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SENATE GOP 50-POINT SPENDING CUT PLAN
EXPECTED QUESTIONS

THIS IS ONLY ABOUT HALF OF THE PENNY-KASICH PLAN. WHY AREN'T YOU TRYING TO DO MORE?

Three comments:

- 32 of the recommendations in our plan were not part of the Penny-Kasich proposal. Our plan is about more than just spending cuts. It includes serious proposals designed to improve government performance and accountability and improve the legislative process.
- More than \$20 billion of the savings in the Penny-Kasich plan came from reducing the number of Federal employees by 252,000 over 5 years. At last count, that spending cut was in 7 different bills. We decided not to include this cut in our plan because the Senate has already voted 94-4 to spend that money to fight crime, put more police on the street, build more prisons and make schools safer for our children.
- The Penny-Kasich plan also included \$30 billion in entitlement spending cuts. We believe that efforts to control entitlement spending should be considered as part of a comprehensive budget process. I want to remind you that the budget alternative plans that we proposed earlier this year included proposals to limit the growth of entitlement spending.

ARE THERE ANY DEFENSE CUTS IN YOUR PLAN?

- A number of the proposals in our plan -- like procurement reform and requiring that DoD contract out for non-core functions -- will save the Defense Department billions of dollars. But, we believe that defense is already being cut too drastically; so we are not claiming these savings in our estimates. Instead, we hope these recommendations would free up additional funds and help offset the drastic defense cuts that have already been approved.

WHEN DO YOU PLAN TO INTRODUCE THIS PLAN?

- We hope to introduce this plan when Congress reconvenes next year.

DO YOU EXPECT ANY VOTES ON THIS?

- It depends on the Congressional schedule. It is my hope that the Senate will take up the House-passed spending cut bill early next year. If we do, we may want to offer this as an amendment.

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GOVERNMENT DOWNSIZING, PERFORMANCE AND ACCOUNTABILITY ACT

Preliminary 5-Year Savings Estimate -- \$50.7 Billion

SECTION I -- SAVING THE TAXPAYERS MONEY

Part I: SPECIFIC SPENDING CUTS

	SOURCE	5-YEAR ESTIMATE (\$ In Millions)
1 Legislative Branch, Reduce Appropriations 7.5%	K,S	711
2 Members of Congress, COLA Reform	K,S	2
3 Executive Office of the President, Reduce Approps 7.5%	N*,G*,S*	106
4 Federal Overhead Expenses, Cut \$3B/year for 3 years	Hutchison	36000
5 Rescind Certain Unobligated Foreign Assistance Funds	S	1000
6 State Department Mission Operating Costs	N,G,K,S	624
7 Repeal Prohibition on Use of Davis-Bacon Helpers	G*	580
8 Federal Arts & Humanities Funding, Phase-In 10% Cut	K,S	441
9 Federal Buildings, 1-year Moratorium on Construction of Net New Office Space	K*,S*	450
10 Appalachian Regional Commission, Freeze at FY93 Level	K,S	160
11 Legal Services Corporation, 50% Cut	K*,CBO*,S*	1030
12 CDBG at President's FY94 Request & Freeze through FY98	CBO*,S*	900
13 TVA, Reduce Nonpower Programs by 33%	K,CBO,S	132
14 Substitute Vouchers for New Construction of Public Housing	K,S	318
15 Increase Reemployment Programs for Occupationally- Disabled Federal Workers	N	82
16 Allow Industry to Co-generate Power at DOE Labs	N,K,S	30
17 Rescind Funds for SBA Tree-planting	S	16
18 Refinance HUD Sec. 235 Mortgages	N	21

Part II: REDUCING THE SIZE OF GOVERNMENT

19 Sell Alaska Power Administration	N,G,S	53
20 Privatize NOAA Research Fleet	N,K,S	260
21 Close Uniformed Services University of the Health Sciences	N,G,CBO	95
22 Eliminate High Temperature Gas Reactor	K,S	54
23 Phase-out and Close Certain VA Supply Depots	N	168
24 State Justice Institute, Terminate Program	K	50
25 Procurement Reform, Rely More on Commercial Products	N,G	1200
26 Competitive Contracting -- HCFA Claims Processing	N,G	24
27 DoD to Contract Competitively for "Non-core" Functions	N,G	--
28 Farmers Home Admin. Loan "graduation" program	G*	700
29 Improved Federal Debt Collection	N,G	150
30 New Executive Branch Printing Policy	N	--

