republican primary voters would vote for Feinstein. According to CNN political analyst William Schneider, "That's a sign of trouble for Dianne Feinstein, because it shows Democratic defections even though she is a well-known incumbent."
- Mike Huffington won Orange County, home of his opponent, Bill Dannemeyer, by 8.5 percentage points.

To Contribute to

Mike Huffington for U.S. Senate

call

1-800-396-MIKE

CAMPAIGN ROLLS THROUGH CENTRAL VALLEY

Huffington Bus Tour Proves Rousing Success

The Huffington for Senate campaign was "On the Road Again," rolling through California's Central Valley to bring a message of common-sense changes in the way Washington treats farmers.

Some excerpts from local newspapers:

SAN FRANCISCO CHRONICLE: With Willie Nelson's "On the Road Again" blaring from the huge speakers on top of his bus, Michael Huffington started his search for votes in the Central Valley..., spen[ding] two days shaking hands, talking to local leaders, and testing his campaign theme of fewer government requirements and more volunteer help.

He found plenty of people interested in bouncing Democrat Dianne Feinstein from the Senate in November. "Have you got a brother who can beat Boxer?" asked one man sitting in front of a Main Street bakery in Merced. (6/11)

MODESTO BEE: Huffington met with the San Joaquin County Farm Bureau in Stockton early in the day.... "Feinstein has said she'd put water for endangered species ahead of water for farmers," Huffington said. "You've got farmers who are losing their livelihood because they can't get enough water." (6/8)

VISALIA TIMES-DELTA: [Huffington] reminded Visalians that Feinstein voted for President Clinton's budget last year, costing state taxpayers about \$27 billion.

"The last income tax raise hit businesses and farmers really hard," Huffington said. "What we don't want to do is raise income taxes on business and people and take the money out of this area to send to [Washington], D.C." (6/10)

FRESNO BEE: [Huffington] campaigned by bus through a region that has some of the world's richest farmland and some of the state's highest unemployment...

He said Dianne Feinstein's support of strict environmental rule and votes for high taxes is not the answer... "I believe in clean air and clean water, but I also believe that there are economic consequences to what we do and they have to be very balanced," said Huffington. (6/10)

Issue of the Month...

AGRICULTURE and WATER

California is the crown jewel in the U.S. agricultural system. Our farmers have led the nation in production for 45 years running. With only 3 percent of the nation's farmland, we produce 55 percent of the fruits, nuts and vegetables. Our farmers pour more milk than Wisconsin. Mike Huffington pledges to keep our farmers on top and make sure their voices are heard all the way to Washington, D.C.

WATER RIGHTS-- While California's agricultural industry today is using the same amount of water it did 20 years ago, it is producing at a 50 percent greater rate. Dianne Feinstein supported the Miller-Bradley Water Law, which diverts up to 800,000 acre-feet a year from farms to fish and wildlife. She also stood by as federal officials cut back promised water deliveries by up to 75%.

WETLANDS POLICY-- A Fulton man faces up to five years in prison for plowing up "wetland" weeds on his family farm on the advice of local fire officials. The definition of "wetlands" now includes land that is saturated only seven days a year. This policy must be re-examined and changed.

TRADE-- California is the country's leading agricultural exporter, over half to Pacific Rim nations. But our closest neighbor, Mexico, only accounts for one percent of the total. The reason? Mexico's tariffs, two-and-a-half times higher than America's. Mike Huffington voted for NAFTA to shrink these tariffs to zero. Feinstein voted NO.

GRAZING FEES-- Last year, U.S. Interior Secretary Bruce Babbitt tried to raise grazing fees 400%. Feinstein opposed this -- but joined Barbara Boxer in attempting to force Senate passage of a bill hiking grazing fees 85%. Mike Huffington will fight such draconian increases.

BABBITT-- From terming Western water usage a "welfare state" to pledging to blow up dams in order to "restore ecological balance," U.S. Interior Secretary Bruce Babbitt has become Bill Clinton's loose cannon. Dianne Feinstein believes Babbitt is "doing a good job." Mike Huffington disagrees.

ENDANGERED SPECIES ACT-- In February, more than two dozen state and federal agents with helicopters swooped down on Bakersfield farmer Taung Ming-Lin. His crime? Accidentally killing several endangered kangaroo rats on his land with his tractor. Lin now faces jail time, hundreds of thousands of dollars in fines, an impounded tractor and off-limits land. Huffington is pledged to common-sense reforms of the Endangered Species Act to, in his words, "put the well-being of families above the well-being of rats."

Memorial Day Fest Kicks Off Summer Campaign

Memorial Day kicks off the summer --- and a Memorial Day picnic kicked off a long summer of campaigning for Mike Huffington.

On May 30, the Huffington for U.S. Senate Campaign threw a family-style picnic for over 200 at their Costa Mesa Headquarters in Orange County. Bands, balloons and hot dogs were part of the All-American fare, complete with a rousing stump speech by the candidate himself.

