

State's View of U.S. Assistance Vital for Clinton

By PAUL RICHTER
TIMES STAFF WRITER

WASHINGTON—As President Clinton arrives in California on Friday for his eighth presidential visit, he will be shadowed by a crucial and unresolved question: Nearly a year after it began, how are his efforts to rescue the California economy being perceived?

To the Administration and its allies, the goal is to offer a measure of short-term economic relief, but, more important, to lay the ground-

NEWS ANALYSIS

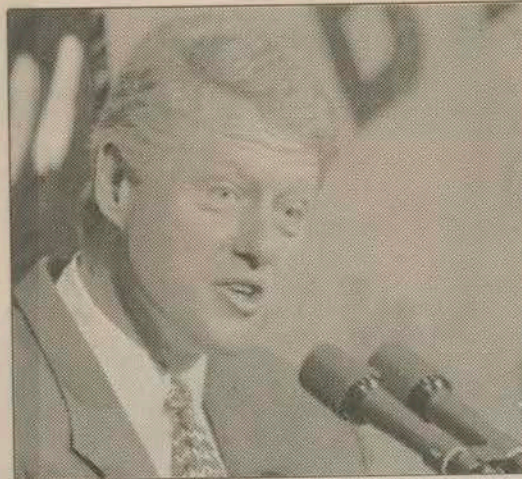
work for California to adjust to an economy in which it will no longer have the comfortable cushion of huge defense budgets. To many of the state's elected officials, business and civic leaders, the program will not measure up unless it does a lot more to end the recession—and the sooner, the better.

"The expectations issue is very significant," said Tom Epstein, the White House special assistant in charge of California affairs. "In a state with a history of growth and success, peoples' hopes for a quick turnaround are very high. . . . But the federal government is not going to solve California's prob-

Please see A1D, A5

Clinton's California Cure

Highlights of President Clinton's program to help the ailing California economy.



Clinton is scheduled to arrive in California Friday.

Troubled Job Market

The state's unemployment rate has hovered at 3 percentage points above the national average. The most recent California jobless data:

OCT	9.8%
SEPT	9.4
AUG	9.0
JUL	9.8
JUN	9.1

■ "Defense conversion" program to shift war industries to peaceful uses, \$19.5 billion in national spending over five years. California expected to receive 20% of the proceeds.

■ Lifting of bans on exports of high-tech products. About one-third of \$37 billion in manufactured goods, including computers and computer chips, comes from California.

■ "Empowerment zones" to help generate businesses and jobs in decaying urban and rural areas. Los Angeles expected to receive one of these 10 zones, which will receive tax breaks and other federal aid to foster growth.

■ "Community development" banks that would help revive inner cities by offering loans to riskier businesses. Los Angeles is considered favored candidate for funds.

■ Special federal aid to cover costs of immigration, roughly \$500 million.

■ Aid for hospitals with large bills for unreimbursed patient care, \$600 million.

■ Additional aid for schools with large populations of poor children, \$30 million a year for four years.

Source: Times Washington Bureau, Labor Department

Los Angeles Times

AID: State's Reaction Crucial

Continued from A1
lems by itself."

How Californians judge Clinton's efforts to help the state will affect his quest for California's 54-vote electoral bloc in 1996 and the fortunes of his political allies in the state in the 1994 midterm elections. And, since California has become a showcase for the Administration's efforts to shape a new economy and to reverse urban decay, these perceptions could even color the broader public view of Clinton's activist

in rival states—beginning with New York Gov. Mario M. Cuomo and spreading to Sen. Robert C. Byrd (D-W.Va.) and members of Michigan's congressional delegation.

Clinton's efforts have won him support in California. Los Angeles Mayor Richard Riordan, for one, has praised Clinton's efforts. California House Speaker Willie Brown and state Senate President Pro Tem David A. Roberti also have hailed the effort.

But other elected officials have pressed for much more. U.S. Sen. Dianne Feinstein, for whom Clinton

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Massachusetts, Florida and Texas.

These days, Clinton does not have money to spend on massive projects. But within the limits of the federal budget, Clinton has showered California with the benefits of many small- and medium-sized government programs.

Perhaps the most visible has been in the program to shift war industries to developing peacetime products, which will spend \$19.5 billion over five years nationwide.

California is expected to get at least 20% of this money, as was demonstrated in October when state

Others want the federal government to expand more sharply to small businesses, accelerate the delivery of federal aid or even speed up defense spending as a means of jolting life into the economy.

Jack Kyser, chief economist at the private Economic Development Corp. of Los Angeles County, credits the Administration with good intentions but said not enough has been done. "They've done a lot of things, but they're little, small things," he said. "Particularly in Southern California, we need something big."

REP. HERGER EVENT

TALKING POINTS FOR REP. WALLY HERGER EVENT

- o Rep. Herger supports the NAFTA.
- o The vote for Perot was 25% (67,298). Bush - 38% and Clinton received 35%.
- o Herger was just placed on the Ways and Means Committee and stepped down from the Agriculture Committee. He also serves on the Budget Committee.
- o Rep. Herger's primary legislative concerns are securing economic growth by reducing federal spending and limiting taxation, achieving economic stability in time dependent communities, opening foreign markets to American agricultural products, and combatting the problem of drug abuse.
- o Wally Herger was recently selected by Roll Call as one of the ten "workhorses, not showhorses" on Capitol Hill.
- o It looks like Herger will have a primary in 1994. A Republican activist named Ms. Devvy Kidd is moving into the 2nd district from Colorado just to try to beat Herger.
- o In the general election, if all goes well, Herger will face Mary Jacobs, a strong supporter of Pres. Clinton.

WALLY HERGER

2^D DISTRICT, CALIFORNIA

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(916) 883-8363

☐ 2400 WASHINGTON AVE., SUITE 410
REDDING, CA 96001
(916) 241-8588



COMMITTEE ON
WAYS AND MEANS

SELECT COMMITTEE
ON NARCOTICS
ABUSE AND CONTROL

Congress of the United States
House of Representatives
Washington, DC 20515-0502

BIOGRAPHY OF REPRESENTATIVE WALLY HERGER

Wally Herger is in his fourth term as a member of the House of Representatives from the Second Congressional District in Northern California. He is a member of the Committee on Ways and Means, the Committee on the Budget, and the Select Committee on Narcotics Abuse and Control.

Congressman Herger's primary legislative concerns are securing economic growth by reducing federal spending and limiting taxation, achieving economic stability in timber dependent communities, opening foreign markets to American agricultural products, and combatting the problem of drug abuse.

He has received numerous awards recognizing his service in Congress, including: The Golden Bulldog Award from the Watchdogs of the Treasury, the Taxpayers' Friend Award from the National Taxpayer's Union, and the Guardian of Small Business from the National Federation of Independent Business.

Under the Constitution, all bills that raise or lower taxes must originate in the House of Representatives. The Ways and Means Committee is the source of that legislation, and has broad authority over all facets of economic policy, including trade policy and tariffs. The House Budget Committee plays a crucial role in crafting the federal budget. Congressman Herger's appointment to these two committees places him at the center of debate on federal tax and spending policies.

A third generation rancher and independent businessman, Congressman Herger was born in Sutter County, California on May 20, 1945. He is married to the former Pamela Sargent and has eight children. Prior to his election to the House, he served six years in the California State Assembly.

#

Wally Herger

Congressman

2nd District • California

NEWS

Contact: Roger Mahan
(202) 225-3076

STATEMENT ON NAFTA

(WASHINGTON, DC -- November 17, 1993) Rep. Wally Herger issued the following statement after the House vote on the North American Free Trade Agreement:

"This evening, I cast my vote for the North American Free Trade Agreement (NAFTA).

My final decision was a difficult one, because I have had strong reservations over many provisions in the agreement. I remain concerned about the environmental side agreement, which may increase the difficulty of bringing badly needed balance to overly restrictive environmental laws.

However, after listening to 8 hours of floor debate, I was convinced that the greatest hope we have for creating jobs in our economy today is through expanded trade. As one who has fought to open markets around the world for Northern California commodities, I could not reject the opportunity to create new markets for California products in Mexico.

Unlike many of my colleagues, I made no deals to support NAFTA. I received no promises from the Administration in exchange for my vote. I simply voted my conscience.

I do not believe NAFTA is a black or white issue. It has many faults, but also offers many benefits. Earlier this month, I had convinced myself that the faults outweighed the benefits by a slight margin. I announced my intention to vote no. I regret that premature announcement.

The debate underscored the fact that American exports have been the primary source of the economic growth our economy has experienced over the last few years. It is trade which is pulling us out of the recession, and we must have more trade if we are to create jobs in Northern California.

The majority of our agricultural community, small businesses, and manufacturing firms have informed me they are willing to accept the possible downsides of NAFTA in order to obtain the substantial benefits of lower tariffs and increased trade.

I know many people will be disappointed with my vote. However, I believe I have done the right thing for Northern California and for our country. I continue to have serious concerns over a number of provisions in the document which I hope can be corrected as the agreement is implemented. But, in the final analysis, I voted in favor of lower tariffs, opening foreign markets for our products, and creating more jobs for north state citizens. "

Through 12/2 2 PM

HERGER/DOLE

REC#	Last	First	Amount	Comments	Ticket #	Attend
1	(+ 5 More Sikhs)					5 yes
2	Bains	Didar	1750.00 o	Farmer (Sikh Businessman)		1 yes
3	Saladen	Jim & Virginia	140.00 pd	Farmer	011, 012	2 yes
4	Belcastro	Richard & Wilma	120.00 pd	own Bonanza Inn	032, 033	2 yes
5	Bover	Jerry & Barbara	350.00 pd		064, 065	2 yes
6	Byrns	Bob & Sid Staunton	350.00 ow		058, 059	2 Yes
7	Cenedalis	Ken & Dotty	350.00 pd		026, 027	2 yes
8	Chohan	Rainder		Farmer (Sikh Businessman)		1 yes
9	Cox	Foy and Guest	150.00 pd	Physician	070, 071	2 yes
10	DeHarolis	Tom & Susan	comp.	sister of Staff - Philli		2 yes
11	Delmison	Bill	250.00 ow	CA Forestry Assoc.	074	1 yes
12	Edwards	James	250.00 pd	Ranches	021	1 yes
13	Fitzhenry	J.G. & Mrs.	350.00 pd	Retired	016, 020	2 yes
14	Frey	Tomie & Len Balay	350.00 ow		044, 049	2 yes
15	Frey	Tom & Supervisor Norma	350.00 ow		054, 055	2 yes
16	Gofal	Piera		Farmer (Sikh Businessman)		1 yes
17	Graf	Bob & Joshua	350.00 pd	Pacific Coast Products	046, 047	2 Yes
18	Guarino	Tom & Guest	Comp.	Chico Chamber of Commerce	052, 053	2 Yes
19	Hayes	Tom & Dawn	250.00 ow	Hospital Council		2 yes
20	Highman	Larry & Jan	350.00 pd		042, 043	2 Yes
21	Binaman	Sherr & Lynn	350.00 pd	Farmer	017, 018	2 yes
22	Jackson	Harold & 9 guests	1000.00 o	Sunwest PAC (Fruit Prod)	001 - 010	10 yes
23	Johl	Gian & Hardeep	Comp.	Radio Program (Punjabi)	046, 047	2 Yes
24	Karlakewicz	Amel & Inga	350.00 pd	Contractor	066, 067	2 yes
25	Knight	Tom & Diana	staff	Campaign Staff		2 yes
26	Kaulin	Dr. Allen & Donita	350.00 ow	Physician		2 yes

REC#	Last	First	Amount	Comments	Ticket #	Attend
27	LeFever	Tim	250.00 pd	Candidate vs. Vic Paxin	074	1 yes
28	Marks	Elizabeth	comp.	Guest of G. Marks	040	1 yes
29	Marks	Gregory & Jeanne	150.00 pd	Law Enforcement	015, 016	2 yes
30	Maurer	Dave & Dale	staff	Congressional Staff		2 yes
31	Michelli	Justin & Angie	350.00 pd	Rancher - Retired	025, 020	2 yes
32	Nidling	Paul	staff	Congressional Staff		1 yes
33	Montgomery	Fred & Ann	350.00 pd	Farmer	049, 059	2 yes
34	Muider	Robert & Marilyn	350.00 ow	Banking		1 yes
35	Nelson	Richard & Clara	350.00 pd	Farmer	021, 026	2 yes
36	Nelson	Dianne	comp.	Bumper Mfr & Distr.		1 yes
37	Nozema	Jerry & Laurie	350.00 pd	guest of E. Peak Rancher	072, 073	2 yes
38	Oji	Max & Mrs.	350.00 pd	Farmer	022, 023	2 yes
39	Panna	Gurham		Farmer (Sikh Businessman)		1 yes
40	Peace	Fran	staff	District Office Mgr.		1 yes
41	Phillips	Ray & Shannon	staff	Congressional Staff		2 yes
42	Realyvasquez	Fidel & Theresa Ratamun	350.00 pd	Physician	75, 76	2 yes
43	Reames	Laura	comp.	Pianist		1 yes
44	Reed	Bill & Mary	staff	Campaign Staff		2 yes
45	Rocchi	Dr. Grove & Barbara	350.00 ow	Physician	061, 062	2 yes
46	Roney	Wally & Billie Redenbayer	250.00 ow		036, 037	2 yes
47	Schmidt	Herb	250.00 ow	Winery	031	1 yes
48	Schuler	Ron & Laurie	350.00 ow	Peach Pkg	038, 039	2 Yes
49	Shadian	Dr. Dill & Karen	Comp.	Physician	040, 049	2 yes
50	Snodgrass	Fred & Roberta	350.00 ow	Rancher	050, 051	2 yes
51	Thiara	Gardner		Farmer (Sikh Businessman)		1 yes
52	Tuttle	Charles or Betty	250.00 pd	Farmer	023	1 yes

REC#	Last	First	Amount	Comments	Ticket #	Attend
53	Wendt	Robert & Brenda	150.00	ow Hospital Council		2 yes
54	Wentz	Bob	250.00	ow Hospital	038	1 yes
55	Wilbur	Richard	250.00	pd Farmer	012	1 yes
56	Wilbur	Dorothy	250.00	pd Farmer	014	1 yes
57	Wurm	Johnnie & Dot	350.00	ow Parish PAC	040, 041	2 Yes
58	Zerbe	Brad & Janet	staff	Campaign Manager		2 yes
CNT			53			58
TOT			14900.	Yes Only - Does not include regret		109
AVG			281.13207			2,879,110
MIN			0			1
MAX			1750.			10

REP. POMBO EVENT

GOV. WILSON EVENT

December 2, 1993

To: Suzanne Hellmann

From: Brad & Janet Zerbe 354 2500 (O) 354 2567 (Fax)
Fundraisers
Governor Pete Wilson Committee

RE: Senator Dole Fundraising Lunch with Governor Wilson

(partial list as of 12/2/93

Monday, December 6, 1993
The Sutter Club
Sacramento, California

Noon - reception - Library Room

Photo opportunity at end of reception

12:30 p.m. - lunch - Library Room

Table 1

Senator Bob Dole

Ward Connerly - Connerly & Associates - Land Use Consultants - He
is also a UC Regent

Beth Meyer

Paul Meyer - Executive Director - Consulting Engineers & Land
Surveyors

Ilene Connerly - Connerly & Associates

Table 2

Governor Pete Wilson

Peter McCuen - Managing Partner - McCuen Properties - Major
Commercial Developer - former Professor - Stanford Business School
Susan Peters - Treasurer - McCuen Properties - wife of Peter McCuen
Dave Lucchetti - President & CEO - Pacific Coast Building Products
Fred Anderson - Builder - Former owner of now defunct world
champion Sacramento Surge football team

Table 3

Secretary Sandy Smoley
Dave Helmsin - Legislative Advocate - California Association of
Health Facilities (CAHF)
Gary Macomber - Executive Vice President - CAHF

Table 4

Pat Clarey - Governor's Deputy Chief of Staff
Katie Boyd - hosted for SF fundraiser for Governor Wilson
Nancy Pringle - widow - retired - friend and neighbor of Katie Boyd
Edith Bentley Cook - widow - retired her husband Ransome Cook
was a prominent banker in SF. Governor Wilson has met her
before.
Karyn Lamb - member - Lincoln Club of Northern California
Ron Del Principe - State Relations - Pacific Telesis
Tom Moulton - Federal Relations - Pacific Telesis

The lunch will consist of four courses. The four special guests will rotate after each course. The Governor starts at table two so that he will end up at table one for the last course - where Ward Connerly will be sitting and will introduce the Governor. The Governor can make his traditional brief remarks and then introduce Senator Dole who will make his brief remarks. Senator Dole can make his remarks from or near his seat. The Governor will do the same. Ward will excuse the Governor and Senator Dole after Senator Dole's remarks so they can leave.

As you can see from this list, we are still not done selling tickets for this event. This is the latest we have.

HOTLINE 11/29/9

***10 CALIFORNIA: DEMS TO ASK FOR PROBE INTO WILSON'S ASIA TRIP**

The CA Dem Party is "demanding a formal investigation" into the way Gov. Pete Wilson (R) raised \$140,000 to pay for his 17-day trade mission to Asia. Wilson's office "dismissed the demand" as pure politics in preparation for the gov. race. But CA Dem pol. dir. Bob Mulholland said the demand would be made in writing to the Fair Political Practices Commission. Mulholland said the decision to pursue an investigation followed an account in the S.F. EXAMINER of how 25 businesses had donated \$140,000 to a special state bank account to pay for the trip. The list of 25 businesses "includes some of the most powerful special interests in California, including two utilities and three oil companies." Mulholland asked that Wilson "make public correspondence between his office, the businesses that paid for his trip and the state Trade and Commerce Agency." Wilson comm. dir. Dan Schnur: "This is completely legal. It's been scrubbed by legal authorities both inside and outside the administration." Schnur said the reason the money was raised privately was "to avoid forcing taxpayers to foot the bill": "Why in the world would the [CA Dems] be so eager to spend the taxpayers' money when the trip can be paid for privately?" (Capps, S.F. EXAMINER, 11/25). Dem candidates: Treas. Kathleen Brown, Insurance Commis. John Garamendi.

PRIV. MTC-BILL KECK

REP. ROYCE EVENT

CA NRSC Update

CALIFORNIA DEMOGRAPHIC PROFILE

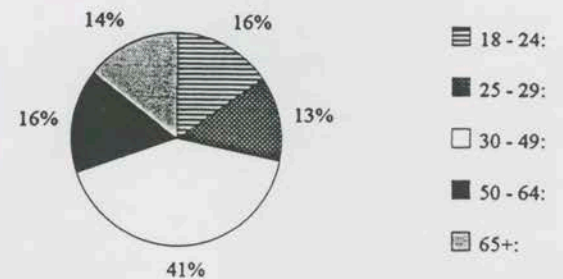
Population Data

1990 Total Population:	29,760,016
Total Voting Age Population:	22,009,291
% of Total Population Voting Age:	74.0%
Black Voting Age Population:	1,544,072
Nationwide Rank:	2
% Black Voting Age Population:	7.0%
Nationwide Rank:	24
Hispanic Voting Age Population:	4,954,872
Nationwide Rank:	1
% Hispanic Voting Age Population:	22.5%
Nationwide Rank:	2
Asian Voting Age Population:	2,035,602
Nationwide Rank:	1
% Asian Voting Age Population:	9.2%
Nationwide Rank:	2

Voting Age Population Data

18 - 24:	3,412,253
25 - 29:	2,854,052
30 - 49:	9,092,157
50 - 64:	3,515,262
65+:	3,135,546

Voting Age Population Distribution



1992 Party Registration

Republican:	5,593,355	37.0%
Democrat:	7,410,914	49.1%
Other:	2,097,204	13.9%
Total:	15,101,473	

Number of Counties: 58

CALIFORNIA 1992 ELECTION SUMMARY

HISTORICAL PRESIDENTIAL PERFORMANCE

	REP. VOTE	REP %	DEM. VOTE	DEM %	OTH. VOTE	OTH %	TOTAL	REGISTRATION
1992 BUSH/CLINTON/PEROT:	3,630,575	32.9%	5,121,325	46.4%	2,296,006	20.8%	11,047,906	15,101,473
1988 BUSH/DUKAKIS:	5,054,917	51.1%	4,702,233	47.6%	129,104	1.3%	9,886,254	14,004,873
1984 REAGAN/MONDALE:	5,467,009	58.2%	3,922,519	41.8%	0	0.0%	9,389,528	13,073,630
1980 REAGAN/CARTER/ANDERSON:	4,524,858	54.2%	3,083,661	36.9%	739,833	8.9%	8,348,352	11,361,623
1976 FORD/CARTER:	3,882,244	50.5%	3,742,284	48.7%	58,412	0.8%	7,682,940	9,980,488
1972 NIXON/McGOVERN:	4,602,096	55.0%	3,475,847	41.5%	289,919	3.5%	8,367,862	10,466,215
1968 NIXON/HUMPHREY/WALLACE:	3,467,664	48.2%	3,244,318	45.1%	487,270	6.8%	7,199,252	8,587,673

STATEWIDE ELECTION RETURNS

	REP. VOTE	REP %	DEM. VOTE	DEM %	OTH. VOTE	OTH %	TOTAL
1992 SENATE (TWO YEAR):	4,093,488	41.2%	5,853,621	58.8%	0	0.0%	9,947,109
1992 SENATE:	4,644,139	44.0%	5,173,443	49.0%	745,596	7.1%	10,563,178
1990 GOVERNOR:	3,791,904	49.3%	3,525,197	45.8%	382,084	5.0%	7,699,185
1988 SENATE:	5,143,409	52.8%	4,287,253	44.0%	312,885	3.2%	9,743,547

STATE SENATE

YEAR	SEATS	DEM	REP	OTH	NET
1992	40	23	15	2	2
1990	40	25	13	2	-2
1988	40	24	15	1	0

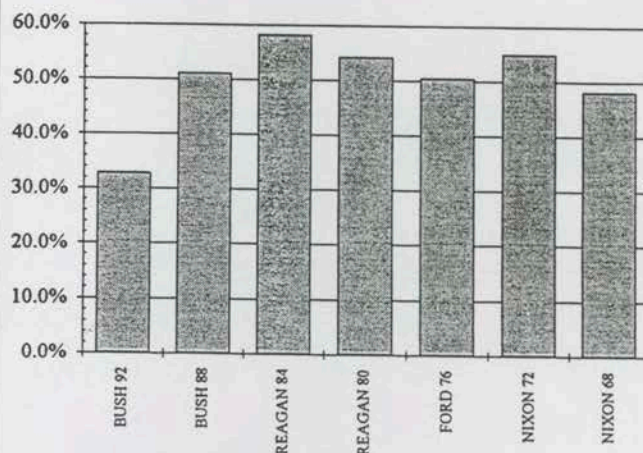
STATE HOUSE

YEAR	SEATS	DEM	REP	OTH	NET
1992	80	48	32	0	1
1990	80	49	31	0	-2
1988	80	46	33	0	-3

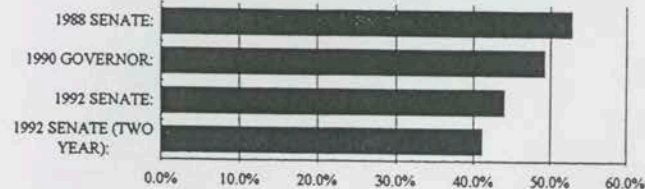
U.S. HOUSE OF REPRESENTATIVES

YEAR	SEATS	DEM	REP	OTH	NET
1992	52	31	21	0	2
1990	45	26	19	0	2
1988	45	28	17	0	-1

REPUBLICAN PRESIDENTIAL PERFORMANCE



REPUBLICAN STATEWIDE PERFORMANCE



CA GOP Leadership

REP. ED ROYCE

- o Rep. Royce serves on the Foreign Affairs and Science, Space and Technology Committees.
- o The Perot vote was 22% (50,834), Bush - 44% (100,669), Clinton - 34% (78,305).
- o The 39th district of California has perhaps the most conservative constituency in the country
- o The omnibus crime control bill included several measures of Rep. Royce's bill HR2899:
 - Mandatory life terms on felons convicted of 3 or more violent crimes
 - Mandatory minimum sentences with no probation or parole on violent offenders
 - No pre-trial release of violent criminals
 - Guarantees for crime victims to speak at sentencing and to receive restitution
 - Prison construction funds to states which adopt "Truth in sentencing" rules requiring violent criminals to serve at least 85% of their sentences.

Information for Senator Bob Dole

RE: Event for Congressman Royce - Dec. 7, 1993

Demographics

39th Congressional District - Mainly middle to upper middle class. 48.49% Republican spanning parts of Orange and Los Angeles Counties. The district is primarily conservative. Before reapportionment was represented by Congressmen Dannemeyer, Dornan and Dreier. As you are probably aware, Orange and Los Angeles Counties are lagging behind the economic recovery.

Key Issues

Health Care and Crime - Congressman Royce would like the Senator to highlight the health care reform proposals - many from the medical and insurance industries will be in attendance. In addition, the Congressman would like the Senator to mention the omnibus crime control bill adopted by the Senate which includes several measures which were included in the Congressman's bill HR2899. These measures include mandatory life terms on felons convicted of three or more violent crimes (three strikes and you're out), mandatory minimum sentences with no probation or parole on violent offenders, no pre-trial release of violent criminals, guarantees for crime victims to speak at sentencing and to receive restitution and prison constructions funds to states which adopt "truth in sentencing" rules requiring violent criminals to serve at least 85% of their sentences.

Special Guests Invited

Congressmen Cox, Rohrabacher and Dornan, Orange County State Senators John Lewis and Rob Hurtt, Orange County Assemblyman Curt Pringle and Orange County Republican Party Chairman, Tom Fuentes.