SECTION II -- STREAMLINING THE FEDERAL BUREAUCRACY

31 USDA Consolidation -- Lugar-Leahy Proposal	N*,G*,S*	849
32 Procurement Reform, Streamlined Procedures for Purchases Under \$100,000	N,K	920
33 Davis-Bacon Reform, Paperwork Reduction	N,K,S	255

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	SOURCE	5-YEAR ESTIMATE (\$ in Millions)
34 Consolidate Management of 4 DoD Health Care Systems	G	1700
35 Consolidate Social Services Programs & Reduce Budgets to Account for Administrative Savings	K,CBO	915
36 Social Security Admin., Death Data Clearinghouse	N	a
37 SSA Disability Claims Processing Improvements	N,G	0
38 VA Benefit Clearinghouse	N	230
39 Streamline HUD Multifamily Housing Disposition Process	N,K,S	449

SECTION III -- IMPROVING GOVERNMENT PERFORMANCE AND ACCOUNTABILITY

40 Congress to Establish Performance Goals for Each Federal Program	Roth	--
41 Link Federal w/in Grade Increases to Job Performance	N	--
42 Modify RIF-Increase Importance of Performance Ratings	Roth	--
43 Comprehensive Fed. Accounting Standards w/in 18 Months	N,G	--
44 Require Audited Financial Statements	G,N	--
45 Federal Employee Compensation Act, Reduce Fraud	N	2
46 Eliminate Congressionally-mandated Employment Floors	N,G	--
47 Establish Criteria for Federal Agencies to Roll-over 50% end-of-year unobligated balances	N*	--

SECTION IV -- IMPROVING THE LEGISLATIVE PROCESS

48 Line-Item Veto (Coats-Bradley)	Coats	--
49 Sunset All New Program Authorizations w/in 5 Years	G*	--
50 Three-fifths Majority Required to Pass "Emergency" Spending Legislation	Dole	--
	TOTAL	50677

KEY: N National Performance Review
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K Penny-Kasich Plan
S Senate Bipartisan Plan
* Modified version of original proposal
a Less than \$500,000

Note: All estimates in outlays. Based on CBO estimates where available.

Bob Dole



NEWS

U.S. SENATOR FOR KANSAS

FROM:

SENATE REPUBLICAN LEADER

FOR IMMEDIATE RELEASE
Wednesday, December 8, 1993

Contact: Clarkson Hine
(202) 224-5358

\$50 BILLION SPENDING CUT PLAN

DOLE & SENATE REPUBLICANS UNVEIL 50-POINT PLAN TO CUT FEDERAL SPENDING, IMPROVE GOVERNMENT PERFORMANCE, REDUCE DEFICIT; INCLUDES IDEAS FROM GRACE COMMISSION & NATIONAL PERFORMANCE REVIEW

SAN ANTONIO, TEXAS -- Federal spending would be cut by more than \$50 billion during the next five years under a 50-point plan announced today by Senate Republican Leader Bob Dole, Senator Kay Bailey Hutchison (R-TX) and eight other Republican Senators. The Government Downsizing, Performance & Accountability Act contains 50 recommendations from the Grace Commission, Vice President Gore's National Performance Review and other sources to save the taxpayers money, to streamline the federal bureaucracy, to improve government accountability and performance, and to improve the legislative process. Unlike other spending cut initiatives, all savings from the 50-point plan would go towards reducing the federal deficit.

"Our \$50 billion plan contains 50 commonsense ways to save the taxpayers money and make the government more efficient," Dole said in announcing the plan with Senator Hutchison at a press conference in San Antonio. "There are a lot of good ideas in the National Performance Review -- many with Republican origins -- but unlike the Vice President, we do not want government to grow. That's what sets our 50-point plan apart. We reduce the level of federal non-entitlement spending each year to ensure that all savings go to deficit reduction, and not to finance new government programs."

The plan was crafted by a group of 10 Senators -- Dole, Hutchison, Bill Roth (R-DE), Connie Mack (R-FL), Alan Simpson (R-WY), Frank Murkowski (R-AK), Larry Pressler (R-SD), Dan Coats (R-IN), Bob Bennett (R-UT) & Larry Craig (R-ID) -- working with Peter Grace and the non-partisan group Citizens Against Government Waste. "This plan is not intended to be a comprehensive budget alternative, and we recognize that our 50-point plan will not solve our long-term deficit problem, but it is a \$50 billion step in the right direction," Dole added. "I'm confident this commonsense approach will gain strong bipartisan support."