Guests also could learn about Mike Huffington's positions at an information table. "This picnic was an absolute success," said Campaign Manager Bob Schuman. "Our guests left feeling good about the candidate and the country."



FEIN - FLOP - Health Care

Dianne Feinstein's many and varied positions on health care reform are proving to be quite difficult to follow. As a public service, Huffington for U.S. Senate Campaign Manager Bob Schuman tries to guide the reader through Mrs. Feinstein's election-year acrobatics.

November 20, 1993: Feinstein co-sponsors the Clinton health plan in its entirety. *Schuman: "She read the plan, liked it and endorsed it. However, it eliminates jobs, requires tax increases, erodes doctor-patient privacy, and eliminates your ability to choose your own doctor."*

April 13, 1994: After the congressional spring recess, Feinstein says, "No one has said to me that health care needs to be passed this year." (White House Bulletin) *Schuman: "It's too bad she wasn't talking to those same people when she decided to co-sponsor the Clinton plan."*

May 25, 1994: Feinstein quietly withdraws her support. A Feinstein spokesman says she reassessed her support when it became clear that the plan will be reworked by five congressional committees. (Oakland Tribune, 6/2) *Schuman: "Does that mean that if the Clinton plan emerges intact from the committees, she will go back to supporting it? And why did she not know about these committees in November?"*

June 2, 1994: Feinstein: "I stand with the president on the need for health care reform." (AP) *Schuman: "Perhaps she'll support a health care plan that includes coverage for backbone replacement. She needs one."*

WHAT THEY'RE SAYING...

"Yes, Senator Feinstein voted for the [tax increase], and so did Senator Boxer, and if either of them had not, we would not have had this bill."
PRESIDENT BILL CLINTON (Los Angeles Times, 5/21/94)

"Particularly for us in the White House, it was unsettling to see that tax message have an effect."
CLINTON ADMINISTRATION OFFICIAL, commenting on Dianne Feinstein's vote for the 1993 tax hike and her drop in the polls (Los Angeles Times, 6/4/94)

"She's going to have a much tougher race, and the Democrats are worried about it."
BOB BECKEL, CBS "This Morning," 6/1/94

THE HUFFINGTON FOR SENATE CAMPAIGN SALUTES THOSE COURAGEOUS MEN AND WOMEN WHO, 50 YEARS AGO, TOOK THE BEACHES OF NORMANDY, MAKING THE ENTIRE WORLD SAFE FOR DEMOCRACY. IN THE WORDS OF FORMER PRESIDENT RONALD REAGAN, "WE WILL ALWAYS REMEMBER. WE WILL ALWAYS BE PROUD. WE WILL ALWAYS BE PREPARED, SO WE MAY BE ALWAYS FREE."

HUFFINGTON BUILDING VOLUNTEER ARMY

The Huffington for U.S. Senate Campaign is amassing grassroots volunteers from all parts of California. Mike Huffington is attracting activists who want change in Washington and want to defeat Dianne Feinstein.

Huffington volunteers are distributing brochures, posting signs, and handing out campaign literature and buttons all over the state. If you are interested in participating, contact STEVE SAMUELIAN at 1-800-396-MIKE.

The Huffington volunteer team is working hard at the local level to get out our message of smaller government, lower taxes and giving back to the community.

JOIN THE VOLUNTEER TEAM TODAY!

To Contribute to
Mike Huffington for U.S. Senate
call
1-800-396-MIKE

My Contract With You...

I have spent most of my career in business, not politics. Politicians make commitments with campaign promises. Business people make commitments with contracts. If you elect me to the U.S. Senate, here's my signed "contract" of commitments with you, the people of California.

1. I will serve no more than two terms in the U.S. Senate so that I never become a career politician.
2. I will accept no campaign contributions from the political action committees.
3. I will donate all of my take-home pay to charity. I will not participate in the lucrative congressional pension system.
4. I will keep in close touch with California citizens with a regular schedule of townhall meetings and satellite conferences all across the State.
5. I will vote to control government spending and eliminate the budget deficit by working for a meaningful constitutional amendment to balance the budget.

- - Mike Huffington

Mike Huffington for U.S. Senate
949 South Coast Drive Ste. 100
Costa Mesa, CA 92626

Paid for by Californians for Huffington

Yes! I want to secure California's future.