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FULLERTON, CALIFORNIA 92632
(714) 992-8081
FAX: (714) 992-1666

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES



EDWARD R. ROYCE
Thirty ninth District-California

COMMITTEES
FOREIGN AFFAIRS
SUBCOMMITTEES:
ASIA AND THE PACIFIC
AFRICA

SCIENCE, SPACE, AND TECHNOLOGY
SUBCOMMITTEES:
SPACE
TECHNOLOGY, ENVIRONMENT, AND
AVIATION

Biography

U.S. Representative Ed Royce (R-Fullerton) represents California's 39th Congressional District, which includes North and West Orange County and part of Los Angeles County.

A native Californian, he is married to Marie Porter Royce and is a graduate of California State University, Fullerton, School of Business Administration (Finance and Accounting). A former controller and capital projects manager, Royce served as corporate tax manager for Southwestern Portland Cement Company prior to entering public service.

In 1982, he was elected to the California State Senate, where he served as chairman of the Senate Committee on Constitutional Amendments. He was the legislative author and campaign co-chairman of California's Proposition 115, the Crime Victims/Speedy Trial Initiative, approved by the voters in 1990.

Recognized as the California Legislature's leading advocate on behalf of crime victims, Royce was the author of the nation's first felony "anti-stalker" law, making it a felony to stalk and threaten victims. Versions of his bill have now become law in 44 states. He also authored legislation to prevent criminals from obtaining the addresses and phone numbers of crime victims and witnesses, and requiring criminals to pay into local victim/witness programs.

Now in his first term in the House of Representatives, Royce has extended his interest in victims rights by authoring a Federal Anti-stalker bill (H.R. 740), and by introducing the Violent and Repeat Offenders Accountability Act (H.R. 2899), which provides for: 1) pre-trial detention of violent offenders; 2) mandatory minimum sentences for violent or repeat offenders who inflict serious injury or use deadly weapons; 3) mandatory life terms for third or subsequent conviction of a violent crime; and 4) guaranteeing crime victims the right to be present and heard at all stages of trial and requiring restitution from the criminal.

He has also introduced legislation to reform the way Congress operates, and a constitutional amendment to outlaw retroactive taxation. Royce's committee assignments in the 103rd Congress include the House Committee on Science, Space and Technology, where he serves on the Space Subcommittee and the Subcommittee on Technology, Environment and Aviation; and the House Foreign Affairs Committee, where he sits on the Subcommittee on Asia and the Pacific and the Africa Subcommittee.

CONGRESSMAN ED ROYCE
CORDIALLY INVITES YOU TO
ATTEND A SPECIAL LUNCH WITH
THE HONORABLE ROBERT DOLE
REPUBLICAN LEADER OF THE
UNITED STATES SENATE

TUESDAY, DECEMBER 7, 1993

THE DOUBLETREE HOTEL IN ORANGE
100 THE CITY DRIVE

11:30 A.M.

\$150 PER PERSON

R.S.V.P. BY ENCLOSED
CARD AND ENVELOPE
BY DECEMBER 3RD

FOR ADDITIONAL INFORMATION, PLEASE CALL (714) 892-1226

NEVADA

Filing date: May 10
 Primary date: Sept. 6

Incumbent: Richard Bryan (D)

GOP CANDIDATE	OCCUPATION	ISSUES
Demar Dahl	'92 Senate nominee	
Hal Furman	Las Vegas Water Consultant	Announced. NV GOP Chair McKay and Rep. Vucanovich support Furman
Cheryl Lau	Sec/State	
Susan Lowden	State Sen.	
Sig Rogich	GOP consultant; frmr Iceland Amb	
Peter Thomas	Businessman	
Charles Woods	Businessman	Announced. Recent party switcher.

05-27-93 06:08 PM FROM

P006

MEMORANDUM

TO: SENATOR DOLE
FR: BILL THORNE, NRSC
DT: MAY 24, 1993
RE: NEVADA TRIP

The following is background information for your trip to Nevada.

POLITICAL ENVIRONMENT

The gamble taken by the Nevada government in 1930 to legalize gaming and reduce its residency requirement for divorce to six weeks paid off big in the 1980s when Nevada became the fastest growing state in the nation. The population increased 50% to 1.2 million, adding 6,000 new residents every week. Las Vegas boasts a metropolitan population of 750,000 and Reno another 250,000.

Gambling has generated most of the growth in jobs; almost half of Nevada jobs are in services -- almost double the national average -- and most of those are in gambling and tourism. They generate enough revenue so that Nevada has no income, corporate or inheritance tax, while the cost of living remains very low. The longer term problems facing Nevada are those of growth: the Las Vegas district is using large amounts of water, creating critical shortages during particularly dry seasons.

With the exception of Paul Laxalt and Chic Hecht, Nevada has a tradition of electing politically shrewd Democrat politicians to the Senate. However, the state has been trending Republican, voting for Republican presidential candidates eight times in the last twelve elections. Although President Bush narrowly lost Nevada in the 1992 election, state voters gave him the ninth highest percentage of victory in 1988.

SENATOR RICHARD BRYAN

A statewide figure for more than a decade, Richard Bryan was elected to the Senate in 1988 by beating incumbent Republican Chic Hecht, 50% to 46%. Bryan started his political career as a County Deputy District Attorney in 1964, was elected to the State Assembly in 1969, State Senate in 1973, became Attorney General in 1978, and served as Governor from 1982 to 1988.

Bryan attacked Hecht for the nuclear waste disposal site in Nevada's Yucca Mountains which was announced by Reagan's Energy Department on the last day of the

Congressional session in 1987. It was an effective message and mortally wounded the already weak Hecht.

Bryan's main thrust in the Senate has been his efforts to increase the Corporate Average Fuel Economy standards by 20% by 1995 and 40% by 2001. A floor vote was held in September of 1990 where the measure failed. Undaunted, Bryan continues to press his CAFE legislation.

The Senator is considered a liberal on economic issues and a moderate to conservative on foreign and cultural issues.

Historically, Richard Bryan has been considered stronger than Harry Reid, though in 9/92 polls Reid heavily outperformed Bryan on job approval despite Reid's having just barely survived a Democrat primary. Bryan may in fact be weaker than Reid, who polled only 51% in the 1992 general election.

Political Media Research 9/92

	<u>Reid</u>	<u>Bryan</u>
Exc/Good	59%	42%
Fair/Poor	38%	49%
Ranking of all Senators	29th	79th

Potential Republican challengers include:

Hal Furman: An attorney, Mr. Furman currently serves as Chairman of the Furman Group Int'l Consulting Group. He was an aide to former senator Paul Laxalt and was a Reagan appointee to the Department of the Interior.

Demar Dahl: A cattle rancher, Dahl was the 1992 senate nominee against Senator Harry Reid. He received 42% to Reid's 50%.

Cheryl Lau: Secretary of State

Sue Wagner: Lt. Governor

Peter Thomas: Las Vegas businessman

KEY POLITICAL FACTS AND POLLING DATA

Filing period:	May 10	<u>1988 Election:</u>	<u>\$ Spent in 1988</u>
Primary Date:	Sept. 6	Chic Hecht	46% \$3,007,864
		Richard Bryan	50% \$2,957,789

1. Finances

Cash on hand(6/30/92): \$183,548
 (12/31/92): \$201,859
 Debt (12/31/92): \$ 22,500
 1994 Coordinated limit: \$121,418

1992 Presidential Results

Bush 35%
 Clinton 38%
 Perot 27%

2. Polling Information

Political/Media Research

9/92

Job Approval

Ex/Good 42%

Fair/Poor 49%

Silver State Communications

9/18/91

Favorables

Favorable 72%

Unfavorable 18%

Voter/Consumer Research

9/92

Name ID

Favorable 21%

Somewhat favorable 32%

Unfavorable 14%

Ballot

Bryan 53%

Vucanovich 37%

3. Nevada Political Lineup

Governor Bob Miller (D)

Lt. Governor Sue Wagner (R)

Secretary of State Cheryl Lau (R)

Attorney General Frankie Sue Del Papa (D)

Treasurer Bob Seale (R)

Controller Darrel R. Daines (R)

State Senate 10 (D) - 11 (R)

State House 29 (D) - 13 (R)

Senators 2 (D)

House 1 (D) 1 (R)



Who is Hal Furman?

Hal Furman is a third generation Nevadan. He is the Chairman and Managing Director of the Furman Group—an international consulting firm with its headquarters in Las Vegas. The Furman Group consults to a wide variety of municipal water utilities, engineering firms, and investment banks involved in water resource development in the United States and abroad. The Furman Group's subsidiary, TFG Export, assists American firms interested in selling their goods and services overseas.

Hal graduated from the University of Southern California Law Center and began to practice in Reno with the firm of Woodburn, Wedge, Blakey & Jeppson (now Woodburn & Wedge). In 1980, Hal worked in Senator Paul Laxalt's reelection campaign coordinating issues research. After the election, Senator Laxalt asked Hal to join his staff in Washington as Legislative Counsel. In that capacity Hal was responsible for natural resource legislation including the protection of Lake Tahoe, water allocation issues for the Truckee and Colorado Rivers and grazing and mining issues.

In late 1982, Commissioner Robert Broadbent of the United States Bureau of Reclamation appointed Hal to serve as his Special Assistant and Counsel. Mr. Broadbent asked Hal to supervise the Bureau's implementation of the Reclamation Reform Act of 1982—the first major overhaul of federal water law in seventy years. In this capacity, Hal chaired hearings throughout the West and coordinated the drafting of the regulations necessary to implement the Act. Within a year of the Act's approval by Congress, Hal shepherded these regulations through the federal bureaucracy to final approval by President Ronald Reagan.

As a result of Hal's no-nonsense management approach, President Reagan appointed him Deputy Assistant Secretary of the Interior for Land and Water Resources. At the age of 28, Hal was one of the youngest ever appointed to such a senior position in the Department of the Interior. A year later Hal became Deputy Assistant Secretary for Water and Science, with responsibility for the Bureau of Reclamation, the Bureau of Mines, and the U.S. Geological Survey. In this capacity, Hal served as a senior water policy advisor to three Secretaries of the Interior. He was the lead federal negotiator for the Truckee River Settlement talks and several other significant Indian water rights disputes. In addition, Hal coordinated development of the Hoover Dam Power Plant Act and played a key role in creating a cost-sharing policy for the construction of federal water projects.

2B LAS VEGAS SUN Wednesday, October 20, 1993 a

METRO



HAL FURMAN, with wife, Sally, announces his U.S. Senate campaign at the Alexis Park Resort.

BY R. MARSH STARKS / STAFF

Candidate Furman Bryan on taxes, 1

By Steve Kanigher

LAS VEGAS SUN

Water policy consultant Hal Furman of Las Vegas thinks U.S. Sen. Richard Bryan has been all wet on issues such as Yucca Mountain and taxation.

Calling the incumbent Nevada Democrat "a decent man" but a professional politician who hasn't delivered results to his constituents, Furman, a Republican, declared his candidacy Tuesday for Bryan's seat.

"If elected, I pledge to serve no more than two terms in the Senate and then step aside and let someone else take over," Furman said in his announcement at the Alexis Park Resort.

"One of the big problems in Washington today is the glut of career politicians like Richard Bryan and Bill Clinton who have never been in the private sector, they've never created a job, and they never met a payroll. That's why I've concluded term limits are a good idea."

Furman, 38, served under President Reagan as deputy assistant secretary of the Interior Department for land and water resources and served on the staff of former U.S. Sen. Paul Laxalt, R-Nev.

He is now chairman and managing director of the Furman Group. His company serves as a consultant to utilities, engineering firms and investment banks in water resource development.

Like Bryan, Furman said, he opposes the use of Yucca Mountain as a proposed nuclear waste repository. But Furman also said he believes the selection of the Nevada site is inevitable and politically irreversible, given the state's relatively sparse population and small

Congress

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Nevada

Section **B**

Page 1B

Wednesday, October 20, 1993 a

Las Vegas Review-Journal

LV Republican puts in bid for 1994 U.S. Senate race

□ Hal Furman says he has adopted a 'run early, run hard' strategy aimed at defeating Richard Bryan.

By Shaun McKinnon
Review-Journal

Decrying lengthy, expensive campaigns, Las Vegas Republican Hal Furman on Tuesday entered the race for U.S. Senate — more than a year before the 1994 elections.

Speaking in front of more than 30 supporters, Furman said Democratic incumbent Sen. Richard Bryan "has been totally ineffective representing Nevada" and was "outfoxed, outsmarted and outmaneuvered" in his high-profile battle against a plan to bury nuclear waste in the state.

"Nevada deserves political leadership prepared to meet the challenges of today, not the leadership of a bygone



FURMAN

era," he said. Furman, 38, may have to survive a challenge from within his own ranks before he takes on Bryan. Millionaire Charles Woods, who narrowly lost a primary race against Sen. Harry Reid a year ago, announced earlier this month he had switched parties and was considering running against Bryan as a Republican.

Furman brushed aside Woods' candidacy: "The only thing I know about Charles Woods is that until a couple of weeks ago, he was a Democrat," he said. "I don't intend to run against Charles Woods. I'm running against

Please see FURMAN/4B

Furman

From 1B

Richard Bryan."

So far, Furman, a business and government consultant, appears to have the backing of state GOP leaders. He released statements of support Tuesday from state Republican Party Chairman Brian McKay and Rep. Barbara Vucanovich, R-Nev.

Furman defended his decision to enter the race more than a year before the elections, despite his complaints that campaigns "last too long and cost far too much."

"Running against an incumbent is no easy task," he said. "The only way a fellow like me can compete is to run early and run hard."

Still, he called for restraint in

"Running against an incumbent is no easy task."

Hal Furman
Senate hopeful

campaign spending and challenged Bryan to agree to a \$1.6 million cap, a figure used in past Democratic-supported campaign reform legislation.

Bryan was not available to respond Tuesday, but his spokesman, Jim Mulhall, said Bryan has been a strong advocate for enforceable limits on campaign spending and suggested Furman

direct his challenges "to the leaders in his own party ... who have consistently stood in the way of campaign reform."

Sounding what is sure to be a recurring theme in the race, Furman accused Bryan of failing in his promise to block the Energy Department's plans to study Yucca Mountain, 100 miles northwest of Las Vegas, as a site for a nuclear waste repository.

"The fact of the matter is, the waste dump was coming to Nevada in 1988 when Richard Bryan was elected and he knew it," Furman said. "He lied to the people."

Mulhall dismissed Furman's charges and said, "There will be time enough to discuss these things when the Republican Party has a nominee."

NEVADA POLITICS

Vegas attorney running for Senate as 'new face'



Furman

Republican Hal Furman: Wants to oust Democratic Sen. Bryan.

By Courtney Brenn
GAZETTE-JOURNAL

A Las Vegas attorney bent on ousting Sen. Richard Bryan next year is an expert on water issues but figures his best shot is to characterize himself as a convincing non-politician.

"I'm offering myself to the people of Nevada as a fresh, new face," Hal Furman says. "I have never run for public office before."

But the 38-year-old native Nevadan is no stranger to bureaucra-

cy. He worked almost exclusively in government — serving on the staff of political campaigns as well as in high-ranking federal government posts — during the first five years of his law career.

"Hal Furman has the experience necessary to be an effective senator for Nevada," Republican Party Chairman Brian McKay says. "At the same time, his private sector experience ... makes him a breath of fresh air which I am confident will appeal to Nevada voters next year."

In the past eight years, Furman decided that "career politicians" are a major problem in Washington. Congress has a glut of such people, he says, who've "never been in the private sector, never met a payroll or created a job."

"How in the world can these people — Democrats and Republicans alike — relate to the average working family struggling to make

ends meet," Furman says as part of the pitch announcing his bid for the Republican nomination in the September 1994 primary. Bryan, a Democrat, is in his first six-year term.

Congress, Furman says, "has run up a \$265 billion deficit and continues to insult the American taxpayer with its wasteful ways."

He raps Bryan for being part of the "wasteful Congress," but his most scathing criticism of the incumbent goes to a proposed Yucca Mountain location for a high-level nuclear waste dump.

"He said that if we elected him to the Senate, he would stop (the dump) from coming here," Furman says. "Nevada is far closer today to receiving spent nuclear fuel than when we hired Mr. Bryan on as a senator nearly five years ago."

Jim Mulhall, a spokesman in

See FURMAN on page 4A

For convenient home

Furman

From page 1A

Bryan's Washington office, said Furman is premature since he is not the Republican nominee for the post.

"Blaming Yucca Mountain on Dick Bryan is like blaming slavery on Abraham Lincoln," Mulhall said. "The absurdity of Mr. Furman's charges is transparent."

Furman wholeheartedly embraces what the Democrats have long considered taboo — bargaining for money from the federal government during its study of the potential southern Nevada dump site.

Furman also challenged Bryan to abide by a \$1.6 million limit on campaign spending that was contained in a bill Bryan co-sponsored and voted for.

"Senator Bryan has strongly supported campaign spending limits and believes they should be required by law and we welcome Mr. Furman to the cause," Mulhall said. "We suggest he contact his leader, Senator Dole, who has been stalling campaign reform for the last three years."

Furman is the chairman and managing director of the Furman Group, consultants to municipal water utilities, engineering firms and investment banks involved in water resource development.

After briefly practicing law in Reno following his graduation from law school in 1980, he worked on former Sen. Paul Laxalt's re-election campaign, then joined Laxalt's Washington staff as legislative counsel.

He was named special assistant and counsel to former U.S. Bureau of Reclamation Commissioner and fellow Nevadan Robert

4A—Reno Gazette-Journal

Monday, October 25, 1993

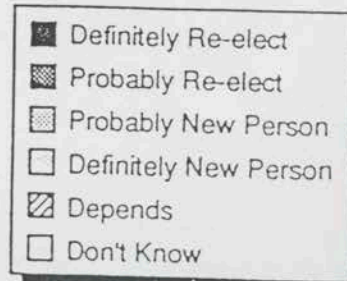
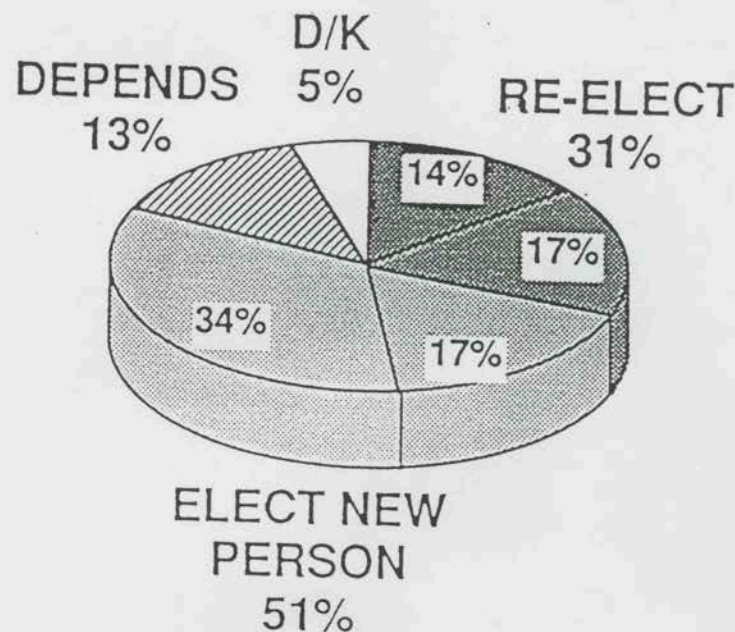
"Blaming Yucca Mountain on Dick Bryan is like blaming slavery on Abraham Lincoln,"
Jim Mulhall,
a Bryan spokesman, shot comments
by Hal Furman

Broadbent in 1982 and became deputy assistant secretary of the Interior for land and water resources the following year.

A year later, he was appointed deputy assistant secretary for water and science. He returned to law practice in 1985 and formed his consulting company in 1991, with wife service reports.

RE-ELECT BRYAN VS. ELECT NEW PERSON: LATE (Q32)

Now that you've heard a little more about the candidates for U.S. Senate, do you think Richard Bryan has done a good enough job as U.S. Senator to deserve re-election, or do you think it is time to give a new person a chance?



[SPLIT SAMPLE -- SAMPLE A:]

Now I'm going to read you a description of two hypothetical candidates for U.S. Senate, let's call them Smith and Jones. [ROTATE]

(1) Smith is a third generation Nevadan who has never run for public office. He has served as an expert on water resources issues for both Senator Paul Laxalt and President Reagan, eventually being appointed to a top position at the national Department of the Interior. He lives in Las Vegas where he manages a water resources consulting business.

(1) Jones is a career politician who has held elected office for 24 years, including 14 years in statewide office. He has concentrated on consumer affairs, seeking tighter regulations on businesses, and forcing car manufacturers to make smaller, more fuel efficient cars. He is originally from Las Vegas and now claims Carson City as his home.

22a. If the election were held today, for whom would you vote, Smith or Jones?

[IF UNDECIDED:] Well which candidate do you lean toward?

Smith -----	38%	46 %
Lean Smith -----	8	
Jones-----	33	41 %
Lean Jones -----	8	
Neither [DO NOT READ]-----	4	
Don't Know [DO NOT READ] -----	8	

HAL FURMAN FOR SENATE '94

Consultant/Media

**Jay Smith
Smith & Haroff
(703) 683-8512**

Campaign Director

**Steve Wark
(702) 382-0409**

Polling

**Jan Van Lohuizen
(301) 907-7551**

Finance Director

**Polly Minor List
(702) 322-6766**

December 2, 1993

MEMORANDUM TO SENATOR DOLE
FROM: JON LYNN KERCHNER *JK*
SUBJECT: ED ROYCE RUNDRAISER
POSSIBLE MEETING WITH GUS OWEN

You may run into Gus Owen, President, Orange County Lincoln Club, at this event.

Mr. Owen seeks your support for his candidacy for the Republican seat on the Ex-Im Bank Board of Directors.


Ken Brody, Chairman of the Board, is in Russia. However, his assistant indicates that he is still pursuing a woman with environmental credentials for this position.

Mr. Owen has a background in real estate development, banking and environment, and currently serves on the Fish and Game Commission in California. He originally sought your support for the Republican seat on the ITC.

Mr. Owen has paid his dues to the Republican party -- but in my opinion, he fails to see the irony in seeking a Republican position, based on his wife's (Kathryn Gore Thompson) Republican support for President Clinton.

November 25, 1993

M E M O R A N D U M

TO: SENATOR DOLE
FROM: NINA OVIEDO 
SUBJECT: ORANGE COUNTY FUNDRAISING BREAKFAST

I spoke with Joe Reppert about the fundraising breakfast on Tuesday, December 7 at 8:30 a.m. According to Joe the breakfast will include guests from the medical, building and financial fields. He does not anticipate issue specific questions. These are folks who are concerned about the Administration and Congress' "tax and spend" agenda.

Joe says that he hears many complaints about Clinton's portrayal of these folks as being "less than good." In Joe's words, "Clinton campaigned for change -- turned out to be nothing more than another tax and spend democrat and portrays those that succeed as villains." The breakfast attendees want to hear an upbeat message -- "we'll get over this and with your help take back the Senate, the Presidency and even the House."

Dec. 7th Breakfast
12/2/93

DOLE FUNDRAISER ATTENDEES

Page 1

William Adair

H: W:

Tickets: 1

Brenda Adams

La Mirada CA 90638

H: W:

Tickets: 1

Mr. Samuel Anderson

Newport Beach CA 92660

H: W:

Tickets: 1

George Argyros

George L. Argyros & Associates

950 South Coast Drive #200

Costa Mesa CA 92626

H: 714-675-4611 W: 714-434-5100

Tickets: 1

Mr. E. Larry Atkins

American Health Services

Newport Beach CA 92660

H: W:

Tickets: 1

Mr. Gene Babcock

Beckman Instruments

Fullerton CA 92634

H: W:

Tickets: 2

Joan Baird

H: W:

Tickets: 1

Mr. David Beckman

Chemicon

Temecula CA 92390

H: W:

Tickets: 2

Jim Bergman

DSV Partners

620 Newport Center Dr., Suite 990

Newport Beach CA 92660

H: W: 714-759-5657

Tickets: 2

Gerry Boylan

H: W:

Tickets: 1

Mr. Leighton Broadley

Broadley James Corp.

Santa Ana CA 92705

H: W:

Tickets: 1

Dr. Alan Broughton

Antibody Assay Laboratories

Santa Ana CA 92705

H: W:

Tickets: 1

Mr. Tom Capetan

Alcon Surgical, Inc.

Irvine CA 92713

H: W:

Tickets: 1

Mr. William Conlin

23 Hillsborough

Newport Beach CA 92660

H: 714-720-9979 W:

Tickets: 1

Mr. Howard Cooper

Cardiac Science, Inc..

Irvine CA 92718

H: W:

Tickets: 1

Dan Cunha

Western States Courier

H: W:

Tickets: 1

Tom DeStanislau

TransUnion

1561 E. Orangethorpe

Fullerton CA 92631

H: W:

Tickets: 5

Mr. Stephen Downs

Coast Vision, Inc.