The Senators plan to introduce the 50-point plan when Congress reconvenes early next year.

Saving the Taxpayers Money:
30 proposals to save \$45.4 billion

The plan contains 12 proposals to eliminate, phase-out, or privatize federal programs, as well as 18 specific recommendations to cut spending. These recommendations include cutting both Legislative Branch and Executive Office of the President spending by 7.5%, and cutting non-defense federal government administrative expenses -- such as travel, consulting services and printing.

Streamlining the Federal Bureaucracy:
9 proposals to save \$5.3 billion

The plan contains 9 proposals to reduce government bureaucracy by consolidating overlapping government agencies, reducing paperwork burdens, and streamlining procedures. These recommendations include consolidating the management of four Defense Department Health Care systems.

(more)

Improving Government Performance & Accountability:
8 proposals to improve government management

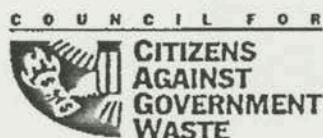
The plan contains 8 recommendations to improve accountability and performance by establishing new Federal accounting standards, audited financial statements, and performance goals for each Federal program. These recommendations include requiring 23 key Federal agencies to prepare audited financial statements, and making job performance a more important consideration in Federal promotion and reduction-in-force procedures.

Legislative Reform:
3 proposals to contain government spending

The plan calls for a Presidential line-item veto, a requirement that new programs may be authorized for a maximum of five years, and a super-majority requirement for all "emergency" spending legislation.

###

attachments



The Honorable Robert Dole
Republican Leader
United States Senate
Washington, DC 20510

Dear Bob,

I am excited to hear that as a result of our October 14 meeting The Government Downsizing, Performance and Accountability Act is going forth. I wholeheartedly endorse the bill, which contains 50 recommendations to cut \$50.7 billion over five years. More importantly, the budget caps will be dropped by that amount so the savings go directly to deficit reduction.

When enlisting your colleagues' support for your proposal, you may want to point out that the total debt for Federal, state and municipal governments is \$15.3 trillion. This number is so large that it's almost incomprehensible and it will continue to grow into the foreseeable future. Currently, the national debt is \$4.4 trillion, but it's expected to grow to more than \$6 trillion by the end of fiscal year 1998.

In FY 1994, the federal government will pay \$320 billion in interest on the debt. Today's historically low interest rates of 3% will not continue forever. If inflation and interest rates rise faster than expected, interest payments will skyrocket, eating up even more of our precious resources and completely ruining the future for our children and grandchildren. That's why legislation such as the Government Downsizing, Performance and Accountability Act must be enacted by Congress.

Bob, I appreciate your tremendous leadership in this effort to make real cuts in Washington's wasteful expenditures.

Sincerely,

J. Peter Grace
Chairman

1301 Connecticut Ave., NW
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40 Congress to Establish Performance Goals for Each Federal Program	Roth	--
41 Link Federal w/in Grade Increases to Job Performance	N	--
42 Modify RIF--Increase Importance of Performance Ratings	Roth	--
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44 Require Audited Financial Statements	G,N	--
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* Modified version of original proposal
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TALKING POINTS FOR SENATOR DOLE

- o Sen. Hutchison ran for the U.S. Senate on three core issues: reducing the federal deficit through spending cuts and not through tax increases; reforming Congress and the system in Washington; and improving economic and personal security for American families. She has spent her first six months in the U.S. Senate fighting hard for these goals. She is going to spend the next seven years working to complete the job.
- o Sen. Hutchison has fought hard for Texas. She was instrumental in preserving the Space Station, the Naval Station Ingleside near Corpus Christi, and Kelly Air Force Base in San Antonio.
- o KBH, along with Sen. Richard Shelby (D-AL) introduced a bill to repeal the retroactive tax increases imposed on the American people by the Clinton budget.
- o KBH's amendment to the Crime Bill prohibits awarding of Pell Grants to criminals in prisons. It was approved unanimously.
- o KBH, along with Sen. Barbara Mikulski (D-MD) introduced the "IRA Equity" bill that will provide fair and equal IRA deductions for American Homemakers.
- o KBH's first original co-sponsorship bill would create a Spending Reduction Commission similar to the Base Closing Commission. The bill would have forced the Congress to make spending cuts of at least \$65 billion each year to balance the budget.
- o Since going to Washington, KBH has fought for term limits, a Balanced Budget Amendment, and a line item veto for the president.
- o As a member of the Armed Services Committee, KBH helped to keep America strong by fighting the Clinton Administration attempts to gut the Defense Department.
- o KBH, along with Sens. Phil Gramm and Bennett Johnston led the fight in the Senate to save the Super Collider. The eventual vote in the Senate was 57-42 to maintain full funding for the SSC.
- o Senator Hutchison has accomplished a great deal, and been very effective since joining the Senate last June. She has shown "true grit" in carrying on with her senate duties in light of the senseless political persecution she has been subjected to by liberal Democrat diehards in Austin who are trying to win -- by abuse of the criminal justice system -- what they could not win at the ballot box.