I will volunteer to:

- | | |
|---|--|
| <input type="checkbox"/> Walk my neighborhood | <input type="checkbox"/> Organize my campus |
| <input type="checkbox"/> Work at headquarters | <input type="checkbox"/> Organize my community |
| <input type="checkbox"/> Phone | <input type="checkbox"/> Other _____ |

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Day Phone: _____ Evening Phone: _____

Please clip and mail to: Mike Huffington for U.S. Senate
949 South Coast Drive Ste. 100
Costa Mesa, CA 92626

Food for The Soul

THE FOURTH INSTINCT

By Arianna Huffington
Simon & Schuster. 251 pp. \$22

By Carolyn See

Arianna Huffington argues here that in addition to the first three instincts that drive and shape mankind—biological survival, the urge to power, sexuality—we are endowed with a "Fourth Instinct," and "the charge of our Fourth Instinct is to move us from the tyranny of our fight-or-flight mechanism to the liberation of a practical spirituality that transforms our everyday life." She's at pains to explain the cosmos as she perceives it: "Everything is connected to everything else; *every thing*, every molecule, every rock, every living form, is infused by the same force." "Some of my friends," she writes, "urged me against using the word 'God' . . . but to have followed their advice would have meant amputating from our spiritual experience thousands of years of Judeo-Christian and Eastern wisdom that evoke God, not to mention some of the most profound poetry and some of the greatest literature."

The book divides into three parts. The first describes the terrible age we live in, the approach of the end of this century, the suggestion that we—as individuals and as community—have abdicated our responsibility toward our fellow man and have cravenly turned that responsibility over to the government: "Those addicted to political salvationism clearly cannot kick the habit." Our only hope of a real solution to society's ills and to our own angst is to accept spirituality and the sacredness of all things as our own. We must learn to eschew duality, embrace unity and harmony. Who can argue with any of this? A poor sport could, however, look twice at a sentence that suggests ". . . on the journey that took us from the Middle Ages and deposited us at the Me Generation, we turned down a blind alley." Is Huffington really giving Tom Wolfe the same importance as Erasmus and the Venerable Bede?

Part 2 suggests that we look at the Great Mystery of life as dwelling in the center of a labyrinth, and that many of the events that befall us may be thought of as threads that lead us to that center. These "threads"—which are dealt with in separate chapters—include healing (both psychological and physical), relationships, religion, community, art, science and the powerful teaching of our Fourth Instinct. Again, Huffington is sometimes tripped up by her own strange writing: "One of the most subtly destructive twists in relationships occurs when they become not a thread to truth, but a quilt to wrap around ourselves to protect us from the winds of reality which blow where they will." A freshman comp teacher, at his wits' end, might scrawl in the margin: Block

that metaphor! But if you tend to believe in the power of the unconscious, and if you don't believe in this material, you won't be reading the book.

Huffington is certainly aware that there's a hard-boiled crowd out there that doesn't believe in God, kindness, community, volunteerism, or learning through healing, suffering or any other damn thing. These people wouldn't meditate or do yoga or give a nickel to the poor if you paid them. They're way too heavily into survival, power and sex. They tend to be a mean-spirited lot, and they'd be certain to bring up Huffington's relative lack of academic specialization. She's parlayed a Cambridge degree into enough authority to write about "The Female Woman," "Maria Callas: The Woman Behind the Legend," "The Gods of Greece," "Picasso: Creator and Destroyer" (in which she was impudent enough to ask the question: If Picasso was into torturing his girlfriends, why are we supposed to consider him a great artist?)



This sent many establishment art critics into a tizzy fit from which they have yet to recover).

And now she writes—with more authority—about God, tendentiously referring to Him, Her or It as the Fourth Instinct until you could cry out with irritation. But it's a free country! If Arianna Huffington wants to write about God, and say—breaking her own good advice about the evil of duality and separation—that God belongs everywhere except in "Political Salvationism," she can certainly do it.

Other atheistic grumps will also be bound to bring up the fact that Arianna is married to Rep. Michael Huffington, a California Republican running for the U.S. Senate whose father is worth \$300 million in oil money. Could there be a hidden agenda here? Arianna Huffington comes out strong for motherhood and God. What's next—highway safety?

I think those atheistic grumps would be wrong. It takes a lot of courage to (perhaps naively) espouse the spiritual life, and the voice here is clear and likable. You might disagree with Huffington, or even dismiss her as a little bit cracked, but if you knew her and your kid was sick, she sounds like somebody you'd call up right away for encouragement, or a ride to the doctor. And the world she describes in Part 3, after we have spiritually evolved sounds like a very pleasant place.

U.S. HOUSE RACES

(* incumbent)