H: W:

Tickets: 2

Charles Dunn

H: W:

Tickets: 1

12/2/93

DOLE FUNDRAISER ATTENDEES

Page 2

Mr. Kris & Mrs. Linda Blftmann
Printing Plus
205 W. Blueridge Avenue
Orange CA 92665
H: W: 714-921-0850
Tickets: 2

Robert L. Emmet
25 Bay Island
Balboa CA 92661
H: W:
Tickets: 1

Susan Fritts
H: W:
Tickets: 1

Mr. Brian Ironk
Acta Corp.
Tustin CA 92680
H: W:
Tickets: 1

Bradford Gary
Allergan Government Affairs
2525 DuPont Drive
Irvine CA 92715
H: 714-675-6547 W: 714-724-5964
Tickets: 1

Shirley Gibson
Orange CA 92667
H: W:
Tickets: 1

Greg Gill
Matlow Kennedy
4510 E. Pacific Coast Hwy., #100
Long Beach CA 90804
H: W: 310-498-8889
Tickets: 1

Dr. Hel Henkin
Anesthesia Systems
Newport Beach CA 92661
H: W:
Tickets: 1

Gavin Herbert
Chairman of Board/Allergan
2525 DuPont Drive
Irvine CA 92715
H: 714-673-9506 W: 714-752-4555
Tickets: 1

Mr. Robert Hitchcock
Alpha Microsystems
Santa Ana CA 92704
H: W:
Tickets: 1

Brad Hollingsworth
H: W:
Tickets: 2

Gilbert Kruger
Snell & Wilmer
1920 Main St. #1200
Irvine CA 92714
H: W: 714-253-2700
Tickets: 1

Jim Lindsay
H: W:
Tickets: 1

Dr. Margaret Lumia
Arcacia, Inc.
Loma Linda CA 92354
H: W:
Tickets: 1

William Lyon
William Lyon Homes
P.O. Box 7520
Newport Beach CA 92658
H: W: 714-833-3600
Tickets: 5

Patrick MacMahon
H: W:
Tickets: 1

Mr. Michael C. Miller
Abbey Home Healthcare
H: W:
Tickets: 1

Mr. Michael Mussalem
Bentley Laboratories, Inc.,
Santa Ana CA 92711
H: W:
Tickets: 2

Chris Nard
H: W:
Tickets: 1

12/2/93

DOLE FUNDRAISER ATTENDEES

Page 3

Lillian & Howard Nishihara
Westfield Escrow
H: W:
Tickets: 2

Gus A. Owen
Owen Properties
85 Argonaut, Suite 200
Aliso Viejo CA 92656
H: W: 714-830-4322
Tickets: 1

Greg Owens
H: W:
Tickets: 1

Co Pham
19185 Woodlands Lane
Huntington Beach CA 92683
H: 714-969-1412 W: 714-531-2091
Tickets: 1

Kevin Reid
H: W:
Tickets: 1

Mr. John Reid
Reid Advertising & Public Relations
3185-II Airway Avenue
Costa Mesa CA 92626
H: W: 714-979-7990
Tickets: 1

Herb Tasker
H: W:
Tickets: 2

Dr. William Thompson
ADML, Inc.
H: W:
Tickets: 1

Barry Topol
H: W:
Tickets: 1

Mr. Lloyd H. Tran
Biomed
Irvine CA 92714
H: W:
Tickets: 2

Rick Upjohn
H: W:
Tickets: 1

Gwen Van Vleck
H: W:
Tickets: 1

Gwynneth Viggers
H: W:
Tickets: 1

Mr. Robert Wall
Advanced Interventional Systems
Irvine CA 92718
H: W:
Tickets: 1

Mr. Mel Henkin
Anesthesia Systems
Newport Beach CA 92661
H: W:
Tickets: 1

Alexander & Alexander
H: W:
Tickets: 2

American Residential
H: W:
Tickets: 5

CountryWide
H: W:
Tickets: 5

Ernst & Young
1840 Von Karman Avenue #800
Irvine CA 92715
H: W: 714-653-6854
Tickets: 1

SOME ATTENDEES AT REP. ROYCE RECEPTION

Doctors and Dentists
Small business people
Many retired business people

David Tran - Viet Nameese store owner "Saigon Supermarket" where Dan Quayle stopped during a visit to CA as V.P.

Dr. Dutt - Indian, aerospace consulting business

Judge Marty Hairabedian, Armenian appointed by former Gov. Duekmejian

State Senator Rob Hurtt
State Senator John Lewis
Assemblyman Ross Johnson



WILSON ADMINISTRATION TALKING POINTS

CALIFORNIA'S BETTER BUSINESS CLIMATE

In the past year, Governor Wilson and the Legislature have enacted a series of dramatic reforms to improve California's business climate. In fact, 14 of the 15 economic initiatives Governor Wilson outlined in his state-of-the-state address have already been launched to promote job creation in California.

Now, those reforms are showing results. In recent months, a series of major corporations have made new commitments in California, in each case, citing the improved business climate as a factor in their decision. These new investments send a message to the world that California is coming back.

PACIFIC BELL. In November, Pacific Bell announced a \$16 billion investment to expand California's telecommunications system. This investment will bring the electronic highway to more than 1.5 million people by the end of the decade. The entire state -- businesses, people working at home, medical patients in rural areas, and students in their classrooms -- will be linked by 2010.

INTEL. Intel, the world's largest manufacturer of semiconductors, announced in November that it will expand its Folsom, California facility creating 1,000 new jobs. "Reforms have made California more competitive for new jobs and investment," said Robert Perlman, Vice President of Intel's finance group.

LEGO. Carlsbad, California was chosen over Prince William County, Virginia as the site of the first LEGO family theme park in America. The park will provide 800 new jobs during construction and 700 jobs when it opens. Lego's executives cited the recent changes in the unitary tax law as a major factor in their decision to locate in California.

DANA CORPORATION. In July, Dana Corporation, the largest manufacturer of auto parts in North America, began construction of a multi-million dollar manufacturing facility in Stockton. It will create 400 new jobs in the region.

CALIFORNIA STEEL INDUSTRIES. In July, California Steel Industries announced construction of the first new steel mill in California in 25 years. The new mill could mean more than \$1.3 billion in additional state output and create more than 3,500 jobs statewide. "If you can build a steel mill in California in 1993, then you can build anything in California," said a CSI spokesperson.

November 23, 1993

MEMO

TO: Suzanne Hellman
FR: Sally Crocker
DATE: December 2, 1993
RE: Senator Dole Visit, December 6, 1993

Governor Wilson does not have a particular agenda for his private meeting with Senator Dole. The topics that will likely be discussed relate to important issues for California: health care reform and the Clinton Plan's effect on California, immigration services/reform, and the Crime Bill which is on the docket in January. These topics will be included in a general discussion on how the Clinton Administration has been and will continue to affect California. Since the Governor will just have returned from Asia, their discussion may include NAFTA and free trade.

I have attached "Wilson Administration Talking Points" on Immigration, Crime, Health Care and Jobs. This should bring the Senator up-to-date on these current "hot" topics in California.

Also, our press office has been asked to contact Senator Dole's press representative to let them know that, at this time, they do not expect to utilize a press availability with the Senator. It is my understanding that they don't feel it would be the best use of Senator Dole's time, as the discussion would likely turn to the Governor's Asia trip (this would be his first press appearance since returning.)

Governor Wilson will not be back in California until Sunday morning. He may decide that he wants to do the press time. Please let me know if we can be flexible with this.

Sorry for the delay in gathering all of this information for you. Please call me with any questions at (916)565-1994. Thank you again for all of your help.



WILSON ADMINISTRATION TALKING POINTS

DEFENSE INDUSTRY CONVERSION

"I'm optimistic that we can harness the two great strengths of California's defense industry -- a highly skilled workforce and a seemingly endless pool of creative entrepreneurs -- into a resource that will open new opportunities for California's future."

*-- Governor Pete Wilson
September 23, 1993*

Governor Wilson launched an initiative last March to help California business turn the necessity of defense conversion into an opportunity for new technologies, new industries and new jobs.

Council on Defense Conversion and Technology Assessment

The first phase of the Governor's defense conversion initiative was the 15-member Council on Defense Conversion and Technology Assessment.

- *** The Council's main effort was to help California get its fair share of the \$472 million in federal defense conversion funds being distributed in October.
- *** The Council -- in just 90 days -- identified \$65 million in state matching funds and established a process for state endorsement of defense conversion projects, helping California lay claim to its fair share of federal funds.
- *** These projects adapt technologies from the defense industry for innovative civilian uses. The Council ultimately endorsed 334 projects using defense technology for everything from commercial space launches, to electric passenger cars, to better treatment for cancer patients.

These proposals maximize California's key competitive advantages -- highly skilled workers, innovative science and technology, and the world's most creative entrepreneurs. These projects are a model for defense conversion across the country.

Governor Signs Defense Conversion Legislation

On September 23, Governor Wilson signed into law a series of defense conversion initiatives to advance the state's defense conversion effort to the next stage.

WILSON ADMINISTRATION TALKING POINTS

Defense Conversion
Page Two

- *** In order to coordinate defense conversion and technology transfer efforts, Governor Wilson signed SB 458 and AB 2222, creating the Defense Conversion Council. The Council will serve as the central point of contact for all state defense conversion and base reuse issues. The council will also oversee three Regional Technology Alliances to be established in Los Angeles, the San Francisco Bay area and San Diego.
- *** To create the Defense Conversion Matching Grant Program the Governor signed SB 268. Grants offered under this program will be evaluated based on their ability to create jobs and their overall economic development potential for California.
- *** To create an Office of Strategic Technology within the Trade and Commerce Agency the Governor signed AB 1246. This office will be responsible for managing the defense conversion efforts of the Council and the Matching Grant Program.
- *** To provide support to start-up companies, the Governor created the Business Incubator Enterprise. The Business Incubator Enterprise is important in developing technologies for the future.
- *** Finally, to coordinate issues relating to defense conversion and military base closures in California, Governor Wilson will designate a single representative for these issues in Washington, D.C. This will help ensure that California speaks with one voice in the many efforts to aid California's defense industry workers.

September 29, 1993



WILSON ADMINISTRATION TALKING POINTS

IMMIGRATION REFORM UPDATE

Pete Wilson continues to press his campaign to reform the nation's immigration laws and deter illegal immigration.

- *** **Cisneros Agrees Benefits Are Magnet.** Henry Cisneros, Secretary of Housing and Urban Development, former mayor of San Antonio, and the highest ranking Hispanic in the Clinton Administration, agreed with Governor Wilson that government benefits are a magnet for illegal immigrants. Cisneros admitted that benefits should be denied to illegal immigrants saying:

"There are some benefits (that undocumented immigrants) clearly ought not have . . . health benefits and welfare benefits and others that serve as a magnet attracting people here from other countries."

*Los Angeles Times
August 23, 1993*

- *** **Salinas Heeds Wilson's Call for Crack Down On "Coyotes."** In an August 26 letter to Mexican President Carlos Salinas de Gortari, Governor Wilson urged Salinas to "vigorously attack the immigration profiteers -- the so called 'coyotes' . . . that prey on and often endanger the lives of Mexican citizens." On September 20, 1993, President Salinas told the *San Francisco Chronicle* that he had instructed his Attorney General to actively pursue these criminals which should help reduce their activity on the Mexican side of the border.
- *** **S.D. Supervisors Support Governor.** On September 28th, the San Diego Board of Supervisors voted to support Governor Wilson's immigration reform proposals. The Board also voted to send the federal government a monthly bill for the cost of providing federally-mandated services to illegal immigrants in San Diego.
- *** **California's Test For Tamper-Proof I.D.s.** In a September 9th speech, Governor Wilson challenged President Clinton to designate California as a testing ground for a tamper-proof identification card pilot project. Tamper-proof I.D. cards will ease the burden on California businesses trying to comply with immigration laws by identifying employable residents, while preventing discrimination against foreign-born workers. The tamper-proof I.D. card could also be used to prevent illegal aliens from receiving government services.

WILSON ADMINISTRATION TALKING POINTSImmigration Update
Page Two

*** Wilson Signs Legislation To Deter Illegal Immigration. Governor Wilson signed four pieces of legislation designed to crack down on illegal immigration.

- The Governor signed SB 1131 to enhance the penalties for making false statements to obtain Medi-Cal benefits and create penalties for people who "coach" others in ways to beat the system. Between 1988-89 and 1993-94, annual state health care costs for illegal immigrants rose from \$22 million to over \$389 million.
- Governor Wilson signed SB 976, which requires first-time applicants for a driver's license or personal ID card from the Department of Motor Vehicles to produce evidence of citizenship or legal residence. Driver's licenses are one of the forms of I.D. that undocumented aliens can use to establish legal status for employment.
- Adding that it's common-sense that the state shouldn't provide job placement and training services to illegal immigrants, the Governor signed SB 733 into law. This legislation reinforces federal law by requiring state and local governments and private entities to verify a person's legal right to work before providing job placement or training services.
- By signing SB 691 the Governor banned local "sanctuary laws" which hamper the fight against illegal immigration. Local law enforcement officials will now be able to identify and report to the Immigration and Naturalization Service illegal immigrants who are arrested and booked for crimes.

October 14, 1993



WILSON ADMINISTRATION TALKING POINTS

FIGHTING CRIME IN CALIFORNIA

Governor Wilson is inviting every law enforcement official in the state, and everyone interested in public safety, to come together in a statewide summit to help stop the violence in California.

Governor Wilson is sending a clear message across our state: Criminals will be punished and, more important, the people of California will be protected

against them. The Governor has announced a six-point plan designed to protect the safety of every individual in the state.

"We must forge a united agenda to enact tougher laws, prevent crime before it happens, remove guns from our streets, and put criminals behind bars."

*Pete Wilson
November 10, 1993*

THE VIOLENT CRIME CONTROL ACT

Governor Wilson proposed the Violent Crime Control Act of 1994 to toughen penalties for violent criminals. The Act contains new ideas to combat the criminal threats facing Californians today.

- *** **Arson.** Under current law, the maximum penalty for arson is just nine years – even if firefighters are injured or hundreds of homes are leveled to ashes. Governor Wilson wants legislation that will enhance the arson laws to send convicted arsonists to jail for up to life if they are repeat offenders, if they cause massive damage, or if they strike during fire season.
- *** **Child Molesters.** Current law allows sexual predators who prey on innocent children to get off with no prison time at all. Governor Wilson is calling for child molesters to get automatic prison time -- no exceptions, no excuses.
- *** **Carjackings and Drive-By Shootings.** Earlier this year, Governor Wilson signed tougher penalties for carjackings and drive-by shootings. But Governor Wilson believes California needs even tougher laws, so he's called for just two possible sentences when an innocent life is taken during one of these crimes – life without the possibility of parole, or the death penalty.

WILSON ADMINISTRATION TALKING POINTS

Fighting Crime
Page Two

- *** **Illegal Weapons.** Currently, an individual caught with an illegal gun faces a sentence of no more than three years. To combat the proliferation of handgun violence, Governor Wilson wants career criminals caught with deadly weapons to spend the rest of their lives in prison.
- *** **Teenage Criminals.** Today, the law requires teenagers convicted of a crime to be released at age 25 – no matter how brutal or violent the criminal. Governor Wilson wants to change that law, and try the most violent teenagers as adults
- *** **Keeping Criminals Behind Bars.** Current law allows even dangerous killers to reduce their prison sentences by up to half for good behavior or working while in prison. Governor Wilson wants the time these criminals serve behind bars to more closely reflect their sentences, so he's proposed reducing the time off prisoners can earn for good behavior and working in prison.

KEEPING CALIFORNIA SAFE – THE WILSON RECORD

Governor Wilson has made public safety a top priority during his tenure as Governor.

- *** **Tougher Laws.** Earlier this year, Governor Wilson signed a package of 25 anti-crime bills designed to crack down on violence, gangs, drug dealers and stalkers.
- *** **New Prisons.** Five new prisons have been opened during Governor Wilson's administration. These new facilities added 11,576 beds to the prison system. And the Governor has signed legislation to build four more new prisons.
- *** **Protecting The Correction Budget.** Democrats in the Legislature have repeatedly proposed budget cuts that would put more criminals back on the streets of California. But Governor Wilson has balanced three tough budgets without releasing dangerous inmates from state prison.
- *** **Death Penalty.** During Governor Wilson's tenure as governor, the state has carried out the first two executions in 25 years. After the execution of Robert Alton Harris, Governor Wilson chastised certain judges in the case for legal shenanigans that delayed the execution costing the victim's families untold suffering and the taxpayers millions of dollars.

November 12, 1993



WILSON ADMINISTRATION TALKING POINTS

HEALTH CARE REFORM

While President Clinton proposes health care reform that will impose new mandates on small business, California already has enacted health care reforms that control costs and expand access without costly mandates or increased taxes.

California's health care reforms have become a model for the nation. And at the summer meeting of the National Governor's Association, Governor Wilson's health care proposal was unanimously endorsed by a bipartisan group of the nation's governors.

"California is showing the way forward. We hope Washington is paying attention."

Pete Wilson
July 28, 1993

AFFORDABLE HEALTH INSURANCE FOR SMALL BUSINESS

California has established the nation's first statewide purchasing pool for small businesses, known as the Health Insurance Plan of California, or HIPC. HIPC pools small businesses together so that they have the same market clout in buying health insurance, and get the same low rates, as big business.

- *** HIPC targets a major segment of the estimated 6 million Californians without health insurance. Roughly 75 percent of Californians adults without health insurance are associated with small businesses either as workers or their dependents.
- *** By bringing small businesses together to give them greater market clout, HIPC offers insurance rates 6 to 23 percent less than those provided by CALPERS, which is widely considered to have among the most competitive rates in the market.
- *** Some businesses that have shifted their coverage to HIPC have cut their health care costs by as much as 40 percent and the average savings statewide is 15 percent.
- *** More than 1,000 businesses have already enrolled in HIPC since it was launched July 1, providing health insurance to more than 15,000 employees and their families.
- *** Most important of all, HIPC is voluntary. It imposes no mandates on business and doesn't cost the taxpayers a dime.

WILSON ADMINISTRATION TALKING POINTSHealth Care
Page Two**CONTROLLING COSTS**

- *** In addition to the purchasing pool, Governor Wilson has enacted a variety of other reforms to control health care costs.
 - The Governor's plan requires the development of uniform billing forms for medical providers and insurers to reduce paperwork and save money.
 - The Wilson administration initiated a pilot project combining the health coverage offered by employers with the health coverage employers provide under workers' compensation to reduce costly overlap. This pilot project is projected to demonstrate substantial savings.
 - Finally, Governor Wilson is a strong supporter of the Medical Injury Compensation Reform Act (MICRA), which limits the cost of wasteful lawsuits. MICRA represents the strongest medical liability reform in the country and has demonstrated a record of controlling the skyrocketing costs of malpractice insurance.
 - ** By limiting contingency fees for lawyers and enacting other reforms, MICRA lowers liability costs for doctors and helps control health care costs for consumers.

MAKING COVERAGE MORE SECURE

Governor Wilson enacted additional reforms to make health coverage, not only more affordable, but also more secure. They include:

- *** Making health insurance portable, so that workers who leave their jobs to take another job aren't denied coverage because of a pre-existing condition;
- *** Basing individual premiums solely on age, family size and geography, so that people with previous health conditions are not discriminated against;
- *** Guaranteeing the issuance and renewal of health insurance for all small businesses (5 to 50 employees), and limiting the rate of increase at renewal.

WILSON ADMINISTRATION TALKING POINTSHealth Care
Page Three**TARGETING MOTHERS AND CHILDREN**

Governor Wilson has pursued a targeted approach to improving the accessibility and affordability of health care for poor women and their children. By trying to prevent problems before they happen, the Governor's initiatives aim to improve health care for families and reduce health care costs for the state over the long term.

- *** The cornerstone of the Governor's preventive agenda, the Healthy Start program, brings existing local health and social services to the school site to better serve children and their parents.
- Healthy Start programs can provide preventive medical and dental services to children, and parenting and employment skills to parents.
- There are 210 schools operating Healthy Start programs statewide and an additional 485 schools will have programs operating in the next two years.
- *** Governor Wilson has also expanded access to prenatal and well-baby care for uninsured low-income women through the Access for Infants and Mothers (AIM) program.
- By ensuring that low-income uninsured women have access to prenatal care, AIM helps prevent the costly health and developmental problems associated with inadequate prenatal care. Since services became available in January 1992, AIM has grown to serve more than 15,000 women and children.

REFORMING MEDICAL THROUGH MANAGED CARE**Controlling Public Health Care Costs**

- *** To contain the skyrocketing cost of publicly sponsored health care, the Wilson Administration is moving people who receive this care under Medi-Cal, into HMO-style programs. This strategy promotes better access to quality care, resulting in savings over the long term. The concept is known as Managed Care.
- Since 1980, the cost to California taxpayers for Medi-Cal services has tripled to \$14 billion. The managed care system is designed to help control these costs.
- *** Approximately 3 million Medi-Cal recipients will be enrolled in managed care programs by 1996.

WILSON ADMINISTRATION TALKING POINTS

Health Care
Page Four**Fewer Emergency Room Visits**

- *** By strengthening the relationship between doctor and patient, these reforms are designed to promote more preventive care and reduce preventable illnesses for people on Medi-Cal.
- In the current system, the first place many Medi-Cal patients seek health care is a hospital emergency room. These reforms are designed to help patients get care before illnesses reach that critical point and will reduce the number of costly emergency room visits.

October 12, 1993

December 4, 1993

To: Denise

From: Brad & Janet Zerbe 354-2500 (O) 354-2567 (Fax)

RE: Governor Wilson Fundraising Lunch with Senator Dole

Monday, December 6, 1993
The Sutter Club
Sacramento, California

Noon - reception - Library Room

Photo opportunity at end of reception

12:30 p.m. - lunch - Governor's Room

Table 1 - 7 people

Senator Bob Dole
Ward Connerly - Connerly & Associates -
Beth Meyer
Johnny Zamrzla - Owners - Western Pacific Roofing Corporation
~~Pam Zamrzla~~
Ilene Connerly - Connerly & Associates
Paul Meyer - Executive Director - Consulting Engineers & Land
Surveyors

Table 2 - 7 people

Governor Pete Wilson
Peter McCuen - Managing Partner - McCuen Properties -
Susan Peters - Treasurer - McCuen Properties - wife of Peter McCuen
Dave Ackerman - Associated General Contractors
Guest - Associated General Contractors
Dave Lucchetti - President & CEO - Pacific Coast Building Products
Fred Anderson - Chairman of the Board - Pacific Coast Building
Products - Former owner of now defunct world champion
Sacramento Surge football team and current owner of the
Sacramento Gold Miners Canadian Football League team

Table 3 - 6 people

Secretary Sandy Smoley - *Wilson appointee for Dept. of Health*
Dave Helmsin - Legislative Advocate - California Association of *(KSU grad)*
Health Facilities (CAHF)
Gary Macomber - Executive Vice President - CAHF
Daniel Curtin - California State Council of Carpenters
Dave Galitz - Vice President - Government Affairs - Pacific Lumber
Company
Bill Dennison - President - California Forestry Association

Table 4 - 6 people

Pat Clarey or Bob White
Ron Del Principe - State Relations - Pacific Telesis
Tom Moulton - Federal Relations - Pacific Telesis
Katie Boyd - hosted SF fundraiser for Governor Wilson
Nancy Pringle - widow - retired - friend and neighbor of Katie Boyd
Karyn Lamb - member - Lincoln Club of Northern California

* John Waskerwan - *Tutel.*
(computers)

The lunch will consist of four courses. The four special guests will rotate after each course. The Governor starts at table two so that he will end up at table one for the last course - where Ward Connerly will be sitting and will introduce the Governor. The Governor can make his traditional brief remarks and then introduce Senator Dole who will make his brief remarks. Senator Dole can make his remarks from or near his seat. The Governor will do the same. Ward will excuse the Governor and Senator Dole after Senator Dole's remarks so they can leave.

IMMIGRATION--CALIFORNIA

- * According to unofficial estimates of the U.S. Census Bureau, there are 4 million illegal immigrants in the United States. California is the home to 52%, or more than 2 million of the illegals.
- * The illegal immigrant population in Los Angeles is nearly 1 million, or one-and-a-half times the size of Washington, D.C.
- * Two-thirds of all babies born in L.A. County hospitals are born to illegal immigrant parents.

Costs

- * California spends over \$1 billion annually to educate illegal immigrants.
- * California spends over \$750 million annually for the emergency health care of illegal immigrants.
- * California spends nearly \$500 million to jail or imprison illegal aliens who have committed felonies.

Public Opinion (Los Angeles Times poll of California residents)

- * 86% described illegal immigration as a "major" or "moderate" problem
- * 73% favor using the National Guard to patrol California's southern border (a proposal of Sen. Boxer)
- * Nearly 60% support a requirement that all legal U.S. residents--citizens and non-citizens--carry a tamper-proof identity card when applying for work or government benefits.
- * 54% favor amending the U.S. Constitution to bar automatic citizenship for children of illegal immigrants (40% oppose).
- * 39% favor prohibiting illegal immigrants from attending public schools (54% oppose)
- * 23% favor denying emergency medical care to illegal immigrants (74% oppose)

Proposals of Governor Wilson

- * Constitutional amendment to deny citizenship to children born in the U.S. to illegal immigrant parents.
- * Repeal of federal mandates that make illegal immigrants eligible for health care, education, and other benefits.

Note: Wilson believes that any health care reform package

passed next year by Congress must provide that the cost of care for illegal aliens and their children be financed 100% by the Federal government.

- * Creation of a legal-resident eligibility card that would be required as proof of eligibility for all legal residents who seek welfare benefits.
- * Use NAFTA to secure the cooperation of the Mexican government in stopping illegal immigration on the Mexican side of the border.

Recent Senate Action

You cosponsored a Simpson amendment to the crime bill that proposes the following reforms:

- * streamlines the deportation procedures for illegal aliens convicted of an "aggravated" felony by allowing a deportation order to be carried out immediately upon the completion of the prison sentence (this provision is designed to ensure that criminal aliens will return to their country of origin once they have served out their sentences)
- * increases the penalties for criminal aliens who re-enter the United States after being deported (maximum penalty is 20 years)
- * provides \$13 million for a criminal alien tracking center that is designed to help Federal, state, and local law enforcement authorities determine whether an individual arrested for an aggravated felony is indeed an alien.