District 5	Jim Kolbe*	602-881-3588	Gary Auerbach
District 6	Mike Harris	602-947-9110	Ken Orms
	* J.D. Hayworth	602-585-3652	Karen English*
	Ramona Ortega Liston	602-965-1323	
	Tom McGovern	602-248-3026	
	Mike Myer	602-953-5230	
	* Rep. Dave Schweikert	602-396-0808	
	David Smith	602-860-1994	
	Sara Stannard	602-994-4678	
	* Gary Hunt	602/833-1707	staff: Dave McIntire
	ARKANSAS		
District 1	Warren Dupwe	501-935-5845	Blanche Lambert*
District 2	Bill E. Powell	501-834-2455	Ray Thornton*
District 3	Tim Hutchinson*	501-442-5258	Berta Seitz
District 4	Jay Dickey*	501-536-1221	Sen. Jay Bradford
	CALIFORNIA		
District 1	Frank Riggs	707-837-2050	Dan Hamburg*
District 2	Wally Herger*	916-920-0474	Mary Francis Jacobs
District 3	Tim Lefever	916-678-1994	Vic Fazio*
District 4	John Doolittle*	916-635-9986	Katie Hirning
District 5	Robert Dinsmore		Bob Matsui*
District 6	Mike Nugent		Lynn Woolsey*
District 7	Charles Hughes		George Miller*
District 8	Elsa Cheung		Nancy Pelosi*
District 9	Deborah Wright	510-339-0774	Ron Dellums*
District 10	Bill Baker*	510-938-1995	Ellen Schwartz
District 11	Richard Pombo*	209-836-9496	Randy Perry
District 12	Deborah E.G. Wilder	415-468-1920	Tom Lantos*
District 13	Larry Molton		Pete Stark*
District 14	Benjamin Brink	415-327-7676	Anne Eshoo*
District 15	Robert Wick		Norm Mineta*
District 16	Lyle Smith		Zoe Logren
District 17	Bill McCampbell	408-372-	Sam Farr*

District 18	Tom Carter	3987	Gary Condit*
District 19	George Radanovich	209-966-3187	Richard Lehman*
District 20	Paul Young		Cal Dooley*
District 21	Bill Thomas*	805-322-2225	John Evans
District 22	Andrea Seastrand		Walter Capps
District 23	Elton Gallegly*	805-522-4487	Kevin Ready
District 24	Richard Sybert	818-596-2328	Tony Beilenson*
District 25	Buck McKeon*	805-251-2257	James Gilmartin
District 26	Gary Forsch		Howard Berman*
District 27	Carlos Moorhead*	818-243-1992	Douglas Thompson Kahn
District 28	David Dreier*	818-339-4761	Tommy Kahn
District 29	Paul Stepanek	213-243-1994	Henry Waxman*
District 30	Dave Ramirez	310-514-6309	Xavier Becerra*
District 31	John Flores		Marty Martinez*
District 32	Ernie Farhat		Julian Dixon*
District 33	no candidate		Lucille Roybal-Allard*
District 34	Albert Nunez		Esteban Torres*
District 35	Kate Truman		Maxine Waters*
District 36	Susan Brooks	310-534-5505	Jane Harman*
District 37	no candidate		Walter Tucker*
District 38	Steve Horn*	310-492-9389	Peter Mathews
District 39	Ed Royce*	714-992-1143	Bob Davis
District 40	Jerry Lewis*	714-862-6030	Don Rusk
District 41	Jay Kim*	714-396-6173	Ed Tessier
District 42	Rob Guzman	909-481-0774	George Brown*
District 43	Ken Calvert*	909-784-4300	Mark Takano
District 44	Sonny Bono		Steve Clute
District 45	Dana Rohrabacher*	714-846-2636	Brett Williamson
District 46	Robert Dornan*	714-971-9292	Mike Farber
District 47	Christopher Cox*	714-756-2244	Gary Kingsbury
District 48	Ron Packard*	703-409-5416	Andrei Leschick
District 49	Brian Bilbray		Lynn Schenk*
District 50	Mary Alice Acevedo		Bob Filner*
District 51	Randall Cunningham*	619-737-8438	Rita Tamerius
District 52	Duncan Hunter*	619-463-3896	Janet Gastil

House '94

GOP Opportunities:

Talk of whether candidates should run with Clinton has thus far overlooked the fact many Democrats are sitting in districts where Clinton did not fare well in 1992. Fully 50 Democratic held seats were won by George

Bush in 1992. Another measure of something less than great enthusiasm for Clinton are the 53 Democratic districts where support for Clinton did not surpass 40 per cent. As the accompanying map shows, most of these seats are clustered in the South with a fair number sprinkled throughout the Midwest. The large number of such seats help explain why Minority Leader Gingrich puts the absolute, pie-in-the-sky upper limit of GOP gains at 65 seats.



Senate '94

California:

Polls showing Rep. Michael Huffington (R) in a dead heat with Sen. Dianne Feinstein (D) mortify Democrats. Her quiet, almost secretive removal of sponsorship of the Clinton health care plan goes against the Democratic script. Feinstein was thought to be in great shape after jamming the assault weapon ban through Congress, which resulted in Huffington becoming one of the few GOPers to support it. But Huffington's huge media buys may be paying off. Feinstein was likely also hurt by her first ad, a confusing version of the 1988 Dukakis ad purporting to show opponents scheming to go negative. One guess is a more conventional ad featuring Feinstein could open her lead back up. But if it doesn't, the race could stay close until November. Leaning Democratic Retention.

Montana: Sen. Conrad Burns (R) would have preferred a rematch with former Sen. John Melcher (D), but attorney Jack Mudd (D) easily topped Melcher in last week's primary. Mudd can now use the same anti-Washington message against Burns. This is one of the few races the GOP is worried about. Leaning Democratic Retention.

HOTLINE 6/13/94

*14 SENATE: HUFFINGTON PLEDGES NEVER TO RELEASE TAX RETURNS

"Despite attacks from" CA Dems, Rep. Michael Huffington (R-22) said 6/9 that "he will never make his income tax returns public." Huffington: "The requirement for running for Congress or Senate is to file financial disclosure statements. I've done that, so there is no reason to release my tax returns." Huffington "made the statement despite having raised the federal tax issue himself in a hard-hitting television advertising attack" on Sen. Dianne Feinstein (D). In the spots, Huffington says he has always paid his taxes. But he "has failed to provide proof by producing his own tax returns, and when questioned further about his reasoning, the congressman cut off the discussion." Huffington manager Bob Schuman "said that privacy is part of the issue -- and that Huffington is more entitled to privacy than Feinstein": "(Huffington's) money all came from his job as a successful private businessman, while Feinstein and others have spent years getting public money in salaries. He doesn't have the same obligation to disclose his income." Feinstein's "backers were enraged by the Huffington television spot earlier this month that used the tax records the senator released to charge that she paid no federal income tax for three years -- 1978, 1979 and 1985." Feinstein manager Kam Kuwata: "In that commercial, he has the gall to say that he 'pays every penny of income tax he owes and then some. ... How does anyone know that?" (Wildermuth, S.F. CHRONICLE, 6/10).

A TWOFER: "Taking aim at two of the state's most explosive political issues," Feinstein "called [6/9] for illegal immigrants who commit crimes in the U.S. to be jailed in their native countries." The plan could save CA "hundreds of millions of dollars by ridding its jails" of illegal immigrant lawbreakers. "Countries that refuse to participate would be penalized with the loss of foreign aide or with trade sanctions." The plan is "appealing for political reasons, because it addresses both crime and immigration, issues of great concern to Californians" (Sandalow, S.F. CHRONICLE, 6/10).

"TIME" FOR A CLOSER LOOK: TIME's Van Biema mentions Huffington in a piece headered: "What Money Can Buy ... Challenging incumbents has become a rich person's game. But what kind of Congress will it create?" (6/20 issue).

HOTLINE 6/7/94

*18 SENATE: ANOTHER POLL SHOWS EVEN CLOSER GENERAL ELECTION
A KABC poll, conducted 5/30-6/2 by Richard Hertz Research, surveyed 692 registered voters; margin of error +/- 4%; GOP subsample: 270 RVs; +/- 6% (6/3). Tested: Sen. Dianne Feinstein (D), frosh Rep. Michael Huffington (R-22), ex-Rep. Bill Dannemeyer (R) and atty Kate Squires (R).

	KABC 5/30-6/2	KCAL 5/26-29	PMR 5/26-29	LA TIMES 5/21-25	FIELD 5/11-16
GOP PRIMARY					
Huffington	31%	35%	33%	35%	37%
Dannemeyer	19	17	14	21	21
Squires	10	5	10	8	6
Undec.	39	42	43	36	36

GENERAL ELECTION	KABC	KCAL	PMR	LAT	FIELD		KABC
Feinstein	42%	47%	44%	52%	48%	Feinstein	45%
Huffington	41	39	39	38	41	Dannemeyer	40

Acting Sec/State Tony Miller (D) has predicted a turnout of only 40% in today's primary election. If Miller is correct, "it would constitute the lowest voter turnout for a regular statewide primary election since figures were compiled in 1916." Pollster Mervin Field predicted only 38% of voters would vote, meaning that only 29% of those eligible to vote would be making the big decisions in the primary. Field said those voting "will be older, whiter, more likely employed, better educated and will have more income than those who do not vote." Records show 14 of 19 million CA citizens are eligible to vote (Yoachum, S.F. CHRONICLE, 6/7).

AND THE AWARD GOES TO: S.F. CHRONICLE's Epstein writes, "the award for worst TV political ad" of the primary season goes to Feinstein for an attack ad on Huffington. A panel of six voters "who spent an evening watching and evaluating nine of this spring's batch of 30-second spots" as part of the CHRONICLE's "Voice of the Voter" project gave the "dubious award" to Feinstein. In Feinstein's spot, actors posing as Huffington's ad execs "are trying to figure out how to smear" Feinstein, "along the way mentioning many of Huffington's shortcomings and Feinstein's political strengths." Feinstein's spot "may be sending the wrong message to some voters, who do not seem to understand who was trying to smear whom." However, the panel was "unanimous in saying that political ads in general are a real turnoff and a poor way to operate a democracy," which is bad news for CA, where TV spots "are the best way for those seeking statewide office to reach voters." The panel split on the best ad, with two choosing Gov. Pete Wilson's (R) immigration ad and 2 choosing opponent/Treas. Kathleen Brown's (D) ad on the CA economy under Wilson (6/7).