D. Shea

December 2, 1993

TO: SENATOR DOLE

FROM: ADO MACHIDA 

SUBJECT: GOVERNOR WILSON AMENDMENTS TO THE CRIME BILL (UPDATE)
=====

Joyce asked me to bring you up to speed on our discussions with Governor Pete Wilson's office on several amendments he wanted you to introduce to the Crime Bill.

SUMMARY

Governor Wilson contacted Whit to get two immigration reform amendments onto the Crime Bill:

- 1) amendment to increase matching federal contribution to 100% for Medicaid assistance to illegal aliens;
- 2) amendment to authorize non-requirement of States to fund primary and secondary public school education to illegal alien children.

Both amendments were NOT introduced in the Crime Bill. They will most likely be included in Senator Simpson's Immigration Reform initiative early next year.

BACKGROUND AND DETAILS

1) Medicaid Coverage for Certain Illegal Aliens

Included in OBRA'86 was a provision that allowed Medicaid coverage for illegal aliens in cases of "emergency medical conditions." In a state, such as California, where the state matching ratio of Medicaid is 50%, the costs can run as high as \$400 million annually for the state's portion alone for this provision. Since the OBRA'86 language also includes emergency labor and delivery, there has been a rash of fraudulent usage and abuse -- some illegal aliens have intentionally induced labor or timed labor to coincide with their being in the United States. States most affected by this provision are California, Texas, Arizona, Florida, New York, and Illinois.

Governor Wilson asked for our assistance in alleviating the cost burden to the states of providing medical service to illegal aliens. It was suggested that as the costs were attributable to immigrants illegally in the country; and as immigration comes under the purview of the Federal Government, these costs should be borne by the Federal Government. As such, an amendment to increase matching federal contribution to 100% for Medicaid assistance to illegal aliens was contemplated (Legislative Counsel has already drafted language per our instructions). This provision, according to CBO, would cost the Federal Government approximately \$3.5 billion over the next 5 years. This amendment is subject to a 60-vote Budget Act Point of Order.

MEMORANDUM

December 2, 1993

Page Two

2) Illegal Children Eligibility for Publicly Funded Education
On July 15, 1982, the Supreme Court rendered a decision that, as no direction by Congressional action or Statement of Policy was given to address this issue, States are required to make available publicly funded education to residents of a district regardless of immigration status. As a result, states have been required to pay for the primary and secondary education of illegal children residing within their boundaries. States, such as California, that have a high number of illegal alien children in their public school system (e.g., 255,000 for 1993 in California), allocate up to \$1.1 billion annually (projected figure for fiscal year 1994) for this decision. Governor Wilson asked if there was any way we could overturn this Supreme Court decision.

Legislative Counsel is currently drafting language for a Congressional Statement of Policy exempting states from paying for the primary and secondary education of children who are in this country illegally. This is an emotionally charged and controversial issue.

PLAN OF ACTION

It was decided during the debates on the Crime Bill that these amendments should be included in Senator Simpson's Immigration Reform initiative, which he plans to introduce early next year. We have been in touch with Senator Simpson's staff members on the Subcommittee of Immigration and Refugee Affairs regarding this issue, and they are receptive to this idea.

Governor Wilson's staff here in Washington D.C, especially Mary Silveira, Washington Representative, Office of Governor Pete Wilson, is fully briefed and up to speed regarding the above two amendments.

SENATE REPUBLICAN PLAN

Draft Summary of Immigration Bill

- * **Increased penalties for alien smuggling.** This section includes increased penalties for alien smuggling, adds alien smuggling as a predicate crime for RICO violations, expands forfeiture in alien smuggling cases, and expedites deportation procedures for aliens convicted of aggravated felonies. (This incorporates S. 1196, introduced by Senator Simpson).
- * **Expedited inspections at ports of entry to screen out asylum fraud.** To address the problem of aliens arriving at ports of entry with either fraudulent or no documents, and then claiming asylum, this section will provide for an expedited exclusion procedure with a prompt deportation of illegal aliens, but with adequate safeguards for those who demonstrate a credible claim of persecution at home. (This incorporates S. 667, introduced by Senator Simpson.)
- * **Asylum reform.** To address the problem of illegal aliens using the asylum system as a defense to deportation and making asylum claims months or years after entering, this section will streamline the asylum process by providing time limits and deadlines in the asylum processing.
- * **Border security.** This section provides for funding increases for hiring and equipping additional Border Patrol agents and investigators for employer sanctions violations, provides for funding increases for implementing deportation orders, requires the installation of additional structures at border, and establishes a pilot program for deterring

multiple illegal entries into the U.S.

- * **Border crossing user fee.** This user fee would fund the immigration inspection of all border crossers at land ports of entry.
- * **Detention of illegal aliens.** This section establishes a pilot program to explore the use of closed military bases for detaining illegal aliens.
- * **Public benefits abuse.** This section would prohibit the use of federally-funded benefits (except for emergency health care) by illegal aliens. It would also enable the INS to deport aliens who have been on federally-funded benefits for 1 year or more.
- * **Work authorization verification.** This section would require the Administration to develop and implement a secure system to verify work and federally-funded welfare benefits eligibility for all who apply.

Senator
Simpson
is having
second-
thoughts
about
eliminating
birthright
citizenship
by statute.

Believes a
constitutional
amendment
may be
necessary.

* **Eliminate birthright citizenship.** This section would eliminate automatic citizenship for children born in the U.S. of illegal alien mothers, but would allow illegal alien children at the age of 18 to apply for legal status, if they have continuously resided in the U.S. since birth.

Overall limitation on all legal immigration. This section will set an overall ceiling on all legal immigration -- except for "immediate relatives" of U.S. citizens who will continue to be exempt from any numerical limitations.

CALIFORNIA'S OVERWHELMING ILLEGAL IMMIGRATION BURDEN

According to current, but unofficial estimates of the U.S. Census Bureau, there are 4 million illegal immigrants in this country. California is the home to 52%, or more than 2 million.

The federal government has established a system that provides incentives to undocumented immigrants to violate U.S. immigration laws. As a result of federal mandates, states are required to provide health care and education services to illegal immigrants and their children. Further, the federal government confers citizenship to children born to parents residing illegally in the state, guaranteeing them education, welfare and health care. The federal government has failed to fully reimburse states for costs associated with its immigration policies.

California's ability to provide essential services to legal residents and citizens has been severely impacted by the tide of illegal immigration. In short, the federal government mandates states to provide services to these illegal residents at the expense of those here legally.

Estimated Public Costs for Illegal Immigrants & Citizen Children in FY 1993-94 (\$ in millions)

<u>Illegal Immigrants</u>	<u>State Costs</u>	<u>Total Costs</u>
Medi-Cal (emergency services)	\$ 398	\$ 796
Medi-Cal (prenatal)	\$ 82	\$ 82
Corrections	\$ 380	\$ 490*
Education (K-12)	\$ 636	\$1,100**
Subtotal	\$1,496	\$2,468
<u>Citizen Children of Illegal Immigrants</u>		
AFDC	\$ 236	\$ 472
Medi-Cal	\$ 35	\$ 70
Subtotal	\$ 271	\$ 542
Total	\$1,767	\$3,010

* \$110 million of \$490 million is local jail costs.

** Total education cost is \$1.1 billion; \$636 state and \$432 local funds

Aug. 31, 1993

INCREASING INCARCERATION COSTS

California's prisons house five times more illegal felons than any other state in the nation. On June 30, 1992, there were over 115,500 inmates housed in California's prisons. Over 15,200 of these offenders, or roughly 14%, were identified as having actual or potential holds by the U.S. Immigration and Naturalization Services. It is estimated that this number will exceed 16,000 during FY 1993-94.

The total cost of incarcerating illegal felons is over \$490 million when the costs of the California Youth Authority (CYA) and the county jail system are included. Roughly 8 percent of the wards in the CYA and between 9 and 11 percent of California's jail population are undocumented criminals.

State Prison Costs

	<u>All Inmates</u> (average daily pop.)	<u>Illegal Felons</u> (actual/potential INS holds)	<u>Annual State Costs</u> (\$ in millions)
88/89	76,773	5,581	\$104.3
89/90	87,884	6,665	\$132.5
90/91	97,833	8,829	\$181.5
91/92	102,427	12,924	\$270.5
92/93	109,367	15,202	\$317.8
93/94(e)	117,923	16,392	\$350.0

- An LA County study found that almost 80% of the deportable immigrants in the LA jail system in May 1990 who INS returned to their country of origin, re-entered the U.S. and were re-arrested within one year of release; 87% of the re-arrests occurring in LA County.
- Over one-third of the illegal felons in our prisons were convicted of violent offenses and over 43 percent are in for major drug offenses.
- The state costs listed refer only to housing costs and do not include costs associated with arrest, prosecution and court proceedings.
- Each prison in California costs an average of \$200 million to construct and there are enough illegal felons in our system today to fill 8 prisons at almost design capacity.

Aug. 31, 1993

SKYROCKETING MEDICAL CARE COSTS

Illegal Immigrants

In 1986, Congress passed the Omnibus Budget Reconciliation Act (OBRA '86) requiring states to provide emergency medical services -- including labor and delivery services -- to all illegal immigrants who are otherwise eligible.

	<u>Number of Recipients</u> (monthly eligibles)	<u>Annual State Costs</u> (\$ in millions)
88/89	23,750	\$22
89/90	92,830	\$140.8
90/91	172,180	\$228.8
91/92	254,350	\$299.2
92/93	304,770	\$354.9
93/94(e)	368,830	\$398.7

•• The state supplements these services by providing prenatal care to illegal immigrants. The FY 1993/94 cost for this state-only program is \$82 million.

Citizen children

Citizen children of illegal immigrants who receive AFDC are automatically eligible for Medi-Cal services.

	<u>Number of Recipients</u> (monthly eligibles)	<u>Annual State Costs</u> (\$ in millions)
88/89	38,800	\$8
89/90	54,300	\$11
90/91	85,400	\$17
91/92	124,400	\$25
92/93	155,700	\$31
93/94(e)	176,750	\$35

- Two-thirds of all babies born in L.A. County public hospitals are born to illegal immigrant parents.
- Illegal immigrants accounted for an estimated 25% of all L.A. County health patients in 1991-92 (7.6% of population).

Aug. 31, 1993

SOARING WELFARE COSTS

Children of illegal and newly legalized immigrants represent the fastest growing segment of California's Aid to Families with Dependent Children (AFDC) caseload (12% of all AFDC recipients). The number of children receiving welfare whose parents are illegally residing in this state has increased four fold since 1988.

As citizens of the U.S., these children are eligible for a full range of public services, including welfare.

AFDC Costs of Citizen Children

	<u>Number of Recipients</u> (monthly eligibles)	<u>Annual State Costs</u> (\$ in millions)
88/89	38,800	\$45
89/90	54,300	\$66
90/91	85,400	\$104
91/92	124,400	\$155
92/93	155,700	\$191
93/94(e)	176,750	\$236

•• In a November 1992 report on immigration, LA County reports that as of January 1, 1992 there were 250,000 citizen children of undocumented parents living in that county alone.

Aug. 31, 1993

ESCALATING EDUCATION COSTS

California educates 5.5 million children daily in its 7,561 public schools. The tide of illegal immigration has severely impacted the ability of our state's educators to teach our children. Class size is among the highest in the nation, and upwards of 100 different languages are spoken in school districts, urban, suburban and rural.

California's public school system expends over one billion dollars annually educating 255,000 children illegally residing in this state.

	<u>K-12 Kids of Illegal Immigrants</u> (average daily attendance)	<u>Annual State/Local Cost</u> (\$ in millions)
88/89	158,800	\$640
89/90	176,400	\$790
90/91	196,000	\$910
91/92	215,000	\$903
92/93	235,000	\$989
93/94(c)	255,000	<u>\$1.1B*</u>
	Total	\$5.3 B

•• 45% of all immigrant children in U.S. are in California schools.

•• Spanish is the primary language of 76% of Limited English Proficiency (LEP) students in California, and about 17% of LEP students in the state speak one of nine Asian languages.

* \$1.1 billion = \$636 State funds; \$432 local

Aug. 31, 1993

WHAT DOES AN ADDITIONAL \$750 MILLION MEAN FOR CALIFORNIA'S HEALTH AND WELFARE PROGRAMS?

- Fully restore FY 1993-94 and FY 1994-95 reductions in SSI/SSP grants to the elderly, blind and disabled. (\$337 million)
- Double current family planning efforts. (\$63 million)
- Provide substance-abuse treatment to an additional 25,000 pregnant women. (\$140 million)
- Support prenatal care services for an additional 40,000 low-income women and their children. (\$160 million)
- Provide early mental health counseling to an additional 160,000 school-age children. (\$50 million)

WHAT DOES AN ADDITIONAL \$1 BILLION MEAN FOR CALIFORNIA'S SCHOOLS?

- Provide state-subsidized preschool services to an additional 67,000 four-year olds. (\$200 million)
- Expand Healthy Start Centers to an additional 750 sites. (\$300 million)
- Put a new computer on every 5th graders's school desk. (\$450 million)
- Provide 12,500,000 tutorial and mentoring hours to at-risk youth (\$50 million)

Or, in other words, an additional six thousand dollars would be available per classroom.

ALLERGAN

2525 Dupont Drive, P.O. Box 19534, Irvine, CA 92713-9534 • (714) 752-4500 • FAX (714) 253-6525



W. Bradford Gary
Vice President, Government Affairs Worldwide

December 1, 1993

Ms. Sheila Burke
Chief of Staff to
United States Senator Robert Dole
Senate Minority Leader
S-230 Capitol Building
Washington, D.C. 20510

Dear Sheila:

It was good to see you last week at the Blue Cross Conference in San Francisco. Your comments were right on the mark.

I'm sending along a study which we prepared with the California Health Care Institute that demonstrates the employment effect that the biotech/pharma/medical equipment research industry has here in California.

I know the Senator will be here in Southern California next Tuesday for an event which our Chairman and I will be attending. Hope this study is useful to you.

With all best wishes,

Brad

Attachment



The Health Care Technology Industry

What's growing in California

This document is held by the Dole Archives, but it has not been scanned in its entirety. If you would like more information, please contact us at dolearchives@ku.edu.

A report by the

CALIFORNIA
HEALTH CARE
INSTITUTE

October 1993

WHY DOES THE U.S. GOVERNMENT CONTINUE TO REWARD ILLEGAL IMMIGRATION... AT SUCH COSTS TO THE AMERICAN PEOPLE?

AN OPEN LETTER TO THE PRESIDENT OF THE UNITED STATES
ON BEHALF OF THE PEOPLE OF CALIFORNIA

The President
The White House
Washington, D.C.



Dear Mr. President:

I commend your action in sending to Congress proposed legislation to curb the abuse of federal asylum procedures and the smuggling of illegal immigrants.

But in all candor, these narrow proposals – even if enacted – fail to address the far more serious problem of massive illegal immigration across our land border with Mexico. The number of immigrants smuggled into the U.S. by plane or boat is dwarfed by the number who nightly enter the U.S. illegally by simply walking across the border. It's easy. Millions have done it. And millions more will follow, drawn by the giant magnet of federal incentives.

MASSIVE ILLEGAL IMMIGRATION WILL CONTINUE AS LONG AS THE FEDERAL GOVERNMENT CONTINUES TO REWARD IT. WHY EVEN HAVE A BORDER PATROL AND I.N.S. IF WE ARE GOING TO CONTINUE THE INSANITY OF PROVIDING INCENTIVES TO ILLEGAL IMMIGRANTS TO VIOLATE U.S. IMMIGRATION LAWS?

- Why does the U.S. government reward illegal immigrants who successfully violate the law and manage to have a child born on U.S. soil? Rather than penalizing it, we reward their illegal act: we pay for delivery and confer U.S. citizenship upon the baby.
- Why does U.S. law reward illegal immigrants by requiring the states to provide and pay for the exploding costs of their health care, education, and other benefits?
- Why should state taxpayers have to pay the costs of prison for illegal immigrant felons when it is the federal government that failed to prevent their illegal entry?

What are the results of this irrational and self-contradictory federal immigration policy which rewards illegal immigrants for violating U.S. law? We don't have to speculate about that. The results are painfully clear. The most obvious is the monumental failure of the federal government to control its borders and to prevent massive illegal immigration.

- In Los Angeles alone there is an illegal community who, with their 250,000 citizen children, number just under a million – or one and a half times the population of Washington, D.C. Hundreds of thousands more can be found in Texas, Florida, New York, Illinois, New Jersey, Colorado, Arizona and other states.
- Two thirds of all the babies born in Los Angeles County public hospitals are born to illegal immigrant parents.
- Because federal law requires it, California state and federal taxpayers pay over a billion dollars per year to educate illegal immigrants.
- Because federal law requires it, California state and federal taxpayers pay well over 3/4 of a billion dollars per year for emergency health care of illegal immigrants.
- Because public safety requires it, California taxpayers pay half a billion dollars per year to imprison or jail illegal immigrants who by themselves could fill 8 state prisons to design capacity.

And, these federally imposed expenditures for illegal immigrants have effectively compelled the denial of needed services to legal residents:

- California has initiated important preventive children's programs (in health, safety, mental health counseling, pre-school) but state tax dollars needed to extend their reach and effectiveness are required by federal law to be spent instead for illegal immigrants.
- State tax dollars are cut from our needy elderly, blind and disabled programs while we are compelled to imprison growing numbers of illegal immigrants at a yearly cost of \$20,000 per inmate.
- State tax dollars that could provide increased per pupil spending and reduced class size are required by federal law to be spent instead on illegal immigrants.

Mr. President, these inequities are so outrageously unfair that they simply cannot be tolerated. It is hard not to sympathize with and even admire illegal immigrants in their struggle to come to a better life. But it is also no longer possible to ignore or accept the magnitude of their success in achieving illegal entry... or its costs to the American people. We can no longer allow compassion to overrule reason. The injury to state programs for legal residents is inescapable when no Congress and no administration, including yours, has ever come close to honoring what is exclusively a federal responsibility.

Certainly the people of California and of other states who are suffering the harmful impact of heavy illegal immigration ought not to be expected to continue doing so. We are compelled to ask you to take the following actions without delay:

First, urge Congress to approve a Constitutional amendment to deny citizenship to children born in the U.S. to illegal immigrant parents. The 14th Amendment was intended to validate the citizenship of former slaves and their children – not to reward illegal immigration.

Second, urge immediate Congressional action to remove the rewards for illegal immigration by repealing the federal mandates that make illegal immigrants eligible for health, education, and other benefits, and then ask Congress to create a legal resident eligibility card that would be required as proof of eligibility for all legal residents who seek such benefits. A tamper-proof card such as our new California drivers license would help ensure that only legal U. S. residents can receive such benefits.

Third, use the ratification of NAFTA as a tool to secure the cooperation of the Mexican government in stopping massive illegal immigration on the Mexican side of the border.

I continue to strongly urge ratification of NAFTA. It holds the promise of greatly increased markets and enormous mutual economic benefits for Mexico, Canada and the United States. I share President Salinas' belief that the agreement will – in his words – allow Mexico "to export goods, not people." But who can say how many years of NAFTA will be required to develop Mexico's economy to the point where its employment base will be strong enough to off-set the magnetic lure

- And, these federally imposed expenditures for illegal immigrants have effectively compelled the denial of needed services to legal residents:
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Mr. President, you have insisted on side agreements to NAFTA to satisfy environmental and labor concerns. With all respect, stanching the flow of illegal immigration into the United States is a matter of far greater importance. And clearly no other American President in your lifetime will again enjoy such a golden opportunity to secure cooperation from Mexican authorities in dealing with the shared responsibility to prevent illegal immigration. Because of the enormous reciprocal value of NAFTA to the economies of Mexico and the United States, it is imperative that you make clear to Mexican authorities – with all the candor the problem deserves – just how seriously continued massive illegal immigration jeopardizes the ratification of NAFTA and the substantial good will toward Mexico that President Salinas has done so much to build.

These reforms, Mr. President, will go a long way towards restoring reason, integrity and fairness to our immigration policy, and control of our borders to the people of the United States. We must end all the incentives that now entice immigrants to enter the U.S. illegally. And we must seek the cooperation of our Mexican friends and trading partners in controlling our shared border ... for the benefit of our shared future.

Sincerely,



Governor
State of California

Big Majority in State Fed Up With Illegal Immigration

■ **Times Poll:** Eighty-six percent of respondents say it is a major or moderate problem. More than half favor paring back legal entries and using the National Guard to patrol border.

By DIANNE KLEIN
TIMES STAFF WRITER

An overwhelming majority of Californians say they are fed up with illegal immigration, with 86% describing it as a major or moderate problem and nearly three-quarters in favor of using the National Guard to patrol the southern border, a new Los Angeles Times Poll has found.

The statewide survey, conducted at a time of heightened political and media attention on immigration, removed any doubt that the public has lost patience with what it sees as illegal immigrants' drain on government resources during a lingering recession.

Seventy-six percent of Californians said illegal immigrants take more from the national economy in social services and health care than they contribute in productivity and taxes.

And more than half the respondents said legal immigration, too, should be pared back.

"Anti-immigrant feeling is definitely up," said Times Poll director John Brennan, who conducted the survey among 1,162 California residents from Sept. 10-13. "The bottom line is, people believe immigration is the third-largest problem facing California."

Respondents mentioned only the economy and crime more frequently than immigration when asked what the state's "most important" problem was.

Moreover, when asked to name the "greatest benefit our country receives from foreign immigration these days," 43% of poll respondents said there were no benefits at all. Tied for second place, with 17% each, were providing cheap labor and bringing cultural diversity.

"I've lived up here for 31 years," said poll

Please see POLL, B2

POLL: Analysts Cite Political Rhetoric

Continued from B1

respondent Cindy White, 36, a mother of three and a public school aide in the small Shasta County town of Fall River Mills, about 70 miles from the Oregon border. "There are so many more of them, so many more of them in our schools. Their parents won't speak our language, and they don't seem to try to improve their lifestyles. There are exceptions, but most of them don't."

Los Angeles respondent Carlos Jones, 51, said he resented the fact that his Medi-Cal benefits are being cut back "while these people come over from Mexico and they get on welfare. If you're working for a living, you're paying for it."

"The more I talk about it, the angrier I get."

Although undocumented immigrants are not legally eligible for welfare, their U.S.-born children are eligible for all benefits of citizenship, including the Aid to Families With Dependent Children program, the nation's fastest-growing welfare program.

In addition, the thriving market in counterfeit documents has fueled fraud in such programs, and helped give rise to the public's mistaken belief that most illegal immigrants end up on the dole. This does not sit well in California, where an estimated 52% of all illegal immigrants live.

Sixty-nine percent of Californians called illegal immigration a major problem, with another 17% characterizing it as a moderate-size problem. Only 3% said they would not call it a problem at all.

As a result, ideas for curbing the flow of illegal immigrants that were once dismissed as the purview of radical fringes are gaining respectability among the mainstream. Lines dividing liberals and conservatives blur.

When asked about Gov. Pete Wilson's idea of amending the U.S. Constitution to deny automatic citizenship to American-born children of illegal immigrants, 54% of Californians said they approved. Forty percent, including 62% of Latinos, did not.

Despite the oft-repeated threats of creeping Big Brotherism, nearly three of every five Californians said they approved of requiring all legal U.S. residents—citizens and non-citizens—to carry a tamper-proof identity card when applying for work or government benefits. Eighty percent favored non-citizen legal residents carrying such a card.

And 73% of Californians said National Guard troops should be dispatched to assist the Border Patrol along the nation's porous southern border, an idea proposed by Sen. Barbara Boxer (D-Calif.) but opposed by the Border Patrol. Instead, Border Patrol officials prefer increased funding for more fully trained agents.

"You don't need the military on the U.S. border," said

C. Nelson, who now represents the Federation for American Immigration Reform (FAIR) in Sacramento, said: "I think, finally, the problems are becoming more known, more agreed to. . . . And I will take some credit for this."

"Our side of the aisle, so to speak, has finally gotten a turn at the bat. All the immigrants rights groups have been making noises for all these years. . . . But you can only go so long without dealing with this."

"I think people are saying: 'Enough of this stuff. Let's do something.' That's why you've got all the politicians really starting to talk about it. Before, it was more of a political risk. Now they can't avoid it."

But in a telling sign of the ambiguity that many Americans feel about the volatile issue, 55% of Californians said they still hold the view that illegal immigrants take jobs that would otherwise go begging.

Likewise, most Californians were opposed to at least one of two key planks of Wilson's immigration proposals: prohibiting illegal immigrants from attending American public schools and denying them emergency medical care.

Seamstress Raquel Leyva, a 30-year-old Hemet resident who responded to the poll in Spanish, called the ideas unjust.

"In reality, this doesn't affect me now," she said. "But I was an illegal once. We should all have the right to education. I'm not saying that we should financially support them, but children should have an education. In order to get ahead, you need education."

Fifty-four percent of survey respondents said they were against denying education to illegal immigrants, as opposed to 39% who supported the idea. On emergency medical care, 74% opposed denying care, while 23% said they would welcome the prospect.

"People might not like every aspect of Wilson's plan," poll director Brennan said, "but, overall, they like the fact that the issue has been raised."

And while 33% said they believed the new crop of immigrants have inferior job skills and education than did their predecessors, a slightly higher number (38%) said they have the same. Fourteen percent said the newcomers are superior to those who came before.

Harry Pachon, director of the National Assn. of Latino Elected and Appointed Officials, said he was not at all surprised by the high numbers of Californians with anti-immigrant views.