REALITY BITES: L.A. TIMES' Leshner writes, "the reality of a major Senate battle sunk in" last week when Feinstein and Huffington exchanged attack ads. NRSC spokesperson Gary Koops: "This race has certainly caught the eye of a lot of people who

didn't view it as an opportunity a year ago." What is "most disturbing" for Dems is that Huffington's "major criticism" of Feinstein is her vote in favor of Pres. Clinton's '93 economic package. It "caught the attention of the White House because Republicans might pick up the same issue if it proves effective against one of the Democrat's strongest incumbents." One Admin. source: "It's a bit unsettling to see how many (polling) points she can be hurt with just a few weeks of ads and particularly, for us in the White House, it was unsettling to see that tax message have an effect. ... If she loses based on the economic plan, we could be in real trouble" (5/4).

ARIANNA AMBITION: Under the header "Her Brains, His Money," W. POST's Hamilton profiles Huffington and his wife, Arianna. A Huffington victory in the primary, "will be due in no small part to the extraordinary influence of his wife." So much so, that Huffington "must answer the charge that he is just a vehicle for Arianna Huffington's ambitions." Describing her relationship with her husband, an acquaintance of the couple: "I think of that thing in John Hurt in 'Alien,' but with better hair. She's found a host" (6/5). The Huffingtons are featured in a piece by NEWSWEEK's Fineman (6/13 issue).

HOTLINE 6/3/94

*23 SENATE: ANOTHER POLL PUTS FEINSTEIN BELOW 50% IN GENERAL
A KCAL-TV News poll, conducted 5/26-29 by Mark Baldassare & Assoc., surveyed 600 registered voters; margin of error +/- 4%. Dem subsample has a +/- 6% error rate and the GOP subsample has a 7% error rate (KCAL release, 6/1). Sen. Dianne Feinstein (D) meets either frosh Rep. Michael Huffington (R-22), ex-Rep. Bill Dannemeyer (R) or atty Kate Squires.

	KCAL 5/26-29	PMR 5/26-29	LA TIMES 5/21-25	FIELD 5/11-16
GOP PRIMARY				
Huffington	35%	33%	35%	37%
Dannemeyer	17	14	21	21
Squires	5	10	8	6
Undec.	42	43	36	36

GENERAL ELECTION	KCAL	PMR	LAT	FIELD
Feinstein	47%	44%	52%	48%
Huffington	39	39	38	41

DIFI WITHDRAWS CLINTON HEALTH PLAN SUPPORT: OAKLAND
TRIBUNE's Wadman reports Feinstein has withdrawn her support from the Clinton health plan (see #4) (6/2).

OPEN WARFARE: L.A. TIMES' Leshner writes just 24 hours after Feinstein accused Huffington of "dodging" his CA taxes in a TV ad, Huffington "responded in kind" with a new TV spot "raising questions about whether Feinstein has paid enough federal taxes." Huffington's ad said he has paid "every penny in tax that he owes." It then "escalated the exchange by saying that Feinstein is a millionaire 'and yet in three separate years, (she) paid no federal income taxes.'" Huffington manager Bob Schuman "acknowledged he had no evidence that Feinstein owed taxes" those three years. He said the info was revealed when Feinstein released her income tax records in the '90 gov. race. Huffington has declined to release his own tax records but responded to the Feinstein ad: "Almost my entire life, I was a Texas resident. ... They're going to say, 'He was a Texan. Well, you're right. I am now a Californian.'" Feinstein officials called the ad particularly "sleazy" because Feinstein did not pay taxes in '78-79 due to medical costs associated with death of her husband. Feinstein adviser Bill Carrick: "He's pretty sleazy. ... Even during the (1990 Pete) Wilson and Feinstein war, nobody stooped this low" (6/2).

HOTLINE 6/2/94

*21 GOP: REMARKS BEFORE GAY GOP GROUP COST EXEC. DIR. HIS JOB
CA GOP Exec. Dir. Bob Carpenter "lost his job last week because of highly critical remarks" about the GOP right wing he made before the Log Cabin Club of L.A., a group of gay GOPers. A senior GOP official "said Carpenter was forced to quit because of his biting comments about the right-oriented College Republicans, the strong conservative California Republican Assembly" and several individuals. Carpenter addressed the Log Cabin group after he and his wife, Pat Giardina-Carpenter, joined the club. Giardina-Carpenter also resigned as the CA GOP finance director. POLITICAL PULSE's Lembke writes, "At a time when state GOP chairman Tirso del Junco is attempting to present a united front in this election year, Carpenter's remarks were interpreted by the party's hierarchy as highly divisive." Carpenter was quoted in the Gay and Lesbian Times as saying that CA College Republicans are "intolerant" and that "unfortunately, the people who are the leaders" of the CA GOP "at this point are the [CA GOP Chair] Jim Dignans and the Bill Dannemeyer and others. We have created a Republican Party that is probably intolerant of anyone other than themselves and quite frankly, it scares the hell out of me." A GOP official: "When I saw that article, I realized it was over. ... Tirso realized that there would be a blood bath at the convention [9/94] if [Carpenter] was still director" (5/27).

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===== TV MONITOR =====

*22 THIS MORNING: ABC's "GMA" hosted WA Nat'l Guard Col. Margarethe Cammermeyer and ex-NBA star Bill Walton and aired a taped interview with Roy Rogers. NBC's "Today" hosted Acting House Ways & Means Chair Sam Gibbons from Paris and asst. Sec/State Robert Gallucci. "CBS This Morning" hosted ex-Ambassadors to S. Korea Donald Gregg and James Lilley.

LAST NIGHT: ABC led with Dan Rostenkowski. NBC led with N. Korea. CBS and CNN led with the latest Rodney King verdict. "MacNeil/Lehrer" led with Clinton and D-Day. CNBC's "Equal Time" hosted Concord Coalition's Warren Rudman. CNN's "Larry King Live" hosted Reps. Bob Matsui (D-CA), Bill Thomas (R-CA) and

HOTLINE 6/1/94

*17 SENATE: ANOTHER POLL PUTS DIFI BELOW 50% VS. HUFFINGTON
A S.F. EXAMINER poll, conducted 5/26-29 by Political/Media Research, surveyed 801 likely voters; margin of error +/- 3.5%. GOP subsample: 289 LVs; +/- 5.6% (6/1). The L.A. TIMES poll surveyed 1,471 RVs 5/21-25; +/- 3%. The Field Poll surveyed 758 RVs 5/11-16; +/- 3%. Tested: Sen. Dianne Feinstein (D), Rep. Michael Huffington (R-22), ex-Rep. Bill Dannemeyer (R) and atty Kate Squires (R). Primary 6/7.

GOP PRIMARY	PMR	TIMES	FIELD	FAV/UNFAV (GOP only)	
				PMR	TIMES
Huffington	33%	35%	37%	39 / 9	30 / 6
Dannemeyer	14	21	21	20 / 7	23 / 7
Squires	10	8	6	8 / 1	--
Undecided	43	36	36		

FEINSTEIN JOB	PMR		FEINSTEIN	AMONG ALL	
	NOW	1/94		FAV/UNFAV	
Excellent/Good	38%	50%	NOW	38% / 33%	
Fair/Poor	57	43	1/94	44 / 30	

GENERAL ELECTION	PMR	TIMES	FIELD
Feinstein	44%	52%	48%
Huffington	39	38	41
Feinstein	47%	53%	50%
Dannemeyer	34	35	36

Feinstein began airing her first ads of the race 5/31 with a statewide buy that portrays Huffington "as a millionaire Texas carpetbagger who dodged" CA income taxes. Huffington "said he had done nothing to avoid paying his proper taxes" and called the ad "a desperate act from a desperate politician." Huffington and his wife claimed separate residences from 1988-91, he in TX and she in CA. Huffington "saved hundreds of thousands of dollars because there is no state income tax" in TX. The Feinstein campaign "stopped short of saying that Huffington acted illegally, calling instead for an investigation" by the state. The tax issue "forced Huffington into the no-win situation of defending himself by highlighting his recent Texas roots." In the ad, which will run for two weeks, a "simulated group of Huffington ad executives discuss the difficulty they've had in developing a campaign strategy for a flawed candidate facing a popular incumbent." One strategist: "Nobody said it was going to be easy to beat Feinstein with a Texas oil millionaire. ... The only thing that will work is negative ads -- and lots of 'em." Another strategist: "It's Willie Horton time again" (Leshner, L.A. TIMES, 6/1).

BACK ATCHA: Huffington began airing a new :30 TV ad 5/26 attacking Feinstein on crime. L.A. TIMES' Leshner: "A problem for Huffington's campaign, however, is that Feinstein is in her third consecutive statewide campaign and many of the attacks have been tested before" (5/27). Dem analyst Bob Beckel on Feinstein: "She's going to have a much tougher race, and the Democrats are worried about it" ("CBS This Morning," 6/1).

HOTLINE 6/3/94

*24 BALLOT INITIATIVES: WIDE SUPPORT FOR ANTI-IMMIGRATION PROP
The Times POLL surveyed 1,471 registered voters 5/21-25; the margin of error is +/-4% (L.A. TIMES, 5/31). The following prospective fall ballot initiatives were tested:

IMMIGRATION: MEASURE TO BAR ILLEGAL IMMIGRANTS FROM ATTENDING PUBLIC SCHOOLS AND EXCLUDE THEM FROM ALL BUT EMERGENCY HEALTH CARE

For	59%
Against	32

The poll found that almost three-fifths of latinos opposed the measure and blacks narrowly opposed it. Whites favored it 64%-26%. The poll also showed that Gov. Pete Wilson (R) "could extract some political benefit from his support of the measure. It was favored majorities of independents, moderates, whites, the elderly and women, all groups Wilson must court aggressively in the fall." Dem gov. hopefuls Treas. Kathleen Brown, Insur. Commis. John Garamendi and state Sen. Tom Hayden oppose it (Decker, L.A. TIMES, 5/31).