"Once you have state and national leaders pushing anti-immigrant positions during times of economic recession, it's like throwing a spark in a tinderbox," he said. "It gives the public an easy target to blame."

But Brennan said the poll data does not support the conclusion

THE TIMES POLL

Views on Immigration

Californians feel legal immigrants hamper the state far less than those here illegally but find it hard to tell the difference between the two groups, according to a statewide survey of 1,162 residents conducted Sept. 10-13.

- How big a problem is the amount of legal immigration into California?
- How big a problem is the amount of illegal immigration into California?

	LEGAL	ILLEGAL
Major problem	25%	69%
Moderate problem	22%	17%
Minor problem	19%	9%
Not a problem	29%	3%
Don't know	5%	2%

- These days, would you say it is very easy, fairly easy, fairly difficult or very difficult to tell the difference between illegal and legal immigrants in California?

Easy	24%
Fairly easy	70%
Fairly difficult	6%
Very difficult	0%
Don't know	0%

- Do you favor or oppose using the National Guard to assist the Border Patrol in curtailing illegal immigration from Mexico?

FAVOR	OPPOSE	DON'T KNOW
73%	19%	8%

- Do you favor or oppose allowing state seizure of assets of employers who repeatedly hire illegal immigrants?

FAVOR	OPPOSE	DON'T KNOW
56%	35%	9%

- Do you favor or oppose amending the U.S. Constitution to bar automatic citizenship for children of illegal immigrants?

FAVOR	OPPOSE	DON'T KNOW
54%	40%	6%

- Do you favor or oppose prohibiting illegal immigrants from attending public schools?

FAVOR	OPPOSE	DON'T KNOW
39%	54%	7%

- Do you favor or oppose denying emergency medical care to illegal immigrants?

FAVOR	OPPOSE	DON'T KNOW
23%	74%	3%

How the Poll Was Conducted

The Times Poll interviewed 1,162 adult California residents statewide, from Sept. 10 to 13. Telephone numbers were chosen from a list of all exchanges in the state. Random-digit dialing techniques were used to ensure that listed and non-listed numbers could be contacted. Interviewing was conducted in English and Spanish. Results were weighted slightly to conform with census figures for sex, race, age, education and labor force participation. The margin of sampling error is plus or minus 3 percentage points for the total sample; for other subgroups it may be somewhat higher. Poll results can also be affected by other factors such as question wording and the order in which questions are presented.

who feel that way."

The poll found that the elderly harbored the most anti-immigrant views of any major demographic group.

felt the heat. Fifty-two percent of Californians said legal immigration should be cut back, while 36% said the level should remain the same.

Asked what was the "greatest problem caused by foreign immigration to California these days," 44% cited use of government services, 26% said they take jobs from Americans, 15% mentioned overcrowding and 14% blamed immigrants for an increase in crime.

In an indication that all immigrants, regardless of their legal status, could be subjected to discrimination in the current anti-immigration mood, 70% of Californians said it was difficult for them to determine who was in the country legally.

And 52% said they were concerned that a crackdown on illegal immigration could lead to discrimination against all immigrants. But a sizable minority (43%) said they were not bothered by that possibility.

Anglos were about equally split on the issue, with 47% concerned and 49% not concerned. A strong 60% majority of Latinos said they were worried about the prospect.

Page 71 of 133

While 45% of Californians believed that all illegal immigrant groups were causing prob-

ans called illegal immigration a major problem, with another 17% characterizing it as a moderate-size problem. Only 3% said they would not call it a problem at all.

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Despite the oft-repeated threats of creeping Big Brotherism, nearly three of every five Californians said they approved of requiring all legal U.S. residents—citizens and non-citizens—to carry a tamper-proof identity card when applying for work or government benefits. Eighty percent favored non-citizen legal residents carrying such a card.

And 73% of Californians said National Guard troops should be dispatched to assist the Border Patrol along the nation's porous southern border, an idea proposed by Sen. Barbara Boxer (D-Calif.) but opposed by the Border Patrol. Instead, Border Patrol officials prefer increased funding for more fully trained agents.

"You don't need the military on the U.S. border," said Mike Hance, San Diego president of the National Border Patrol Council, the agents' union. "That would be counterproductive. That is not an armed invasion coming across."

But poll respondent Helen Simoni, an 81-year-old retired federal worker from San Francisco, said: "I think it would be a good idea. Everybody's complaining about the illegals. And it would give the National Guard something to do."

An equal percentage of those surveyed (73%) also said they liked California Sen. Dianne Feinstein's idea of charging \$1 to everyone entering the country as a means of increasing funding for the Border Patrol.

Former INS Commissioner Alan

"In reality, this doesn't affect me now," she said. "But I was an illegal once. We should all have the right to education. I'm not saying that we should financially support them, but children should have an education. In order to get ahead, you need education."

Fifty-four percent of survey respondents said they were against denying education to illegal immigrants, as opposed to 39% who supported the idea. On emergency medical care, 74% opposed denying care, while 23% said they would welcome the prospect.

"People might not like every aspect of Wilson's plan," poll director Brennan said, "but, overall, they like the fact that the issue has been raised."

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Harry Pachon, director of the National Assn. of Latino Elected and Appointed Officials, said he was not at all surprised by the high numbers of Californians with anti-immigrant views.

"Once you have state and national leaders pushing anti-immigrant positions during times of economic recession, it's like throwing a spark in a tinderbox," he said. "It gives the public an easy target to blame."

But Brennan said the poll data does not support the conclusion that a sour economy is primarily responsible for the rise in concern about immigration.

"While low-income people are more anti-immigrant in some cases, the poll finds those with secure personal finances and more positive views of the California economy are as likely to call this an issue as are those who are more economically pressed," he said.

"Seventy-seven percent of those who think the state is in a serious recession call illegal immigrants a major problem, but so do 62% of those who think the state's economy is better than that. Sixty-eight percent of those with secure personal finances think it's a serious problem, almost as many as the 72% of those with shaky finances

Do you favor or oppose denying emergency medical care to illegal immigrants?

FAVOR	OPPOSE	DON'T KNOW
74%		3%

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The poll found that the elderly harbored the most anti-immigrant views of any major demographic group.

Robert Valdez, an immigration expert at RAND Corp. in Santa Monica, echoed the belief that anti-immigrant feelings have always been a part of the collective American psyche.

"But it's particularly been peaked because of the great deal of political rhetoric, and that has stirred up sentiment," he said.

"A lot of it is whipped-up hysteria," Valdez said. "What people have not recognized is that this is part of a concerted effort in California. California is the battleground of the nation, and FAIR has laid out a strategic plan to make this a major issue."

Although illegal immigrants came in for the harshest criticism in the poll, legal immigrants also

felt the heat. Fifty-two percent of Californians said legal immigration should be cut back, while 36% said the level should remain the same.

Asked what was the "greatest problem caused by foreign immigration to California these days," 44% cited use of government services, 26% said they take jobs from Americans, 15% mentioned overcrowding and 14% blamed immigrants for an increase in crime.

In an indication that all immigrants, regardless of their legal status, could be subjected to discrimination in the current anti-immigration mood, 70% of Californians said it was difficult for them to determine who was in the country legally.

And 52% said they were concerned that a crackdown on illegal immigration could lead to discrimination against all immigrants. But a sizable minority (43%) said they were not bothered by that possibility.

Anglos were about equally split on the issue, with 47% concerned and 49% not concerned. A strong 60% majority of Latinos said they were worried about the prospect.

While 45% of Californians believed that all illegal immigrant groups were causing problems equally, 32% singled out Latinos and 16% said Asians.

An idea put forth by Latino legislators and Assembly Speaker Willie Brown (D-San Francisco) to seize the assets of businesses that repeatedly hire illegal immigrants had the approval of 56% of Californians. But Latinos were about evenly split on the issue, with 43% in favor and 45% opposed.

When asked what should have the higher law enforcement priority, cracking down on employers or the illegal immigrants themselves, 45% of all Californians favored an employer crackdown. Twenty-six percent said cracking down on the immigrants should have top priority, while 19% volunteered that they should have equal priority.

CRIME--CALIFORNIA

- * **California Crime Summit.** Governor Wilson has announced that he intends to host a California crime summit sometime early next year.
- * **Arson.** You offered an amendment to the crime bill that increased the maximum penalties for arson at the federal level.

The amendment doubled the maximum prison term for arson affecting interstate commerce to 20 years and to 40 years if the arson results in injury to a person.

The amendment also doubled the penalties for anyone who damages--by fire--any property owned by, or leased to, any agency of the United States or owned by, or leased to, any organization receiving federal financial assistance. The new maximum penalties are 20 years and 40 years if the arson results in injury to a person.

Under California state law, the maximum sentence for a convicted arsonist is 9 years, regardless of property damage or loss of life. Governor Wilson is attempting to raise the state penalties for arson.

- * **Reginald Denny.** Last month, you wrote to Attorney General Reno requesting that the Justice Department determine whether federal criminal civil rights charges should be brought against the attackers of Reginald Denny. Press reports suggest that the Justice Department has already initiated a civil rights review.

-The Sacramento Union, Friday, November 12, 1993



Pete Wilson

Governor targets criminals

I am announcing plans to hold a crime summit early next year to forge a comprehensive approach to protecting the safety of every individual in California.

I am inviting every law enforcement official in California and everyone interested in public safety to come together in a statewide summit to stop the violence. The summit will be held in Los Angeles in January.

Also, I intend to enact tougher laws and take steps to prevent crime before it happens and remove guns from the streets and put criminals behind bars.

Personal security should be the first right of every Californian. I'm now asking for a commitment to break the gridlock and fight crime. There's too much at stake not to. Lives literally hang in the balance.

My violent crime control proposals include:

Carjackings and drive-by shootings: Although legislation I signed earlier this year toughened the penalties for these crimes, my proposal calls for only two possible sentences when an innocent life is taken during one of these crimes — life without the possibility of parole or the death penalty.

Illegal weapons: Currently, an individual caught with an illegal gun faces a sentence of no more than three years. To combat the proliferation of handgun violence, my proposal calls for career criminals caught with deadly weapons to receive the sentence of life imprisonment.

Teen-age criminals: Today, the law requires teen-agers convicted of a crime to be released at age 25 — no matter how brutal or violent the criminal. My proposal would change that law and try the most violent teen-agers as adults.

Child molesters: Current law allows individuals convicted of child molestation to get off with no prison time at all. My proposal calls for violent child molesters to get automatic prison time — no exceptions, no excuses. Repeat sex offenders should also receive life imprisonment.

Arsonists: Under current law, the maximum sentence for a convicted arsonist is just nine years, regardless of property damage or loss of life. My proposal calls for life imprisonment if they are repeat offenders, if they cause massive damage, or if they strike during fire season.

Keeping criminals behind bars: Current law allows even dangerous killers to reduce their prison sentences by up to half for good behavior or working while in prison. My proposal calls for reducing the time off prisoners can earn for good behavior and work credits so that the time criminals serve behind bars more closely reflects their sentences.

The war on crime will only be won by concerned Californians across the state who have had enough and are ready to take back our streets.

Pete Wilson is governor of California. His views are not necessarily those of The Union.

BOB DOLE
KANSAS

United States Senate

OFFICE OF THE REPUBLICAN LEADER

WASHINGTON, DC 20510-7020

November 4, 1993

The Honorable Janet Reno
U.S. Department of Justice
Tenth Street and Constitution Avenue, N.W.
Washington, D.C. 20510

Dear Attorney General Reno:

Press reports suggest that the Department of Justice is now reviewing whether there is an appropriate basis upon which to bring federal criminal civil rights charges against the attackers of Reginald Denny. I am writing to encourage you to continue with this review and to conduct it as promptly as possible.

Even though Mr. Denny's attackers were not "acting under color of law," I would suggest that the attack implicates a federal civil rights interest that may merit vindication through a federal prosecution. For example, 18 U.S.C. 245 establishes criminal penalties against anyone who, "whether or not acting under color of law, by force or threat of force, willfully injures, intimidates or interferes with---"

- * "any person because of his race, color, religion or national origin and because he is or has been...traveling in or using any facility of interstate commerce, or using any vehicle...by motor, rail, water, or air." (section 245(b)(2)(E)), or
- * "during or incident to a riot or civil disorder, any person engaged in a business in commerce or affecting commerce...." (section 245(b)(3)).

The circumstances surrounding the beating of Mr. Denny appear to fall squarely within the circumstances contemplated by section 245(b) of title 18: Reginald Denny was driving a commercial truck on the public roads of Los Angeles when he was forcibly dragged from the cabin of the truck and nearly beaten to death. As a commercial trucker, he was clearly engaged in a "business affecting commerce." It is my understanding that the racial motivation of the attack was established during the course of the state trial. In addition, the attack occurred in the context of a "riot or civil disorder."

After the conclusion of the state trial, Los Angeles Mayor Richard Riordan called upon the citizens of Los Angeles "to put their anger aside and look to the future of the city." Reginald Denny's public forgiveness of his attackers has been

extraordinary, inspiring all Americans to rise above the petty fears and hatreds that some may harbor in their hearts. We owe both Mayor Riordan and Mr. Denny a debt of gratitude for their courage and skill in helping heal the wounds left behind by the tragedy of the L.A. riots.

Nevertheless, when deciding whether to pursue a federal civil rights prosecution against Mr. Denny's attackers, it is my hope that you would resist the temptation of simply saying "enough is enough."

The bottom line is that our federal civil rights laws ought be enforced, without regard to political and other irrelevant considerations and if--and only if--enforcement is justified on the legal merits. If you believe that there is a legitimate legal basis upon which to bring a federal civil rights prosecution, then it is my hope you would proceed accordingly. Those who break our civil rights laws ought to be held responsible for their actions.

Attorney General Reno, thank you for your consideration of this request. To the extent appropriate, I would appreciate being informed on how you intend to proceed.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bob Dole", with a stylized flourish at the end.

BOB DOLE

BD/ds

TALKING POINTS--CRIME

- * Last August, when Republicans introduced the Neighborhood Security Act, we insisted that any anticrime bill should be fully paid-for. This week, the Senate finally got the message.
- * Republicans are pleased that the Democrats adopted our regional prison plan, which would encourage the states to adopt truth-in-sentencing laws. Republicans understand that a criminal kept behind bars will not terrorize a single law-abiding citizen. A 15-year prison sentence shouldn't mean 5 years or 10 years, but 15 years. No exceptions and no parole.
- * I am also pleased that many of my proposals to combat domestic and street violence against women have been incorporated into the Senate bill. It's a national disgrace that 2.5 million crimes are committed against women each year.
- * The anticrime bill is just the short-term solution...for the real "root cause" of crime is the breakdown of the two-parent family. We need to find long-term solutions that build not only prisons, but families as well.

Two Additional Points

- * **Police.** The anticrime bill authorizes \$8.9 billion for community policing grants. The Democrats will say this fulfills the President's commitment to put 100,000 more cops on the street, but the numbers just don't add up.

If you assume that each cop costs \$50,000 annually, then it would cost \$5 billion to put 100,000 cops on the street in a single year. Assuming you want to employ the cops for five years, then the total price tag would be \$25 billion over five years.

The Democrats counter that the \$8.9 billion is the federal share of a federal-state matching program. This is true. But the American public should know that the states will have to come up with the bulk of the money if we are put 100,000 cops on the street and keep them there for a reasonable period of time.

- * **Family Breakdown.** The Moynihan/Dole amendment on family breakdown cites President Clinton's recent statement on Meet the Press that there is a correlation between family breakdown and crime. (Tim Russert used to work for Moynihan and often cites the link between crime and the increase in the number of out-of-wedlock births.)

DOLE PROVISIONS IN THE CRIME BILL

* Prisons/Truth-in-Sentencing.

- \$3 billion for the construction of ten new regional prisons (states could send their most violent prisoners to these new prisons only if they adopt truth-in-sentencing laws, whereby prisoners must serve at least 85% of their sentences)
- \$3 billion for state prison construction and operation grants

* Domestic Violence and Sexual Assault.

- \$1.8 billion for various domestic violence and sexual assault treatment and prevention programs
- makes spousal abuse or violation of a protective order a federal crime if interstate travel is involved
- doubles the maximum penalty for recidivists convicted of sexual assaults
- authorizes testing of those accused of sexual assaults for the HIV virus, and disclosing the results of those tests to the victim
- creating three new Federal Rules of Evidence allowing for the admissibility of past sex offenses in sexual assault and child molestation cases
- establishment of a 12-member National Commission on Violence against Women

* Gangs.

- establishes a federal anti-gang statute making it a criminal offense to participate in a criminal street gang or induce others to join the gang
- establishes mandatory minimum penalties for gang activity (for example: mandatory minimum of 5 years for inducing someone to join a gang; mandatory minimum increases to 10 years if the subject of the inducement is under 18 years of age)
- \$100 million for additional federal prosecutors to prosecute gang activity
- \$100 million for gang prevention grants (mentoring, role model, after-school athletic programs, etc.)

* Police.

--\$8.9 billion for community policing grants to states and localities (your bill, the Neighborhood Security Act, proposed \$2 billion in funding to hire additional police officers, including police officers assigned to community policing duties)

* **Troops-to-Cops.**

--directs the Department of Justice to give priority to helping state and local police forces hire former members of the Armed Forces (funding would come out of the \$8.9 billion authorized for community policing grants)

* **Safe Schools.**

--\$300 million to purchase metal detectors and surveillance cameras (similar to the \$500 million safe-schools grant program contained in your bill)

* **Arson.**

--increases maximum penalties for arson against property affecting interstate commerce

* **Family Breakdown (Moynihan/Dole).**

--directs the Secretary of HHS to conduct a study on the increase in the number of illegitimate births and report to Congress on possible remedial measures

* **Hate Crimes against Persons with Disabilities.**

--adds "persons with disabilities" to the list of categories of individuals for whom hate crime statistics must be compiled by the Justice Department pursuant to the Hate Crime Statistics Act

Kansas Impact: Police. The anticrime package provides \$8.9 billion for community policing grants to help states and localities hire more cops. Of this \$8.9 billion, \$7.3 billion must be allocated to each state in minimum increments of 0.6%.

This means that Kansas must receive at least \$44 million in community policing grants. Obviously, we can work with the Justice Department to ensure that Kansas gets more than \$44 million.

Gangs. According to the Kansas Bureau of Investigation, there are more than 2,800 gang members in Kansas. If you add to this total the number of gang members who "reside" in Kansas City, Missouri, the number of gang members affecting Kansas exceeds 3,300. Your anti-gang amendment provides \$100 million to hire more federal prosecutors and \$100 in gang prevention grants. We can work to ensure that Kansas gets its fair share of this money.

OTHER PROVISIONS IN THE CRIME BILL

- * **Funding.** Funding in the \$22 billion package would be provided allegedly by savings resulting from a reduction of 252,000 jobs in the federal workforce over the next five years, as proposed in the National Performance Review. The savings would be placed in an off-budget "Violent Crime Reduction Trust Fund" that supposedly would fund the programs contained in the bill.
- * **Drug Courts.** Authorizes \$1.2 billion for Drug Courts, a pet project of Attorney General Reno and Hugh Rodham, the brother of the First Lady.
- * **Juvenile Detention Facilities.** Authorizes \$500 million for the construction and operation of juvenile detention facilities.
- * **Death Penalty.** Authorizes the death penalty for over 50 federal offenses, including the death penalty for drug kingpins (D'Amato).
- * **"Three-Time Loser."** Imposes life imprisonment without parole for anyone convicted in federal court of a third violent crime (Lott).
- * **Immigration.** Stiffens penalties for alien smuggling and streamlines the procedures for deporting criminal aliens (Simpson).

SENATOR BOB DOLE

CRIME BILL--FINAL PASSAGE

NOVEMBER 18, 1993

MR. PRESIDENT, ONE OF THE MOST ACCURATE REFLECTIONS OF OUR SOCIETY AND OUR CULTURE IS THE NEWSPAPER.

OPEN UP ANY NEWSPAPER, ON ANY DAY, IN ANY CITY, AND CRIME IS THERE--IN OUR NEIGHBORHOODS, ON OUR STREETS, EVEN IN OUR SCHOOLS. AND CRIME IS NOT JUST A PROBLEM LIMITED TO OUR CITIES AND OUR SUBURBS. IT'S A RURAL PROBLEM AS WELL. IN WICHITA, KANSAS, FOR EXAMPLE, THE NUMBER OF DRIVE-BY SHOOTINGS--ONE OF THE MOST COWARDLY AND VICIOUS OF ALL CRIMES--IS AT AN ALL-TIME HIGH.

MR. PRESIDENT, THIS BILL WILL OBVIOUSLY NOT END CRIME IN AMERICA. IT WON'T STOP THE BLEEDING ON OUR STREETS...BUT IT'S A MUCH-NEEDED BANDAGE...A TOURNIQUET...SOME SHORT-TERM RELIEF TO HELP RESTORE ORDER TO OUR STREETS AND COMMUNITIES.

IT IS FITTING THAT THIS BILL HAS BEEN DRAFTED--AND WILL PASS--ON A BIPARTISAN BASIS. ALTHOUGH WE HAVE OUR DIFFERENCES, CRIME PREVENTION SHOULD NOT BE PARTISAN ISSUE: A MUGGER DOESN'T ASK YOU IF YOU'RE A DEMOCRAT OR A REPUBLICAN BEFORE HE STICKS A GUN IN YOUR RIBS.

FROM DAY ONE, REPUBLICANS HAVE INSISTED THAT ANY ANTICRIME BILL WE PASS MUST BE FULLY PAID-FOR. SECURITY HAS A PRICE...AND IT'S A PRICE WE AT LEAST ATTEMPT TO PAY BY ESTABLISHING A VIOLENT CRIME REDUCTION TRUST FUND. IN THE MONTHS AHEAD, WE WILL SEE WHETHER WE LIVE UP TO THE TRUST-FUND COMMITMENT.

LIKE PRESIDENT CLINTON, REPUBLICANS ALSO BELIEVE THAT MORE COPS ON THE STREET MEANS MORE SECURITY IN OUR NEIGHBORHOODS. THAT'S WHY THE NEIGHBORHOOD SECURITY ACT, INTRODUCED BY SENATE REPUBLICANS LAST AUGUST, PROPOSED TO PUT MORE POLICE ON THE STREETS THROUGH A COMMUNITY POLICING PROGRAM, A TROOPS-TO-COP PROGRAM, AND THE POLICE CORPS. AND THAT'S WHY WE SUPPORT THE ADOPTION OF THESE PROGRAMS AS PART OF THE BIPARTISAN ANTICRIME PACKAGE.

I AM ALSO PLEASED THAT THE PACKAGE CONTAINS THE REPUBLICAN TRUTH-IN-SENTENCING PROPOSAL, WHICH WOULD ENCOURAGE EACH OF THE STATES TO ADOPT LAWS REQUIRING THAT THEIR MOST VIOLENT CRIMINALS SERVE AT LEAST 85% OF THEIR PRISON SENTENCES.

ALL TOO OFTEN, VICIOUS CRIMINALS ENTER OUR CRIMINAL JUSTICE SYSTEM, ONLY TO SLIDE THROUGH ITS REVOLVING DOORS-- LEGALLY, AND WITH TRAGIC CONSEQUENCES.

IT'S NO SECRET THAT A CRIMINAL KEPT BEHIND BARS WILL NOT TERRORIZE A SINGLE--NOT ONE--LAW-ABIDING CITIZEN. SO, IT'S MY HOPE THAT THE REPUBLICAN TRUTH-IN-SENTENCING PLAN WILL TAKE OFF AT THE STATE LEVEL, FOR THIS IS ONE AREA WHERE THE STATES SHOULD FOLLOW THE FEDERAL GOVERNMENT'S LEAD. IN ADDITION, I AM PLEASED THAT MANY OF THE PROPOSALS ORIGINALLY INTRODUCED IN THE WOMEN'S EQUAL OPPORTUNITY ACT OF 1991, AND EARLIER THIS YEAR, IN THE SEXUAL ASSAULT PREVENTION ACT OF 1993, HAVE BECOME PART OF THIS PACKAGE.

THESE PROPOSALS INCLUDE DOUBLING THE MAXIMUM PENALTIES FOR RECIDIVIST SEX OFFENDERS; AUTHORIZING THE HIV-TESTING OF SEX

OFFENDERS AND DISCLOSING THE RESULTS OF THESE TESTS TO THE VICTIMS; AMENDING THE FEDERAL RULES OF EVIDENCE TO ALLOW THE ADMISSIBILITY OF SIMILAR PAST OFFENSES IN SEXUAL ASSAULT AND CHILD MOLESTATION CASES; AND THE ESTABLISHMENT OF A 12-MEMBER NATIONAL COMMISSION ON VIOLENCE AGAINST WOMEN.

THE PACKAGE ALSO INCLUDES ADDITIONAL FUNDING FOR IMPORTANT PROGRAMS DESIGNED TO PREVENT, AND PROVIDE ASSISTANCE TO THE VICTIMS OF, SEXUAL ASSAULTS AND DOMESTIC VIOLENCE.

AND, MR. PRESIDENT, I WOULD LIKE TO ACKNOWLEDGE THE LEADERSHIP OF BOTH SENATOR BIDEN AND SENATOR HATCH IN GIVING THE ISSUE OF VIOLENCE AGAINST WOMEN THE NATIONAL ATTENTION IT DESERVES.

THE BIPARTISAN PACKAGE CONTAINS OTHER IMPORTANT PROVISIONS--A FEDERAL ANTI-GANG STATUTE CRAFTED BY MYSELF, SENATOR HATCH, AND SENATOR BROWN; THE DEATH PENALTY FOR DRUG KINGPINS, SPONSORED BY MY COLLEAGUE FROM NEW YORK, SENATOR D'AMATO; THE "THREE-TIME LOSER" PROVISION OFFERED BY MY COLLEAGUE FROM MISSISSIPPI, SENATOR LOTT; SENATOR DOMENICI'S AMENDMENT ON AFTERSCHOOL MENTORING PROGRAMS; AND, OF COURSE, THE AMENDMENT OFFERED BY MY DISTINGUISHED COLLEAGUE FROM IOWA, SENATOR GRASSLEY, THAT ULTIMATELY FORCED THE JUSTICE DEPARTMENT TO REVERSE ITS POSITION ON THE ENFORCEMENT OF OUR CHILD PORNOGRAPHY LAWS.

THESE PROPOSALS ARE IMPORTANT STEPS IN THE RIGHT DIRECTION. THEY CAN MAKE A DIFFERENCE.

BUT, MR. PRESIDENT, WHEN ALL IS SAID AND DONE, THE MOST

EFFECTIVE DETERRENT TO CRIME IS NOT POLICE OR A PRISON CELL, BUT A STRONG FAMILY AND THE VALUES THAT STRONG FAMILIES TRANSMIT TO THEIR CHILDREN.

VALUES COUNT. CHARACTER COUNTS. FAMILIES COUNT. AND THEY COUNT FAR MORE--AND ARE FAR MORE EFFECTIVE--IN REDUCING AND STOPPING CRIME THAN ANY LAW ENFORCEMENT PROPOSAL CONGRESS CAN DEVISE.

THIS IS OUR NEXT AND MORE DIFFICULT CHALLENGE...AS ILLEGITIMACY RATES REACH HISTORIC HIGHS, GOVERNMENT AT ALL LEVELS MUST FOCUS NOT ONLY ON BUILDING PRISONS, BUT ALSO ON DEVELOPING SENSIBLE STRATEGIES TO BUILD--AND RE-BUILD--FAMILIES. IN TOO MANY OF OUR COMMUNITIES, THE TWO-PARENT FAMILY IS THE TRAGIC EXCEPTION, RATHER THAN THE RULE...AND THE RESULT HAS BEEN A GENERATION OF CHILDREN WITHOUT FAMILIES AND WITHOUT VALUES.

IF WE WANT TO GO TO THE "ROOT CAUSES" OF CRIME, WE NEED TO GO TO THE DEEPEST ROOT OF ALL--THE FAMILY.

FINALLY, MR. PRESIDENT, I WANT TO COMMEND MY DISTINGUISHED COLLEAGUES, SENATOR HATCH AND SENATOR BIDEN, FOR THEIR HARD WORK AND PERSEVERANCE IN MANAGING THIS BILL.

THERE ARE FEW SENATORS WHO ARE MORE COMMITTED TO EFFECTIVE AND TOUGH LAW ENFORCEMENT THAN MY FRIEND AND COLLEAGUE FROM UTAH, SENATOR HATCH. WITH THE PASSAGE OF TODAY'S ANTICRIME PACKAGE, AMERICA OWES HIM A DEBT OF GRATITUDE.

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TALKING POINTS FOR BREAKFAST EVENT FOR REP. RICHARD POMBO

- o Pombo serves on the Natural Resources and Agriculture Committees.
- o Do not talk about NAFTA. It is a divisive and controversial issue among Mr. Pombo's contributors. Mr. Pombo voted no on NAFTA.
- o The Perot vote in Pombo's district was 21% (41,006). Bush received 38% (75,319) and Clinton received 40% (79,432).
- o Emphasize "it's good to get some new blood in here to help reinforce the GOP no new taxes, cut spending first message."
- o Rep. Pombo supports term limits, cutting congressional staff, and open meetings laws.
- o Rep. Pombo is a small businessman, as are most of his supporters. "Independent businesses will lead California out of the recession, if government will let us...."
- o Pombo strongly supports property right. (Legislation that Pombo backs and that Sen. Dole sponsored in the Senate requires federal agencies to assess whether regulation compromises or "takes" private property. If regulation is enforced compensation would follow).
- o Rep. Pombo opposes the Endangered Species Act.
- o Central California water resources are always an issue.

Guest List for Congressman Richard Pombo Breakfast in Stockton, CA
Monday, December 6, 1993
(partial listing)

Guest	Occupation
Mr. Jay Allen	Attorney
Mr. and Mrs. Art Altnow	Trucking
Mr. Don Altnow	Trucking
Mr. and Mrs. Bud Basolo	Farming
Mr. Julian Bava	Farming
Mr. and Mrs. Phillip Berolzheimer	Farming
Mr. Earl Blinco Jr.	Trucking
Mr. Marshall Bliss	Lease Construction
Mr. and Mrs. Ernie Bobson	Dry Cleaning Business
Mr. and Mrs. Robert Brocchini	Farming
Mr. and Mrs. Sheldon Brusa	Farming
Ms. Betty Burger	Retired
Mr. Larry Busboom	Executive, Diamond Walnut
Mr. and Mrs. Jeff Colombini	Winegrape Grower
Mr. and Mrs. Joe Cotta	Winegrape Grower
Mr. Joe Cotta Sr.	Winegrape Grower
Mr. and Mrs. Joe Crane	Banking
Mr. and Mrs. Mike Crete	Founder, California Coolers. Retired.
Eva James Denney	Farming
Mr. and Mrs. Phillip Dunn	County Sheriff
Mr. and Mrs. Mark Edwards	Farming
Mr. Bill Filios	Executive, A.G. Spanos Company
Mr. and Mrs. Armand Fonseca	Ranching
Mr. and Mrs. Don Ford	Trucking
Mr. and Mrs. Cliff Goehring	Telecommunications
Mr. and Mrs. John Golden	Winegrape Growers
Dr. and Mrs. William Hambley	Physician
Mr. and Mrs. Robert Hartzell	Farming
Mr. and Mrs. Frank Hogge	Sawdust Dealer
Mr. Tim Howard	Medical Supply Company
Mrs. Mary Kaelher	Ranching
Mr. and Mrs. Dave Knapp	Owners, Knapp Ford
Mr. and Mrs. Chris Lee	Attorney
Ms. Sue Lindley-Ohlendo	Retired
Mr. Larry Madoski	Real Estate
Mr. Leroy Minatre	Farmer, Nurseryman
Mr. Mike Monnick	Exec. Director, San Joaquin County Medical Society

Ms. Nanette Martin	Grain Storage, Ranching
Mr. and Mrs. Albert Navarra	Farming
Mr. and Mrs. dante Nominini	Ranching
Mr. Peter Ohm	Ranching
Mr. and Mrs. LeRoy Ornellas	Dairyman
Mr. Dave Gaelitz	Pacific Lumber
Ms. Hariett Peterson	Retired
Mr. Michael Petz	Farming and Retail
Mr. Ernie Pombo	Realtor
Ms. Toni Pombo	Nurse
Mr. Ralph Pombo	Ranching
Mr. Reed Robbins	Real Estate
Mr. Ed Rocha	Trucking
Ms. Marge Rore	Tax Consultant
Mr. Richard Samra	Farming
Mr. John Semas	Farming
Mr. Lou Souza	Farming
Dr. Nick Spanos	Dentist
Ms. Carole Sperry	Real estate
Mr. Peter Szabo	Stockbroker
Mr. John Talbott	Stockbroker
Mr. John Thoming	Farming
Mr. Bill Dennison	President, California Timber Assn.
Mr. Hank Van Exel	Farming
Mr. Carel Van Loben Sels	Farming
Mr. Nicholas Veaco	Physician
Mr. and Mrs Jack Williams	Retail
Dr. John Zeiter	Opthamologist
Mr. Serge Zilli	Civil Engineer
Dr. Michael Thorp	Phyician
Mr. Leonard Nash	National Auto Dealers Association

NMENT

RANCHER NOW REP. RICHARD POMBO

Property-rights stance sets him apart

By PATRICIA PEAK KLINTBERG

California gets credit for beginning many trends—from the audacious ban against smoking in public places to the property-tax revolt led by the late Harold Jarvis and his Proposition 13.

Now the Golden State brings us another first, a rancher propelled into public service for defending property rights. Despite his youth, Richard W. Pombo, 32, was engaged in a fight to keep the family ranch intact during his twenties. With seats on the Agriculture, and Natural Resources and Merchant Marine and Fisheries committees, he goes national with the expertise learned at home.

He hails from Tracy, located about 60 miles south of Sacramento. The 500-acre RP ranch ("all our names start with R") straddles Alameda and San Joaquin counties. Pombo and two of his four brothers feed some 2,500 head, replacement heifers and Holstein steers. They also run a small cow-calf business.

But the RP has been involved in a lot more than cattle feeding. "Ranching is more complicated than it used to be," says Pombo. "You never heard people talk about property rights 10 years ago. I worked on these issues because I was thrust into it."

It all started in the early '80s. For over 100 years, Southern Pacific railroad trains hurtled across the Pombo ranch and 20 others. Not any more. The rail bed is now clear of track. Once the line was abandoned, the East Bay Regional Parks Authority wanted the railroad right-of-way to create a trail (see sidebar).

"They were not willing to fence it or patrol it," says Pombo. The thought of allowing unfettered access to their

property caused local ranchers to organize. Even while the trains ran, vandalism was no stranger. "One year we lost 14 heifers because somebody cut the fence and they got on the track. We fought the trail because it would allow

Pombo has mixed feelings about the victory. "It is so expensive. The landowners spent hundreds of thousands of dollars, and we could still be fighting if we had the money."

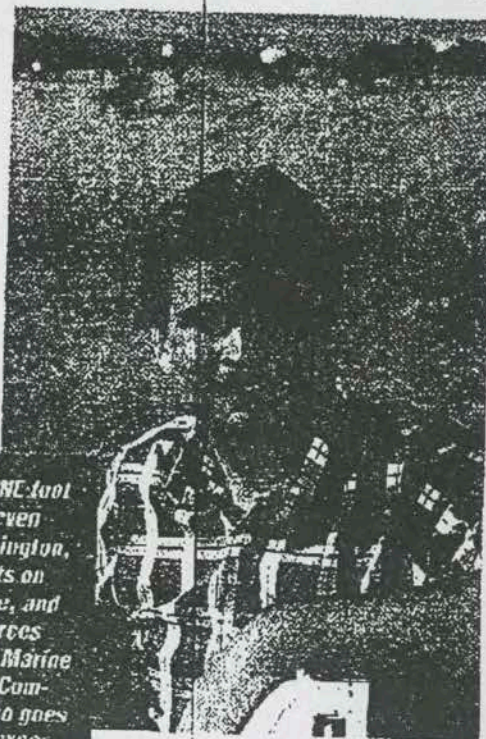
To help farmers and ranchers who find themselves in similar situations, Pombo hopes to create a national network of attorneys. "They must be willing to work on constitutional issues as they pertain to property rights and at a reduced rate. Let's face it, most ranchers can't afford a longtime court case."

A foundation devoted to property-rights issues is another Pombo brainchild. He sees it as a way to link and inform the hundreds of grassroots organizations throughout the country. He has also formed a Congressional Property Rights Task Force as a way to put the issue on Congress's radar screen. Currently the group is long on Republican members, including Reps. Bob Smith (Ore.), Mike Crapo (Ida.) and Terry Everett (Ala.). Yet Pombo believes it is only a matter of time before his Democratic colleagues see the light.

In addition to keeping a finger on the pulse of the property-rights movement, Pombo wants federal legislation "that pays people for the lost value of their land. This has to happen. Now people are not compensated."

The Westlands Irrigation District is located in central San Joaquin Valley. In order to save endangered species, water availability to area farms and ranches has been cut in half.

"The president of the irrigation district lost his ranch because he no longer had a stable source of water. The Endangered Species Act is solely re-



POMBO HAS ONE foot on the ranch even while in Washington, D.C. With seats on the Agriculture, and Natural Resources and Merchant Marine and Fisheries Committees, Pombo goes national with expertise as a businessman and property rights advocate learned at home.

people into the area without any controls," he says.

The trail wasn't built. The Pombo and other ranchers spent over \$200,000 fighting the proposal. Yet the battle was

won not in the courts but in Congress. Because the ranchers had an active lawsuit, former Sen. Steve Symms (R., Ida.) was able to exempt the Alameda corridor from a law change making it easier for local areas to acquire rights-of-way to abandoned rail beds.

sponsible. This guy didn't just lose his job, he lost everything," Pombo says.

The land in question, some 8,000 acres that brought \$4-\$5,000 an acre five years ago, sold for as little as \$370 an acre at auction.

Yet California provides a way for the wealthiest developers to circumvent environmental land-use restrictions. According to Pombo, "developers pay a flat fee per house into a 'mitigation bank.' Then some bureaucrat decides what land will be purchased for the state or given to some environmental group to offset the development. The small guy who only builds one or two houses a year can't afford to get in."

Pombo says all the important environmental areas seem to be on private property. "If my ranch happens to be the only place where an endangered species lives, fine—but pay me for it. Don't just say I can't use the land. In California we have people who are being stopped from using normal farming practices because of endangered species."

Federal legislation backed by Pombo originated with another Californian, Rep. Gary Condit (D.). It and its companion bill, sponsored by Sen. Bob Dole (R., Kan.), requires federal agencies to assess whether regulation compromises or "takes" private property. If regulation is enforced, compensation would follow.

Though the legislation faces enormous obstacles in Congress, Pombo argues that it would cause the federal government and environmental groups

AFTER SUCCESSFULLY preventing an abandoned rail bed running through the ranch from becoming a public trail, Pombo helped found the San Joaquin County Citizen's Land Alliance. It went from three to 400 members in its first year. Here he participates in the local fourth of July celebration.



to "prioritize what they want. They can't take everything," he says.

Yet the Administration has its own ideas of how to set acquisition and habitat priorities. The House Natural Resources Committee has approved a bill creating a National Biological Survey. It would permit the federal government to inventory every endangered and

threatened species across the land.

Pombo initially succeeded in amending the bill when it was before the Merchant Marine and Fisheries Committee. Members agreed to require the feds to obtain written permission from landowners before surveying their property. And landowners would have been able to receive a copy of raw data about the property at no cost. Yet, in the end, another Californian, Natural Resources Committee Chairman George Miller (D.), led the fight stripping away that explicit property-rights protection.

"There is no easy fix," cautions Pombo. "There is no easy way to overturn what has taken 20 years to create. But I suspect as California pushes further and further, there will be a backlash. You will have people like me that get elected with property rights as one of their major issues."

Rails for trails

■ How is it that the land under abandoned rail beds does not automatically revert to property owners? Simple. Those rights-of-way are not considered abandoned if turned into a trail, just lent for interim use. The Interstate Commerce Commission (ICC) can allow a railroad to turn over the management of the unused

railroad bed for use as a trail to any state or qualified private organization. Thus rights-of-way remain intact for future railroad purposes no matter how unlikely such a scenario may be.

Authority for such conversions began in 1976 with the Railroad Revitalization and Regulatory Reform Act. Further amendments in

1983 fine-tuned ICC's role in relinquishing rail beds for trails. Today there are 6,720 miles of trails converted from rail beds in 45 states. Another 137,000 miles of abandoned rail beds lace the country. Wisconsin, Minnesota, Iowa and Pennsylvania all have more than 500 converted miles of rails to trails.

based in Troy—which he helped establish. "I feel very strongly about small business," he says. "It's the area of growth in this country. Government has to realize that people don't go into business unless they've got a chance of succeeding, and so many of them don't. We're making it too tough."

Government mandates and regulations top his target list, says Knollenberg, who also believes health-care reform is vital. He says the country needs a health-care product that is market-driven and makes consumers responsible for part of the cost through means such as deductibles and copayments. He also is calling for medical malpractice reform and tax incentives for companies to purchase health care to "put everyone on a level playing field."

With large firms downsizing, says Knollenberg, small business is the nation's salvation. "It's the small businesses that are going to pay the way. And to allow them the freedom to expand, to stimulate growth, to bring people on the payrolls, they're going to need a little help."

It would be most helpful, says the Republican, for Congress to attack the budget deficit. During his quest for the seat of retiring GOP Rep. William S. Broomfield, Knollenberg campaigned strongly on reducing the deficit through cuts in entitlement programs and government spending. "We've just overspent ourselves silly," he says.

Knollenberg supports a balanced-budget amendment to the Constitution and wants to cut the tax on capital gains.

Richard Pombo, California, 11th District
Richard Pombo, 32 as of Jan. 8, is one of the youngest of the incoming freshmen. Yet he has been a small-business owner for the past 10 years. He and his two brothers and father are partners in the R. Pombo Ranch, a 2,500-head cattle feed lot in Tracy, Calif. They also run a trucking company in Tracy that hauls cattle feed and livestock.

Pombo says the biggest change in operating the business in his 10 years on the job—and the area he will focus on when he gets to Washington—is the increase in regulations and the accompanying paperwork.

"My time has increasingly been spent filling out forms and



Colorado's new senator, Ben Nighthorse Campbell, a congressman since 1987, knows small business's concerns.

trying to comply with new regulations," Pombo says. "We've gone from a relatively simple business to one that is very heavily regulated." He cited the weekly health and truck-safety inspections at the ranch carried out by state employees on behalf of federal agencies. "We need to take another look at a lot of the regulations that have been passed and make sure that they are accomplishing the goals for which they were set up and that they haven't just become a burden on the small-business person," Pombo says.

The federal Endangered Species Act is one of the statutes the Republican be-

lieves needs a closer look. His ranch is in the middle of what has been designated a Kit fox habitat even though in the 25 years since the ranch was started, the Pombo's, he says, have never seen "anything even resembling a Kit fox."

Because the Kit fox is on the nation's endangered-species list, he says, he doesn't know how the law will be interpreted a year from now "and what effect it will have on my operation as a feedlot."

While use of his land has not been restricted, development as well as farming and ranching practices have been limited on other such lands in California.

Dan Miller, Florida, 13th District

Government regulations also have raised the ire of Dan Miller, the new representative of Florida's newly drawn 13th District.

For example, Miller says federal and state rules are requiring the heating of attic space in a nursing home operated by his company, Miller Enterprises, of Bradenton. He says it will cost \$80,000 to heat the space to ensure that pipes for the home's fire sprinkler system don't freeze. The nursing home is located in Bradenton, where the temperature typically drops below freezing for a few hours no more than once every couple of years. "That's the type of regulation that drives you crazy as a businessman," says Miller, a former college professor of business.

The rising cost of health care is also a concern for Miller. With 300 employees in several businesses, including a restaurant, a plastics-manufacturing company, and a wholesale store selling tropical fish and reptiles, Miller Enterprises is paying a hefty sum for workers' health-care coverage.

Miller says the U.S. "is spending 14 percent of its gross national product on health care, far more than any other industrialized country. We have good quality care, it's just too costly."

Miller, a Republican, says Congress must look at the issues of health-care costs and accessibility, especially as they relate to small business. He hopes to help formulate legislation that will address the health-care crisis, which he says should include a cap on awards for medical-malpractice lawsuits.

Like any successful business, Miller is concerned about his firm's finan-



New congressman Dan Miller of Florida, at his Pier Restaurant in Bradenton, advocates health-care reform.

REVIEW & OUTLOOK

THE WALL STREET JOURNAL THURSDAY, MAY 13, 1993

More Secretive Than Russia

U.S. TV viewers were recently able to see a Russian parliamentary committee discuss tax laws on C-SPAN. But they'll never see their own Congressional committees debate their taxes. That important process is off limits; get lost, trespassers will be shot. Especially today, as House Ways and Means continues deciding how to raise taxes by \$266 billion.

But this time there is a revolt against the secrecy. Ways and Means Republicans voted unanimously last week to open them. But since every Democrat voted against, secrecy won 24 to 14. No doubt some GOP Members simply want to embarrass the Democrats, but the effort to let the sunshine in is nonetheless commendable.

The argument in favor of closed meetings is that without them Members would be bombarded with appeals from lobbyists and they'd be tempted to favor special interests. What does anyone think happens now? Gucci Gulch lawyers may not be able to park themselves in the committee room itself, but their interests are represented by sympathetic Members or staffers. Moment to moment, lobbyists know more about what goes on inside Ways and Means than some Members, who must leave to attend to other business. The only ones kept in the dark are the American people.

Last week, 15 freshmen led by California's Richard Pombo held a news conference in front of the Ways and Means hearing room demanding it be opened. They even leaned a huge sign against the door saying, "Do Not Disturb! Democrats Raising Taxes."

Many of the new Members are veterans of local government and say that Congress's practices have been an eye-opener. Rep. Howard "Buck" McKeon of California served on both a school board and city council. "We

could never do anything of this nature," he says. "There is no way we could discuss the public's business behind closed doors."

No wonder Ways and Means Chairman Dan Rostenkowski has told the White House it will get its tax bill only if it gives him power-of-attorney to negotiate changes. A new CBS poll found that by 48% to 40% the American people view the Clinton plan as unfair. By 33% to 28% they think it will hurt the economy in the long-run. Focus groups become exasperated when they learn of the dizzying array of taxes in the plan: higher income taxes (\$123 billion), an energy tax (\$78 billion), higher corporate taxes (\$28 billion) and taxes on Social Security benefits (\$23 billion).

Yesterday, Mr. Rostenkowski even had the Democrats caucusing in some secret part of the building to avoid debate. The Democratic leadership plans a lightning-fast floor vote in late May, before the Democrats suffer possible humiliation in the June 5 Texas Senate race, which is fast becoming a referendum on the Clinton budget plan.

Democrats are clearly nervous about the bill's prospects. "I think they'll put a bill together, do a whip count and find they don't have the votes to pass it," says Democratic Rep. Bob Carr of Michigan. "I think it's going to take some fairly significant engineering to get this done."

A key to that "engineering" is the closed committee drafting sessions in Ways and Means. Chairman Rostenkowski thinks he can stonewall attempts to open up. But the chairman is also on record as saying he wants to know what voters think about taxes. Under the circumstances, if he doesn't open up, we suspect the American people are likely to give him an earful.



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RICHARD W. POMBO
11TH DISTRICT, CALIFORNIACOMMITTEE ON AGRICULTURE
COMMITTEE ON NATURAL RESOURCES
COMMITTEE ON MERCHANT MARINE
AND FISHERIESTASK FORCE ON PRIVATE PROPERTY RIGHTS
CHAIRMANWASHINGTON ADDRESS:
1519 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0811
(202) 226-1947DISTRICT OFFICE ADDRESS:
2521 WEST MARCH LANE
SUITE 200
STOCKTON, CA 95207
(209) 951-3091**Congress of the United States**
House of Representatives
Washington, DC 20315-0311**BIOGRAPHY OF CONGRESSMAN RICHARD W. POMBO**

Richard Pombo was sworn in to his first term in the House of Representatives on January 5, 1993. The Congressman represents the Eleventh District of California, which includes San Joaquin County and a part of Sacramento County. He previously served as a city councilman in Tracy, California from 1991 to 1992.

Mr. Pombo has been assigned to the House Agriculture Committee, the House Merchant Marine and Fisheries Committee, and the House Natural Resources Committee. His subcommittee assignments include areas covering specialty crops, domestic and international agricultural marketing, livestock, farm credit, water policy, mining, and navigation.

The Chamber of Commerce publication Nation's Business has cited Mr. Pombo as a Congressman with "experience many believe is sorely lacking in Congress - business sense." He has also been singled out by National Review and American Spectator magazines, columnists Evans and Novak, and the Wall Street Journal as one of the rising stars of this year's freshman class.

Mr. Pombo has consistently supported policies to attract business to California's Central Valley. He was instrumental in forming the public-private partnership which led to a new Safeway Stores Distribution Center in Tracy, creating 1,200 jobs.

Mr. Pombo is one of the co-founders of the San Joaquin County Citizen's Land Alliance. The Alliance is a group of farmers and property owners who believe in private property rights, and fight attempts by government to strip these rights away from citizens.

A fourth generation Californian, Mr. Pombo and his family are active in both farming and ranching, with a wide variety of business interests including dairy, farming, trucking, and beef cattle operations.

Mr. Pombo was born in Tracy in 1961, and attended California State University at Pomona. Richard and Annette Pombo have been married since 1983 and make their home in Tracy with their son, five year old Richard Jr., and daughter Rena, born in April 1993. They are members of St. Bernard's Catholic Church. Mr. Pombo is a member of the Tracy Rotary Club, and has been an Amway distributor since 1979.

* * *

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Congress of the United States
House of Representatives
Washington, DC 20515-0511

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ATTN.
JANET ZERBE
page one of
eighteen pages.

THIS IS WHAT DOLE
RECEIVED ON FRI. NITE.



DIAMOND WALNUT GROWERS, INC. A Grower-Owned Cooperative Marketing Association

LET'S GET THE FACTS STRAIGHT

Prepared by
Diamond Walnut Growers, Inc.

In rebuttal to:
THE LABOR-MANAGEMENT CONFLICT
AT DIAMOND WALNUT GROWERS
(by Karen Nussbaum,
U.S. Department of Labor)

In October 1993 the Department of Labor issued a report on the labor dispute between Diamond Walnut Growers and Teamsters Local 601. The report was prepared by Karen Nussbaum, Director of the Labor Department's Women's Bureau. It contains substantial errors, flawed assumptions and significant omissions which distort her portrayal of this dispute and unfairly criticize Diamond. This rebuttal challenges the report by offering an accurate chronology of the dispute and factual information on key points.

CHRONOLOGY OF THE DISPUTE

Diamond Walnut Growers is a California agricultural cooperative with a processing facility in Stockton. More than 2,000 growers are members, each of whom owns, on average, 36 acres of walnut orchards. The Stockton facility employs 300 regular, year-round workers and 450 seasonal workers during the September through October critical harvest season.