SMOKING: TO REPLACE ALL LOCAL SMOKING REGULATIONS WITH ONE STATEWIDE STANDARD, WHICH WOULD BE LESS STRICT THAN MANY OF THE LOCAL ORDINANCES

For	45%
Against	49

The initiative "is being shepherded by forces who oppose the 270 local smoking restrictions that have popped up in recent years." The measure would repeal all local anti-smoking ordinances and replace them with a "single statewide smoking law that is weaker then the existing bans" in cities like San Francisco, Sacramento and L.A.. But "in a move that could keep the Philip Morris-backed smoking initiative off the ballot," acting Sec/State Tony Miller (D) said 6/1 that "he will seek a court order to survey the people who signed petitions for the measure to see if they were duped." Some signers complained that sponsors "represented the initiative as a tough no-smoking measure, not a drive backed by the nation's largest cigarette maker" (Lucas, S.F. CHRONICLE, 6/2).

HEALTH CARE: TO PROVIDE COMPREHENSIVE HEALTH CARE COVERAGE TO ALL CALIFORNIANS BY REPLACING THE CURRENT SYSTEM WITH ONE RUN BY THE STATE AND FINANCED BY TAXES

For	34%
Against	54

CALIFORNIA

Charlotte M. Mousel National Committeewoman



Present

National Committeewoman, California, elected -
August 16, 1988
First Vice President, NFRW, 1990 - 1993

Previous

President, CANFRW, 1978 - 1979
Secretary, California State Party, 1985 - 1986, 1987 - 1988
Vice Chairman, Southern Region, 1981 - 1984
Southern Regional Parliamentarian, 1981 - 1986
Parliamentarian, Board of Directors and Executive Committee,
1987 - 1988
Orange County, Reagan - Bush, 1980
Co-Chairman, California Women for Reagan - Bush, 1984
Chairman, Orange County Victory '88
Presidential Elector, 1984, 1988
Third Vice President, NFRW, 1982 - 1985
Second Vice President, NFRW, 1987 - 1989

RNC Activity

Delegate, Republican National Convention, 1980, 1984, 1988,
1992
Member, RNC Rules Committee, 1989 -
Member, Committee on Contests, Republican National
Convention, 1992

Personal

Spouse: George
Children: One
Education: Hamilton Business College, El Camino College,
U.C.L.A.

(cont.)

CALIFORNIA

Daniel E. Lungren
National Committeeman



Present

National Committeeman, California, elected - August 16, 1988
Attorney General, State of California, 1990 -
Member, California State Party, 1976 -

Previous

Vice Chairman, Commission on Wartime Relocation and
Internment of Civilians
Staff Assistant, Senator George Murphy (R-CA), 1969
Staff Assistant, Senator William Brock (R-TN), 1969 - 1971
Political Assistant, Honorable Robert Finch, 1973
Member, United States House of Representatives, 1979 - 1989

RNC Activity

Assistant to Co-Chairman and Director of Special Programs,
RNC, 1971 - 1972
Delegate, Republican National Convention, 1980, 1984, 1988,
1992
Member, Committee on Arrangements, Republican National
Convention, 1992

Personal

Spouse: Bobbi
Children: Three
Education: B.A., University of Notre Dame;
J.D., Georgetown University

(cont.)

CALIFORNIA

Tirso del Junco Chairman



Present

State Chairman, California, elected - February 28, 1993
Chairman, Board of Trustees, Queen of Angels Hospital Clinic
and Research Foundation
Advisory Board Member, Frawly Enterprises
Ambassador Extraordinary and Plenipotentiary of the Sovereign
Military Order of Malta to Nicaragua, 1978 -
Member, Board of Regents, University of California

Previous

Vice Chairman, Wilson for Governor, 1990
Vice Chairman, Board of Governors, U.S. Postal Service
Finance and Steering Committees, Bush for President, 1988
National Chairman, Hispanic Voters, Reagan - Bush, 1984
National Chairman, "VIVA", 1984
Chairman, California State Party, 1981 - 1982
Vice Chairman, California State Party, 1979 - 1980
Secretary, California State Party, 1972 - 1976
President, California Republican Assembly, 1968
Founder and former Chairman of the Board, Los Angeles
National Bank
Captain, U.S. Army, 1955 - 1957

RNC Activity

Delegate, Republican National Convention, 1968, 1972, 1976,
1980, 1984, 1988
Chairman, Republican National Hispanic Assembly, 1983 -
1985

(cont.)