From 1956 to 1991 Diamond had an excellent working relationship with Teamsters Local 601, experiencing only one over-day strike during that period. In the early 1980s, depressed walnut prices forced Diamond to reconsider its wage and benefit structure, which was about double that of its competitors (as shown in Exhibit A). As a result, Diamond and Teamsters Local 601 successfully negotiated an agreement in 1985 that included significant wage-rate reductions, offset some of the differential lump-sum payments due to \$11,000 per individual to affected employees.

Nussbaum was a former official of organized labor groups, including the Labor Department's Women's Bureau. A year ago, Nussbaum testified before a subcommittee of the House of Representatives and held various meetings with the Civil Liberties Union and other groups.

Box 100, 2214 Stockton, CA 95209 • Phone (916) 471-6300
1080 S. 2nd Street, Stockton, CA 95204 • FAX (916) 471-6300

However, even after these reductions, Diamond remained the industry leader in employee compensation. In the 1988 negotiations, a federal mediator from the Federal Mediation and Conciliation Service successfully intervened. The final agreement provided wage increases and worker classification upgrades which resulted in a 33 percent increase, on average, for regular employees' compensation over the next three years.

After negotiations began in April 1991 on revisions to the 1988 contract, Diamond, facing a new and inexperienced union negotiating team, became concerned about the lack of progress and sought help from the Federal Mediation and Conciliation Service, which provided one of its top mediators, Dorothy Christensen. Negotiations continued to drag, with two major sticking points:

Whether employees should begin sharing rapidly escalating health care costs, with Diamond suggesting that employees bear about 9% of that burden (see Exhibit B); and

Whether a form of profit sharing should be implemented, with Diamond proposing, on top of across-the-board wage increases, additional compensation based on the company's performance.

Teamsters Local 601 flatly opposed both proposals, both in detail and in principle.

On September 3, 1991, the company revised its offer, incorporating suggestions of the federal mediator. The union failed to submit this offer to the workers for a vote and, instead, called a strike.

The September 4 strike was deliberately timed to coincide with the beginning of the annual walnut harvest, during which walnuts had to be processed at once to avoid spoiling. Hiring replacement workers was the only way Diamond could process the walnuts harvested in 1991. Without them, Diamond, its grower members, and their families would have suffered disastrous financial losses which would have had a ripple effect throughout the Northern California economy.

In order to get skilled workers--machine operators, mechanics, quality control personnel, walnut graders and forklift drivers--to risk the personal safety of themselves and their families in crossing the picket line every day, it was necessary to offer the new hires "permanent replacement" status under the National Labor Relations Act. Most of the replacements are still working for the company; about 35 people from the striking work force have returned to Diamond.

In April 1992 Teamsters Local 601 requested the NLRB to conduct an election among all Diamond employees--strikers and workers--to determine whether the union would continue to represent the workers. An election was conducted in 1992, but the NLRB recommended a rerun. The rerun election was conducted on October 7 and 8, 1993, and the final results hopefully will be announced soon.

THE DEPARTMENT OF LABOR REPORT: FICTION AND FACT

DIAMOND'S PROFITABILITY

FICTION: "By the 1991 negotiations, the company had realized high profits for four years, with the average rate of return on investment at close to 40%." (DOL p. 2)

FACT:

Nussbaum does not understand cooperative financing and reporting. Diamond, which is owned by walnut grower members versus private investors, returns almost all of its annual earnings to members. Because Diamond operates with a minimum of fixed equity investment, return on equity alone is misleading. If one includes money owed to owners in the form of current member accounts, the return on "equity" averaged 22% over the four years referred to by Nussbaum. The average for U.S. food processing companies for the same period of time was 25% (Deloitte and Touche Benchmark for Success, Fiscal Year 1992).

One can also examine Diamond's pre-tax earnings as a percentage of total net sales. Exhibit C shows four-year average earnings of 5.4%, compared to an average of 7.5% for the U.S. food processing industry over the same period.

Diamond profits are not high or excessive. They are typical of food processing companies. This profitability is fundamental to job continuity for Diamond employees, a factor ignored by Nussbaum.

DIAMOND'S COMMITMENTS TO LOCAL 601

FICTION: In 1991, workers felt a "sense of betrayal when the company's high profitability did not lead to restoration of their 1985 wages . . . the company had again changed management and had also decided to retain the lower wage scale." (DOL p. 2)

FACT:

In 1985 Local 601 members agreed to a permanent restructuring of wage rates. These new wage rates were still well above competitive levels. There was no commitment that pre-1985 wages would be restored in the future. This course was set in 1985 and, management changes notwithstanding, the company has remained on this course.

During the late 1980s, Diamond moved to upgrade the work force through training programs to qualify people for higher-skilled, higher paying jobs in the plant. This resulted in a 33% increase in wages and benefits on average over the three-year life of the 1988 contract. (A competitive wage rate comparison for 1991 is attached as

Exhibit D.) In 1991 Diamond implemented the Grower Return Incentive Plan so workers can participate in the company's profitability. In 1992 that plan generated 63 cents per hour, an additional increase of approximately 7.5% in wages for the average regular employee. The GRIP payments were in addition to wage increases.

Not only does the Nussbaum report virtually ignore these wage advances, it fails to explore the role of Teamsters Local 601 leaders in falsifying the "promises" of 1985, setting wage expectations that ignore the competitive realities of the walnut business, and informing Diamond's union employees on this issue. •

WALNUT INDUSTRY WAGE COMPARISONS

FICTION: Diamond should base its wage comparisons on "major industrial plants in the state" rather than on other processors in the walnut industry. (DOL p. 2)

FACT:

This argument is ludicrous. Diamond does not compete with other major industrial plants. It competes with mostly non-union independent handlers with lower overheads and lower wage/benefit structures. Diamond also competes with low-cost producers in China, Chile, India and the European Community, where growers benefit from direct government subsidies through Europe's Common Agricultural Policy. To ignore these realities in formulating the wage structure of the cooperative would be irresponsible and extremely dangerous. By keeping Diamond competitive, jobs are kept in the United States.

DIAMOND'S USE OF REPLACEMENT WORKERS

FICTION: Diamond's actions have special implications "for Hispanic women and other minority and immigrant workers . . ." Diamond replaced an older female work force with "new younger and cheaper replacement workers." (DOL p. 3 and p. 4)

FACT:

When the work force walked out at the critical fall processing season, Diamond had no choice but to hire replacement workers. Diamond tried desperately to retain the experience and the expertise of its long-time workers for the 1991 season and beyond, but they chose to strike. Nussbaum claims that this work force was 70% female, when it was actually 52% female. The replacement workers hired in 1991 reflected the pool of applicants at that time, which was predominantly male. Today's work force is 78% male, and its ethnic composition is almost identical to that of the striking work force. (Please see Exhibit E.) The charge that Diamond has disadvantaged women or a single ethnic group or ethnic groups in general is entirely false. We provide jobs with excellent wages and benefits to qualified applicants, regardless of gender or race. The current work force is not comprised of "cheaper replacement workers."

COMMUNITY IMPACT

FICTION: "... the devaluation of wage rates at Diamond Walnut is seen as a threat to the economic health of the entire San Joaquin valley." (DOL p. 3)

FACT:

Nussbaum is fostering a myth that Diamond has devalued wage rates in the community. Diamond's strong wage and benefit profile outdistances all others in the California walnut industry, and the cooperative provides a solid core of well-paid jobs in San Joaquin County. Despite union efforts to disrupt Diamond operations, the company has remained at full employment levels throughout this dispute and maintained its role as a vital element in the economic life of this community.

The Nussbaum report should have explored the economic consequences to San Joaquin County and the larger central valley had Local 601 been successful in its attempt to prevent this cooperative from processing the 1991 crop. The economic damage would have been extensive and, for many Diamond growers, permanent. For growers whose farms are leveraged, the loss of an entire crop would mean the loss of the farm.

DIAMOND'S FINANCIAL CONDITION IN 1985

FICTION: Wage-rate reductions were necessary in 1985 because "management itself precipitated the financial emergency by overpaying growers." (DOL p. 10)

FACT:

Grower overpayments were discovered late in 1985, several months after the 1985 contract was signed. There was no relationship whatsoever between these overpayments and the compelling need to lower labor costs at the plant. Diamond's contract with Teamsters Local 601 prior to 1985 was economically unsustainable because the wage and benefit structure was about double that of Diamond's competitors in the walnut industry. Industry wage comparisons for 1985 and 1991 are attached as Exhibits A and D. Diamond is the industry leader in wages and benefits, a position it takes pride in and one it intends to maintain. The cooperative cannot, however, sustain wages that further outdistance its competitors.

NEW TECHNOLOGY

FICTION: Cost savings from reduced wages were "used to buy state-of-the-art equipment and automate the plant." (DOL p. 10)

FACT:

The movement toward improved technology during the past decade has been financed by borrowed money and by grower equity. The impetus for these improvements derived from scientific advances that made laser and acoustical technologies available for food processors. Diamond moved quickly to take advantage of these new methods for providing higher-specification product to customers and secure its position as a preferred supplier. Keeping abreast of the technology available to the industry is key to the long-term success of the cooperative and thus its employment base in the community.

CONCLUSION

Although the stated purpose of the Nussbaum visit was fact-finding, many of the "facts" presented are not valid, and entire areas germane to an understanding of the issues involved were not examined. An accurate, thorough discussion of this labor dispute should have included the following:

A review of the economic consequences to Diamond walnut growers, San Joaquin County and the Central Valley had Local 601 been successful in its attempt to prevent the cooperative from processing the 1991 crop.

A review of Teamsters' delaying tactics in the election process on the lives of replacement workers. The Nussbaum report totally disregards the replacement workers—who are also human beings. These workers have suffered much abuse in crossing the picket line and they continue to suffer uncertainty about their future job security. They, as well as strikers, deserve a speedy resolution to the voting process.

A review of the politics of Teamsters Local 601. Such an examination would disclose that leadership changes and the associated battles for the office of secretary-treasurer have impaired the effectiveness of Local 601 to serve its members. The local union office has also been distracted by charges of election fraud and mismanagement of funds. The politics and problems at Local 601 have had a direct bearing on setting the stage for this vicious strike against Diamond.

These elements would have added a more complete dimension to the report and its conclusions. Without them, the report and the motives behind it must be questioned.

1985

COMPETITOR WAGE RATES

Dollars Per Hour

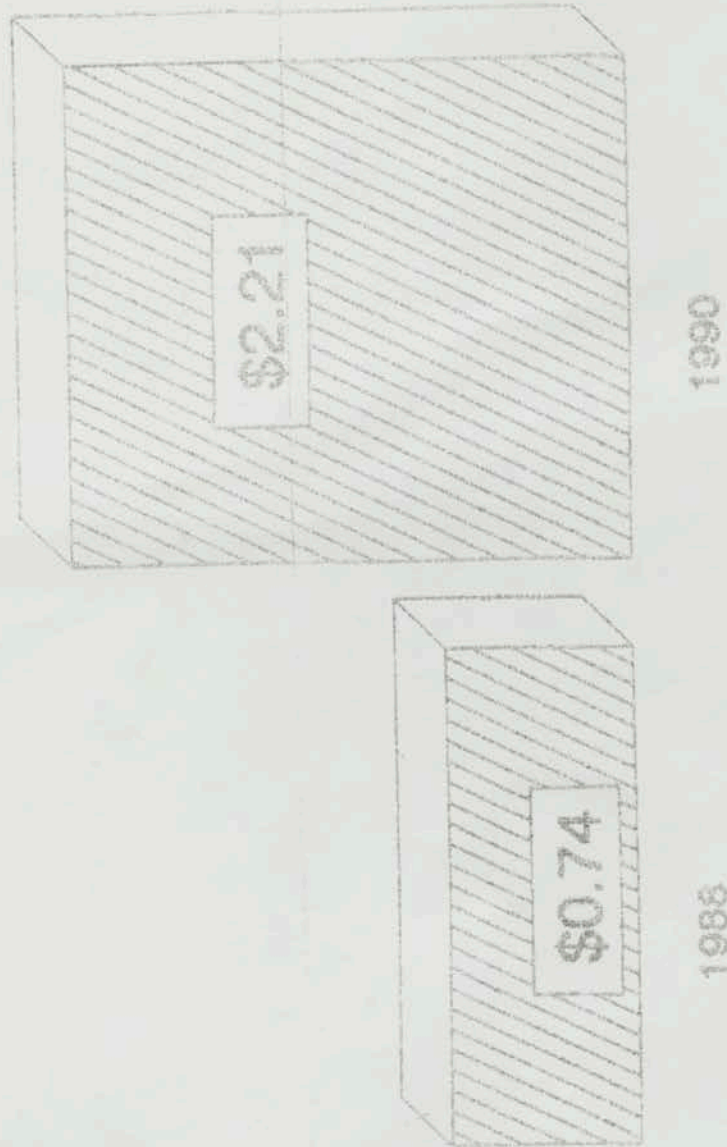
Before Benefits

Job	Diamond Rate	Competitor												
		A	B	C	D	E	F	G	H	I	J	K	L	M
Production Worker	8.43	6.05	5.14	7.86	6.00	5.84	4.00	4.00	4.75	3.50	3.54	3.90	6.15	3.35
Forklift Operator	11.90	8.53	6.57	8.66	8.00	7.41	4.00	4.00	4.75	3.75	--	--	--	4.00
Mechanic	13.12	9.40	7.60	11.50	8.00	9.26	4.00	4.00	--	--	--	--	--	4.00

Source: Telephone survey, May 1985

NOTE: Diamond had a far more extensive benefit package than its competitors.

Diamond Walnut Growers, Inc. Health Benefit Cost Per Hour



Source: Human Resources Department

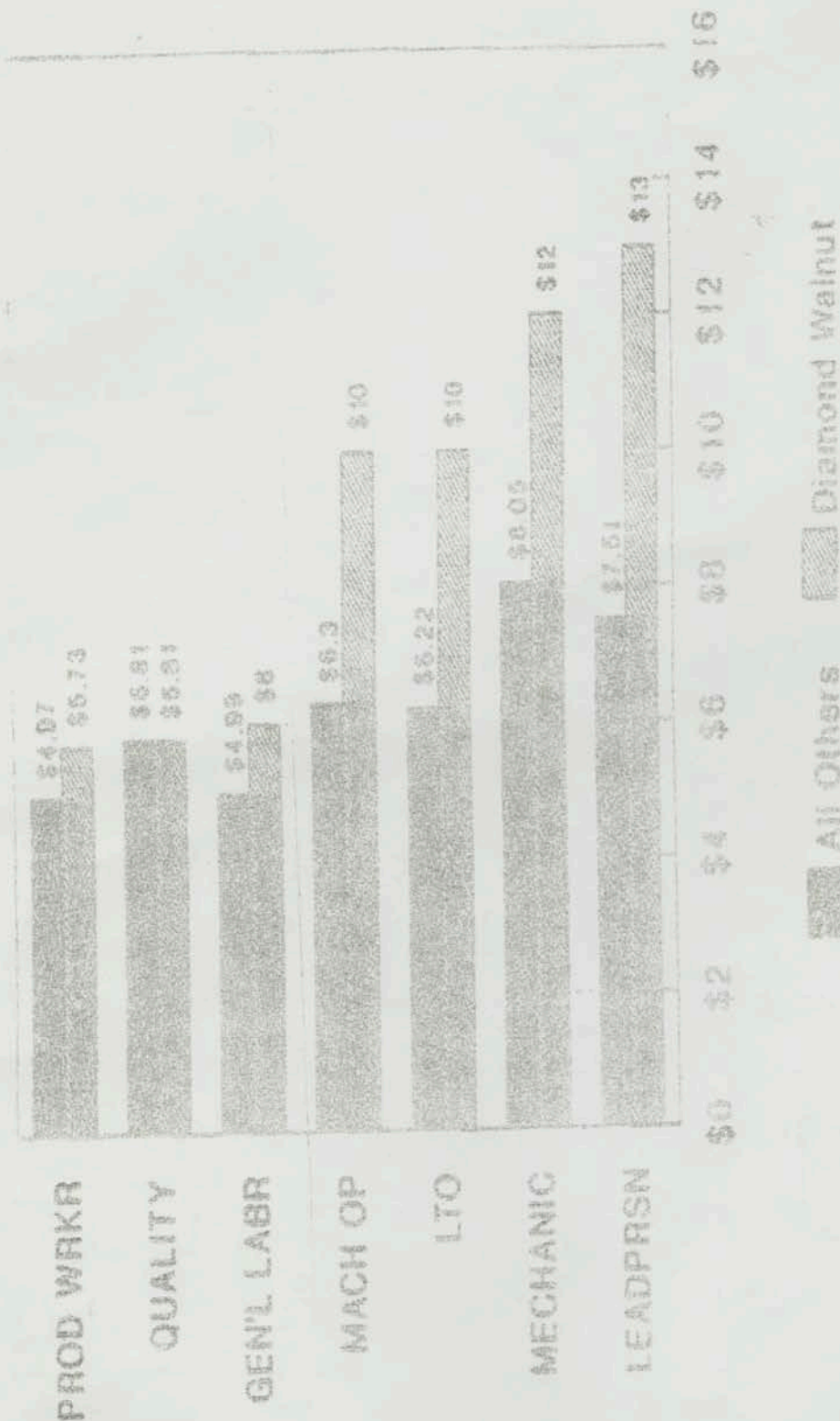
DIAMOND WALNUT GROWERS, INC.
 EARNINGS PROFILE
 (000'S OMITTED)

	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Sales	\$157,815	\$167,510	\$171,091	\$184,315
Net Proceeds	5,776	12,944	10,569	7,494
Earnings as a percentage of total net sales	3.7%	7.7%	6.2%	4.1%
Average food processor earnings before taxes*	7.0%	7.5%	7.7%	7.9%

<u>Four Year Average</u>	
Diamond	6.4%
U.S. Food Processors	7.5%

*Deloitte and Touche Benchmark For Success (Fiscal Year 1992)

WALNUT COMPETITORS' WAGE SURVEY (Excluding Fringes)



SURVEY CONDUCTED JANUARY 1, 1991

Diamond Walnut Growers, Inc.

WORKFORCE PROFILE

Pre-Strike Workforce

May 1991

Age: 45

Years of Service: 6

Dependents: 1.75

Males: 48%

Females: 52%

White: 39%

Black: 12.3%

Hispanic: 36.2%

Asian: 12.3%

Replacement Workforce

August 1992

Age: 35.9

Years of Service: 2.1

Dependents: 1.63

Males: 76%

Females: 24%

White: 36%

Black: 13%

Hispanic: 35%

Asian: 15%

American Indian: 1%

Source: Employment Records, Diamond Walnut Growers, Inc.

U.S. Department of Labor

Women's Bureau
Washington, D.C. 20210



THE LABOR-MANAGEMENT CONFLICT AT DIAMOND WALNUT

A Report to
Secretary of Labor Robert Reich

By Karen Nussbaum
Director, DOL Women's Bureau

*The Voice of Working Women for 70 Years
1920 - 1990*

INTRODUCTION

For more than two years, approximately 500 members of Teamsters Local 601 have been on strike against Diamond Walnut Growers Cooperative in Stockton, California - the world's largest walnut processor. Seventy percent of the strikers are women. A majority of them are from minority communities, many of them older Hispanic women who have worked at the company for years.

On August 5-6, 1993, I went on a fact-finding trip to Stockton to assess the issues and circumstances of this lengthy and bitter conflict and report back to Labor Secretary Robert Reich. I was also asked to report back to Senators Diane Feinstein and Barbara Boxer, as well as a number of members from the Northern California Congressional delegation.

What seemed noteworthy about the situation in Stockton was not just the particulars of this one strike, which has caused long-term disruption to the community, but also the extent to which it has its roots in the labor history of the past twelve years.

As I met with management representatives, community leaders and the strikers in Stockton, I urged that we close the book on the labor legacy of the 1980s. The settlement of the Greyhound conflict and the decision that PATCO strikers can be rehired as federal traffic controllers help set the tone for a more cooperative future.

However, settling the Diamond Walnut strike will not be easy. Both the company and the union are deeply committed to their mutually incompatible positions. It will require active involvement and leadership from the broader spectrum of concerned parties to encourage a successful resolution.

There is one recent development which makes this an opportune time to press for a settlement. On September 3, 1993, the National Labor Relations Board Hearing Officer in Region 32 ruled that the company had violated labor law in ways that invalidate a previous election decertifying the Teamsters as bargaining agent for the Diamond Walnut workers.

Although a new election is scheduled in the near future, it is unlikely that this would put an end to this conflict. Neither side is likely to accept an adverse outcome, leading to protracted legal proceedings. Additional action is necessary to achieve a workable compromise.

This report was developed with information supplied by both the company and the union. I hope it will help clarify the avenues we might explore to yield a much-needed settlement.

SUMMARY

This is a situation where most of the facts are not, generally, in dispute. Rather, it is a case of conflicting motives -- and understood as such by the parties. Here is a summary of findings, augmented in the remainder of the report.

- (1) In 1985, the union agreed to huge wage concessions and high performance strategies that moved the company from the edge of bankruptcy to a high level of profitability.

In 1985, Diamond Walnut experienced severe financial difficulties and faced possible bankruptcy. Management appealed to the union, which agreed to pay cuts of 30-40% -- typically from more than \$10 to \$7 an hour. Workers also reorganized into high performance teams to identify other cost savings.

- (2) The 1991 strike was precipitated by the workers' sense of betrayal when the company's high profitability did not lead to restoration of their 1985 wages.

By the 1991 negotiations, the company had realized high profits for four years -- with the average rate of return on investment at close to 40%. However, by that time, the company had again changed management, and had also decided to retain the lower wage scale. This was viewed as a betrayal of the sacrifices made by union members in 1985, and undermined six years of labor-management cooperation.

- (3) The company continued to keep wages low, despite healthy profits, on the rationale that their wages still exceed those for other walnut producers.

Although Diamond Walnut alone accounts for more than half the United States Walnut industry, it has based its wage comparison on much smaller independent producers of nuts and dried fruits. The union makes a compelling argument that a better comparison is with other major industrial plants in the state, where workers at the lower end of the wage scale typically make a third more than at Diamond Walnut.

- (4) Management was angered that the union struck at the beginning of the harvest season (September 4, 1991) and immediately hired replacement workers.

The replacement workers were initially asked to sign letters allowing that they could be let go at any time for any reason. However, by the time the harvest was successfully completed at the end of October, Diamond Walnut had decided there was no need, or desire, to ever rehire the strikers.

- (5) The hiring of replacement workers dramatically changed the composition of the Diamond Walnut workforce.

In 1983 the regular workforce profile was 2/3 women, with an average age of 45, 3 dependents and 11 years of service. As of August, 1992, the employees were more than 75 percent male, with an average age of 35.9, 1.63 dependents and 2.1 years of service.

- (6) The hourly wage rates for many Diamond Walnut workers remain lower than they were prior to the 1985 contract -- and have been further depressed by worker co-payment of health benefits and inflation.
- (7) The situation has been complicated by a lengthy series of National Labor Relations Board objections and appeals. On September 3, 1993, the NLRB Hearing Officer in Region 32 decided several pending issues in favor of the union, voiding a previous election which would have decertified the union. Although the company has sought a new election, that alone is unlikely to resolve this conflict.
- (8) The local union has a high level of support from its membership (fewer than 40 of the original 500 strikers have crossed the line) and from the International Brotherhood of Teamsters, which is waging an aggressive, ongoing campaign to resolve the strike and get its members back to work.

Under the new presidency of Ron Carey, the IBT has mounted a highly publicized campaign, including meetings with European unions and major walnut buyers to initiate a boycott of Diamond Walnut products. If the boycott continues to grow, it could cause damage to walnut industry sales, particularly in European markets, due to consumer failure to distinguish between brands.

There is no indication that this struggle will dissipate in the near future, as the union shows every indication of pursuing a heightened and highly visible campaign. The NLRB finding, in fact, provides incentive to the union to intensify their efforts.

- (9) The larger Stockton community is deeply concerned about this ongoing conflict and very eager for any available assistance in resolving it.

A broad spectrum of Stockton's elected officials and community representatives attended a meeting to discuss the Diamond Walnut strike (list attached). In an area where there is high unemployment and few high wage jobs, the devaluation of wage rates at Diamond Walnut is seen as a threat to the economic health of the entire San Joaquin valley. Leaders also noted the special implications this has for hispanic women and other minority and immigrant workers, who form the backbone of the agricultural/cannery workforce.

(10) This strike highlights two larger labor policy issues:

- * High performance strategies required for the high skills/high wage workplace require trust. In the case of Diamond Walnut, workers participated in team concepts, based on an assumption that they would be compensated for their contribution when the company's economic health improved. The fact that the company then refused to follow through creates a climate of cynicism about such strategies on the part of workers and unions.

This is a pattern similar to the recent experience at Caterpillar: performance teams were instituted to achieve higher productivity; there was a change in management, followed by a reversion to the low wage strategy. It is a prime example of why some unions are wary of high performance programs. As such, it presents a major obstacle to creating the high skills/high wage workplace we need for the country's economic well-being.

- * The Diamond Walnut situation demonstrates how hiring permanent replacements causes excessive damage to workers and their communities.

Given current labor practice, there is no incentive for Diamond Walnut to rehire its long-term, older, workforce, rather than keep the new, younger and cheaper replacement workers.

The union has offered to return to work and have all outstanding contract issues submitted to binding arbitration. The company has refused. The company's position is that the replacement workers are now the permanent workforce, and individual strikers can apply for jobs at Diamond Walnut and be hired as openings become available.

The workers' sole precondition is to return to work while retaining union representation. Especially in light of the recent NLRB ruling, it seems punitive that they are being prevented from doing so. If a Workplace Fairness Act prohibiting permanent striker replacements were in place, these workers would be back on the job today.

RECOMMENDATIONS

The decision of the National Labor Relations Board Region 32 Hearing Officer to overturn the previous election that decertified the union has extended the timeframe of this struggle, and provides an opportunity to craft a compromise settlement in the Diamond Walnut strike.

The company has previously argued that the decertification election prevented the company from arriving at any resolution. With the election voided based on employer misconduct, this barrier has been lifted. Although a new election is scheduled, neither side is likely to accept an adverse outcome, resulting in additional, protracted litigation. There must be some movement in other arenas for a resolution to emerge.

The nature of the walnut industry allows several additional opportunities for compromise. Diamond Walnut has a permanent workforce of 300, but hires another 250-300 workers on a seasonal basis. On occasion the plant closes down for short periods of time. This provides some leeway in bringing workers in and laying them off.

In this context, we propose several actions:

- That the Secretary call both sides to a meeting in Washington, chaired by appropriate DOL staff, to develop a mediation process for the dispute.

A local mediator from the Federal Mediation and Conciliation Service (Dorothy Christianson, Oakland Office) was called in during the negotiations, but was unable to reconcile the positions. The union offered to go to binding arbitration, but the company refused. After my discussions with all the parties, I believe that intensified governmental interest in a resolution is needed.

- That, in the event it might facilitate the process, we initiate a community impact study to assess the consequences of the Diamond Walnut strike (and the use of permanent striker replacements) on the community and the region. The study could be implemented by the Office of the American Workplace or an appropriate outside labor-management research organization.

December 1, 1993

TO: Senator Dole
FROM: Mike Torrey
SUBJECT: California mtg. with Lou Souza and John & Carole Harris

Lou Souza...Is the 2nd largest tomato grower in the Stockton area.

John and Carole Harris...Owns Harris farms which is the largest feedlot operation in the state. He also has farm ground (Cotton and Tomatoes) and horses. You have visited the Harris farm before. Also a big giver to Republican politics.

Issues which may come up include:

WATER...As you know, California farmers experienced 6 years of drought and this year they had an abundance of rain. The Harris ranch is located on the west side of the Sacramento/San Joaquin delta which is where the two rivers come together. Most of the water that Los Angeles gets is from this delta. The problem delta farmers are experiencing is that several species in the delta have been listed as Endangered. Consequently, nearly 1 million farm acres are getting 1/2 of their normal water supply.

EPA also intends to announce water quality standards on December 15 which will affect the delta. It is expected these standards will provide more water for fish and wildlife and less for farmers.

As you can imagine, there are alot of hard feelings against the federal government in this area of the state.

ENDANGERED SPECIES ACT (ESA)...There may be action on reauthorizing the ESA in 1993. There are two bills receiving attention in the Senate--S.B. 921 (Baucus) and S.B. 1521 (Shelby/Gorton). The latter is supported by many of the ag groups. S.B. 1521 considers the economic impacts on communities and strengthens the role of science in determining the listing of a species as endangered. Whereas S.B. 921 does not address the issue of private property rights and it extends immediate protection to 3700 candidate species.

NAFTA...Mexico cannot satisfy it's domestic market with high quality U.S. cotton. NAFTA will phase out the 10% tariff over 10 years. Estimated export growth over the long term is 30%.

MARKET PROMOTION PROGRAM...This may come up. Californians support this program. Funding for MPP has been cut from \$200

million in 1992 to \$100 million on 1994. It gets cut every year because of the extreme budget pressure. Other countries however have strong market promotion programs which USDA is researching. The agency may use this argument in 1994 to justify the existing U.S. program.

MINOR USE PESTICIDES...This may be of interest to Souza. You are a co-sponsor along with 41 others. The bill will not move out of the ag committee until a larger bill such as food safety moves.

COPY

November 19, 1993

TO: Senator Dole
FROM: Jim Whittinghill/Torrey
SUBJECT: Clinton's "War on the West"

Below is a summary regarding the message being sent out by Clintons point man on western state policy--Bruce Babbitt.

--To date Babbitt seems more interested in the approval of the Eastern media and winning California in 1996 than his neighbors in the West, where he is the landlord for a great share of the land.

--In New Republic earlier this year, Babbitt said that if he accomplishes his agenda, Clinton will not carry a single Rocky Mountain state in 1996, but, he will carry California.

--His water policies, which are part of each of his proposals, threaten an important part of the West's economy and culture, as well as states' rights.

--His timber plan for the Northwest could cost 80,000 jobs, drive affordable housing out of reach for first time home buyers, and increase our balance of trade deficit by billions of dollars. It is based upon a study of owls, which has become the laughingstock of serious biologists, performed by a biologist Clinton just named to be the new Chief of the Forest Service over the objections of over 100 of the nation's top professional managers in the Forest Service. Clinton promised that his "Timber Summit", held last April, would solve the problem within 60 days with no net-loss of jobs. Nothing has yet been done and yet the Administration's own estimate of job losses has increased from 5200 to 66,000.

--His proposal to create a "National Biological Survey" ran into trouble in the House of Representatives when it was discovered that it authorized volunteers from environmental groups to traipse around on private property without permission from the owners, and then keep the information from the land owner by shielding the information from the application of the Freedom of Information Act.

--His mining bill imposes the highest royalty in the world (according to the U.N.) on U.S. mineral production, and could result in the loss of 40,000 U.S. jobs in the hard rock mining industry, which are the highest paying jobs in the U.S. manufacturing sector, according to the Bureau of Labor Statistics.

--Babbitt's compromise he negotiated with Senator Reid on the Appropriations Bill, would not only have imposed a higher grazing fee, but would also have usurped states water rights giving the Federal Government the right to all western water, and placed 19 pages of new laws on the way ranchers do business making it virtually impossible to make a living. All this without holding a single hearing on these important issues. Babbitt has since promised to effect all these changes Administratively.

MEMORANDUM

DECEMBER 2, 1993

TO: SENATOR DOLE
FR: RICHARD McBRIDE
RE: CALIFORNIA TRIP

Following is background information regarding your trip to California.

Announced

Congressman Michael Huffington
Kate Squires

Probable

Congressman Bill Dannemeyer

UPDATE: Congressman Michael Huffington, elected in 1992, and attorney Kate Squires, have announced for Senate. Former Congressman Bill Dannemeyer may also be a candidate. Based upon a September 1993 poll, Dianne Feinstein maintains a 48% approval rating while 44% find her performance either fair or poor. Feinstein has the full backing and support of both the California and national Democratic parties and has been given a very visible leadership role. Even Senator Boxer, a keen publicity seeker, has allowed Feinstein the California and national media spotlight on issues such as base closings and the Clinton budget proposal. What is interesting -- and encouraging -- about Feinstein is that her negatives have not declined very much since the '90 gubernatorial race, even in spite of fawning press coverage and the obviously advantageous comparison to the acerbic Barbara Boxer. Specifically, Feinstein's negatives range from a low of about 30% to a high of 40+% when anything even mildly negative happens to her.

Huffington has proven that he's willing to put his money where his mouth is: he spent over \$5 million dollars to win his House seat in the '92 elections and has given no indication he would change his tactics in order to beat Feinstein. Huffington's strengths are:

1. Very large personal resources equal to or exceeding Feinstein's.
2. Conservative on fiscal issues, moderate on social issues -- the model of the typical successful GOP candidate.
3. A professional team of campaign staff and advisors.

His weaknesses are:

1. Has been a Congressman for only ten months.
2. From Santa Barbara, giving him little base in vote-rich Southern California.
3. Perhaps too "moderate" on social issues for the GOP base (e.g., firmly favors gays in the military).

34-year-old Kate Squires, an attorney from Irvine, is the Founder, President, and CEO of LawPrep, Inc., a national education and publishing company that prepares students for their first year of law school. She has taught at Pepperdine University and the University of California in Irvine, and has a Juris Doctorate, LL.M., and Masters in Divinity.

GUBERNATORIAL: From the first of 1993 through the summer, Governor Wilson's popularity plummeted and his approval ratings continued to drop. A March 20-22 LA TIMES poll showed that only 30% approved of Wilson's job performance, 59% disapproved. However, a September '93 LA TIMES poll shows Wilson gaining ground in a head-to-head against potential Democrat candidates Kathleen Brown, State Treasurer, and John Garamendi, Insurance Commissioner:

	September '93	March '93
Wilson	40%	31%
Brown	48%	53%
Wilson	39%	34%
Garamendi	49%	51%

Wilson's latest immigration proposal seems to have caught the attention of the electorate and has resulted in more favorable numbers. Wilson has called for a constitutional amendment to change the citizenship requirements so that mothers of children born on U.S. soil must be U.S. citizens for their children to have citizenship.

Wilson also seems to be gaining with the Republican party. Tirso Del Junco, former GOP Chairman under Governor Deukmejian, was re-elected to that post during the February state convention. A surgeon and resident of Los Angeles, Del Junco has vowed "to do everything I can to reelect our man Wilson in 1994." Furthermore, in deference to the conservative wing of the Republican party, Wilson nominated a strong conservative to the post of California state schools chief, promising an extensive political campaign to win her confirmation over the firm opposition of Assembly Speaker Willie Brown. In addition, Wilson is in the process of choosing a lieutenant governor running mate, and is looking at only staunch conservatives from Southern California.

Potential Democratic opposition to Wilson includes State Treasurer Kathleen Brown (sister of Jerry Brown), Assembly Speaker Willie Brown, Insurance Commissioner John Garamendi, Lt. Governor Leo McCarthy, and Controller Gray Davis. Brown and Garamendi are the most likely to be nominated.

TRENDS: Since the late 1970s and until the 1992 elections, Californians voted consistently for Republicans for their highest offices. In statewide elections, Reagan and Bush carried the '80, '84, and '88 presidential, Deukmejian carried the gubernatorial in '82 and '86, and Wilson won the senate races of '82, '88 and the gubernatorial in 1990. Cranston was the only Democrat that bucked the Republican trend, winning by less than one percentage point in 1980 and winning re-election in 1986.

This good GOP performance is in stark contrast to our performance down the ballot. The Democrats have controlled the State legislature since the mid 1970's, and win most of the statewide constitutional offices.

LATEST POLLING INFORMATION:

L.A. Times

10/16-19/93

Feinstein Impression

Positive 59%

Negative 33%

Ballot

Feinstein

49%

Dannemeyer

30%

Feinstein

47%

Huffington

29%

Field

10/93

Feinstein Re-Elect

Inclined 55%

Not Inclined 35%

Ballot

Feinstein 53%

Huffington 27%

Feinstein 54%

Dannemeyer 27%

Feinstein 52%

Squirrs 27%

S.F. Examiner / KNBC

9/93

Feinstein Job Approval

Ex/Good 48%

Fair/Poor 44%

Feinstein Name I.D.

Favorable 43%

Unfavorable 29%

Feinstein Re-Elect

Re-Elect 44%

Consider Other 36%

Replace 17%

Ballot

Feinstein 53%

Dannemeyer 21%

Feinstein 48%

Huffington 21%

Los Angeles Times, 9/93

Job Approval

Approve 46%

Disapprove 26%

Feinstein Re-Elect

Re-Elect 45%

New Person 39%

ELECTION INFORMATION:

Candidate	Raised 6/93	Spent 6/93	PAC \$	COH 6/93	Debt
Feinstein	\$1,592,664	\$791,594	\$444,184	\$862,962	\$1,245
Huffington	\$67,104	\$35,345	\$0	\$39,830	\$11,707

File Date	Primary Date	Coord. Limit
March 11	June 7	\$2,697,654

CALIFORNIA

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

Filing Date: March 10

Primary Election: JUNE 8

POTENTIAL CANDIDATES

REPUBLICANS

Pete Wilson, incumbent

Angela Bay Buchanan, '90 St.
Treasurer candidate

DEMOCRATS

Kathleen Brown, State Treasurer

John Garamendi, St. Insurance Comm.

Early Line

It has not been the best of times for Gov. Pete Wilson, who ranks 48th among the nation's governors in approval ratings taken by Politcal/Media Research last fall. Angela Bay Buchanan, Pat Buchanan's sister and an unsuccessful candidate in 1990 for state treasurer, is a possible primary challenger. Wilson recently announced plans to do Perot-like, non-campaign oriented, infomercials for use on cable tv soon. Characterizing them as the equivalent of a town hall meeting they are paid for by private sources and the project is considered educational, not partisan.

A San Francisco Examiner poll conducted 4/30 showed Wilson leading a number of potential Republican candidates, yet trailing Brown in a head to head matchup.

Wilson Job Approval

Excellent	4 %
Good	24
Fair	31
Poor	41

Wilson Fav//Unfav

29%	44%
-----	-----

GOP Primary Matchups

Wilson	58%	Wilson	58%
Dornan	18	Lungren	14

Wilson	57	Wilson	56
Buchanan	23	Herschn	28

On the Democrat side, state treasurer Kathleen Brown, a more down-to-earth politician than her brother, former gov. Jerry Brown, is considered a powerful candidate. State Insurance Commissioner John Garamendi is achieving recognition for supporting a rollback of insurance rates and instituting a comprehensive health care plan. He has more of a populist image than Brown and his office is more high profile. But Brown has more fundraising clout and good reviews from the media. Both are actively raising funds through direct mail appeals and fundraisers. At the end of 1992, Brown reports over \$2 million raised while Garamendi has over \$341,000. On May 12, Brown called for extending a temporary, half-cent sales tax and dedicating the money to a special fund to reduce the state's growing deficit. The San Francisco Examiner poll showed Brown with a slim lead over Garamendi.

Dem Primary

Brown	35%
Garamendi	32
Undec.	33

General Election Matchups

Brown	45%	Wilson	39%
Wilson	38	Garamendi	37

A Field Poll conducted May 14th indicates the depth of Gov. Wilson's challenge, which may entice more rivals from both parties to throw their hats in the ring.

Wilson Job Performance

	Ex/Gd	Fair	Poor/Vpoor
Now	15%	36%	42%
2/93	25	28	44
9/92	19	28	49
7/92	20	28	45
5/92	30	33	35
3/92	22	36	36
6/91	36	33	24

Performance in Specific Areas

	E/G	Fair	P/Vp
Improve econ conditions for middle class/working cls	12	24	58
Improve quality of higher education	12	21	58
Manage state's financial affairs	12	23	56
Improve quality of elem./secondary schools	10	23	55
Set right priorities for spending tax revenues	13	22	53
Improve climate for business	12	30	51
Protect state residents from crime	14	27	51
Understand /prepare CA for future problems	15	27	49
Keep taxes as low as possible	19	28	47
Improv job opps. for black/Hisp/Asians	16	25	46
Work with Leg. to pass needed legislation	14	30	40
Handle suburban/rural growth problems	10	34	42
Protect CA's environment	20	38	31
Appoint good judges to serve on state courts	21	38	18

Other '94 state-wide offices

U.S. Sen.
Lt. Gov.
Sec. State
Atty Gen.
Treasurer

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.)

(cont.)

Personal

Spouse: Sally

Children: Four

Education: M.D., University of Havana School of Medicine

1903 West Magnolia
Burbank, CA 91506

(213) 662-7032 (o)

(213) 662-7034 (f)

(213) 681-2910 (h)

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.)

(cont.)

1515 K Street
5th Floor
Sacramento, CA 95814

(916) 324-5437 (o)

(916) 324-6734 (f)

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.)

(cont.)

14475 Galy Street
Tustin, CA 92680

(714) 838-3796 (h)

MEMORANDUM

DATE: December 2, 1993
FROM: Rolf Th. Lundberg, Jr.
TO: Senator Dole
SUBJECT: Tariff Acceleration for Wine and Brandy Under
NAFTA

On behalf of Ernie Gallo, you emphasized to the Administration on a number of occasions during the NAFTA process the importance of accelerating the Mexican tariff on wine and brandy.

Your efforts were successful. In an eleventh-hour exchange of letters between Ambassador Kantor and Mexican Trade Minister Jaime Serra Puche, wine and brandy were listed among the products for which the U.S. and Mexico will attempt to accelerate tariffs beginning in January.

Copies of the letters exchanged are attached.

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THE UNITED STATES TRADE REPRESENTATIVE
Executive Office of the President
Washington, D.C. 20506

NOV 3 1993

The Honorable Jaime Serra Puche
Secretary of Commerce and Industrial Development
Mexico City, Mexico

Dear Jaime:

As you know, several United States industries have expressed an interest in obtaining more rapid elimination of tariffs on goods traded between the United States and Mexico than currently provided for in the NAFTA. I am sympathetic in particular to the U.S. producers of wine and brandy, flat glass, home appliances and bedding components such as springs, iron rails and wooden parts.

I believe the quick initiation of a tariff acceleration exercise, as called for in Article 302.3 of the NAFTA, would provide an excellent demonstration of the advantages of a trade relationship governed by the NAFTA. As a result, I am requesting your agreement to announce that the United States and Mexico will begin the first round of tariff accelerations in January 1994, immediately after the NAFTA is implemented, with intention of completing the exercise as soon as is feasible, but in any case in no more than one hundred and twenty days.

Sincerely,

Michael Kantor

Embajador Michael A. Kantor
Representante Comercial de los
Estados Unidos de América
Washington, D.C.

Estimado Embajador Kantor,

Recibí su carta del 3 de
confirmar que, en los términos
Comercio de América del Norte
carta, funcionarios del Gobierno
reunirse con funcionarios del G
con el objeto de alcanzar un acu
la desgravación de aranceles entr

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Unofficial Translation

Mexico, D.F. November 3, 1993

Ambassador Michael A. Kantor
United States Trade Representative
Washington, D.C.

Dear Ambassador Kantor:

I received your letter of November 3, 1993. I am pleased to confirm that, by the terms of Article 302(3) of the North American Free Trade Agreement, and as you propose in your referenced letter, Mexican government officials will be available to meet U.S. government officials with the objective of reaching a mutually satisfactory agreement to accelerate duty reductions between our two countries.

Sincerely

Dr. Jaime Serra Puche
Secretary of Commerce
and Industrial Development

initialled HB



THE

Expanding U.S. Exp



REPORT ON ENVIR

"In the face of all the pressures to do the

(1)



At the Residence of Sam and Nida Bamieh
Hillsborough, California

Trefethen Chardonnay, 1991
Napa Valley

Duckhorn Merlot, 1991
Napa Valley

Moet et Chandon
Epernay, France

*Residence of Sam and Nida Bamieh
Hillsborough, California*

*Trefethen Chardonnay, 1991
Napa Valley*

*Duckhorn Merlot, 1991
Napa Valley*

*Moet et Chandon
Epernay, France*

*In Honor of Senator Robert Dole
Monday, December 6, 1993*

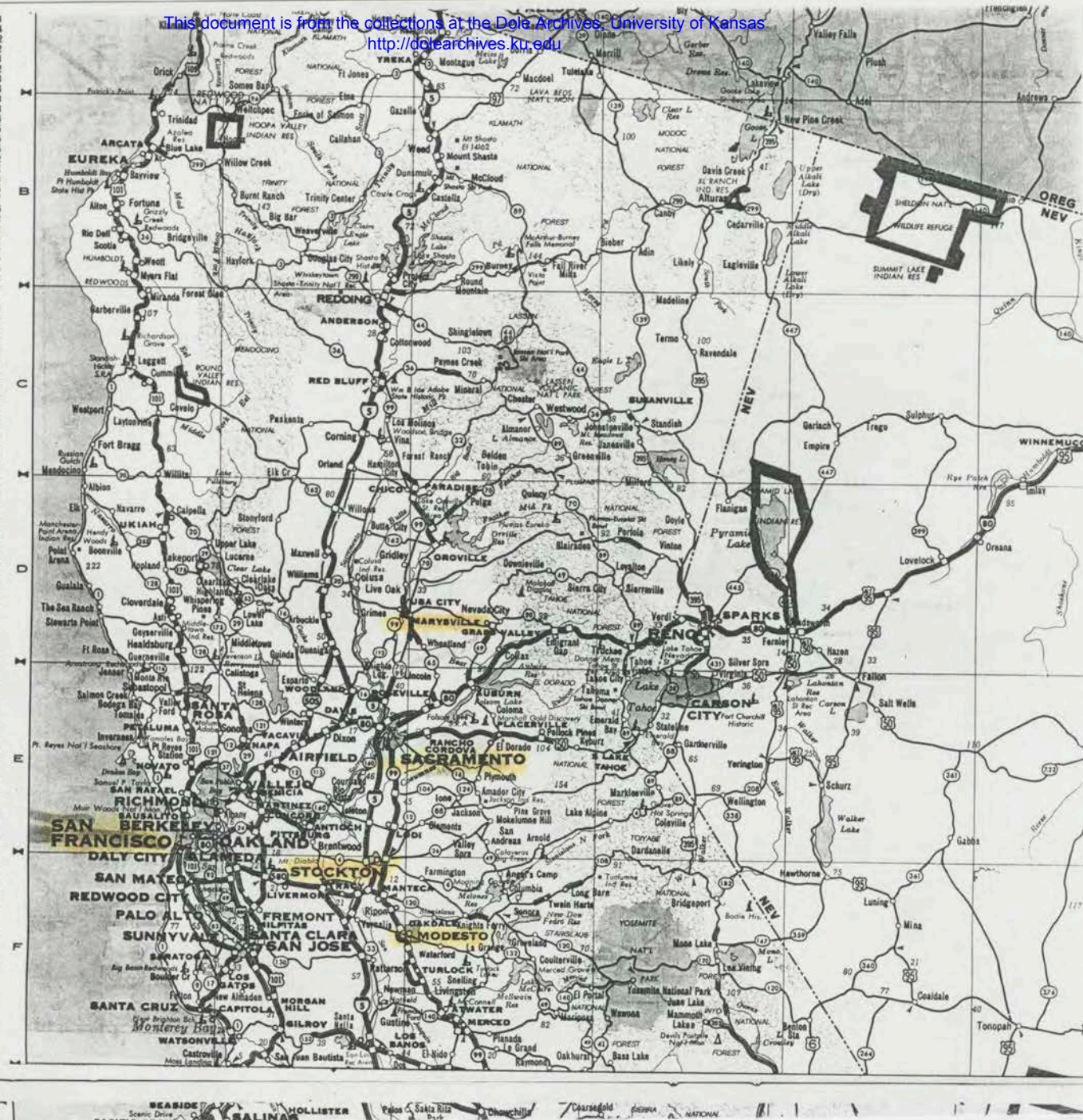
*Napoleon of Buffalo Mozzarella
Served with Tossed Arugola and Radicchio*

** * * **

*Double-Cut Medallions of Veal
Chanterelle Mushroom Sauce
Semolina Cake
Asparagus
Ratatouille*

** * * **

*Chocolate Box with Raspberry Coulis
Petit Fours*



Los Gatos.....	F-2
Madara.....	G-3
Manteca.....	F-3
Martinez.....	F-2
Marysville.....	D-3
Mendota.....	G-3
Merced.....	F-3
Milpitas.....	F-2
Modesto.....	F-3
Mojave.....	I-4
Montecito.....	I-3
Monterey.....	J-3
Moorepark.....	F-3
Moreno Valley.....	J-3
Morgan Hill.....	F-2
Morro Bay.....	H-2
Mount Shasta.....	B-3
Napa.....	E-2
Needles.....	J-7
Nevada City.....	D-3
Newport Beach.....	K-4
Novato.....	E-1
Oakdale.....	F-3
Oceanside.....	K-4
Ojai.....	I-3
Ontario.....	I-4
Orland.....	C-2
Orville.....	C-3
Oxnard.....	F-3
Pacific Grove.....	G-1
Palmdale.....	J-4
Palm Springs.....	K-5
Placerville.....	F-3
Palo Alto.....	F-1
Paradise.....	D-3
Pasadena.....	J-4
Paso Robles.....	H-2
Patterson.....	F-2
Perris.....	K-5
Petaluma.....	E-1
Pittsburg.....	E-2
Placerville.....	E-3
Pomona.....	J-4
Porterville.....	H-4
Project City.....	B-2
Quincy.....	D-3
Ramona.....	K-5
Rancho Cordova.....	E-3
Red Bluff.....	C-2
Redding.....	J-5
Redlands.....	J-5
Redwood City.....	F-1
Richmond.....	E-1
Ridgecrest.....	I-3
Riverside.....	E-3
Roseville.....	E-3
Sacramento.....	E-2
Salinas.....	J-5
San Bernardino.....	J-5
San Clemente.....	K-4
San Diego.....	L-4
San Fernando.....	J-4
San Francisco.....	E-1
San Jose.....	F-2
San Juan Bautista.....	F-2
San Luis Obispo.....	H-2
San Mateo.....	F-1
San Rafael.....	E-1
Santa Ana.....	J-4
Santa Barbara.....	I-3
Santa Clara.....	F-2
Santa Cruz.....	F-1
Santa Maria.....	I-2
Santa Monica.....	J-4
Santa Paula.....	I-3
Santa Rosa.....	E-1
Saratoga.....	F-1
Sausalito.....	E-1
Scotia.....	B-1
Sebastopol.....	G-3
Selma.....	G-3
Shafter.....	H-3
Simi Valley.....	J-3
Solana Beach.....	K-4
Soledad.....	G-2
Sonoma.....	E-2
South Lake Tahoe.....	E-4
Stockton.....	F-2
Sunnyvale.....	F-2
Susanville.....	C-4
Tehachapi.....	I-4
Tracy.....	F-2
Truckee.....	D-4
Tulelake.....	A-3
Turlock.....	F-3
Ukiah.....	D-1
Vacaville.....	E-2
Valencia.....	J-4
Vallejo.....	E-2
Van Nuys.....	J-4
Ventura.....	I-3