1994 TEXAS U.S. SENATE RACE PROFILE

Republicans: Sen. Kay Bailey Hutchison, Richard Mata, a Hispanic Dallas minister, and Stephen Hopkins, a abortion-rights candidate that has run state-wide several times.

Democrats: Jim Mattox, former TX AG, Richard Fischer, Dallas financier and '93 candidate, and Rep. Mike Andrews of Houston have all filed to run. Rep. Jim Chapman of Sulphur Springs is considering a run for Senate or AG, and HUD Secretary Henry Cisneros has been mentioned as a possible candidate.

Fundraising: Senator Hutchison has raised over \$2 million dollars for her campaign. Recent fundraisers in Dallas and Houston netted over \$600,000 and \$400,000 respectively.

Filing Deadline: January 3, 1993

Primary Date: March 8, 1993

1993 TEXAS U.S. SENATE SPECIAL ELECTION, May 1, 1993

Kay Bailey Hutchison (R)	593,479	(29%)
Bob Krueger (D)	592,982	(29%)
Joe Barton (R)	284,135	(14%)
Jack Fields (R)	277,560	(14%)
Richard Fischer (D)	165,564	(8%)
Nineteen Others	131,923	(6%)

1993 TEXAS U.S. SENATE SPECIAL ELECTION RUN-OFF, June 5, 1993

Kay Bailey Hutchison (R)	1,188,716	(67%)
Bob Krueger (D)	576,538	(33%)

1993 BEXAR COUNTY (SAN ANTONIO) RUN-OFF RESULTS

Kay Bailey Hutchison (R)	79,295	(61%)
Bob Krueger (D)	51,014	(39%)

1992 TEXAS PRESIDENTIAL VOTE

Bush (R)	2,496,071	(41%)
Clinton (D)	2,281,815	(37%)
Perot (I)	1,354,781	(22%)

1992 BEXAR COUNTY (SAN ANTONIO) PRESIDENTIAL VOTE

Bush (R)	168,816	(40%)
Clinton (D)	172,513	(41%)
Perot (I)	72,110	(17%)

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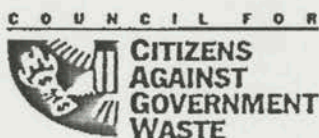
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United States Senate
Washington, DC 20510

Dear Bob,

I am excited to hear that as a result of our October 14 meeting The Government Downsizing, Performance and Accountability Act is going forth. I wholeheartedly endorse the bill, which contains 50 recommendations to cut \$50.7 billion over five years. More importantly, the budget caps will be dropped by that amount so the savings go directly to deficit reduction.

When enlisting your colleagues' support for your proposal, you may want to point out that the total debt for Federal, state and municipal governments is \$15.3 trillion. This number is so large that it's almost incomprehensible and it will continue to grow into the foreseeable future. Currently, the national debt is \$4.4 trillion, but it's expected to grow to more than \$6 trillion by the end of fiscal year 1998.

In FY 1994, the federal government will pay \$320 billion in interest on the debt. Today's historically low interest rates of 3% will not continue forever. If inflation and interest rates rise faster than expected, interest payments will skyrocket, eating up even more of our precious resources and completely ruining the future for our children and grandchildren. That's why legislation such as the Government Downsizing, Performance and Accountability Act must be enacted by Congress.

Bob, I appreciate your tremendous leadership in this effort to make real cuts in Washington's wasteful expenditures.

Sincerely,

Peter
J. Peter Grace
Chairman

1301 Connecticut Ave., NW
Suite 400
Washington, DC 20036
202-467-5300

12/02/1993 18:25 7139686564
11-30-1993 05:04PM

SUE WALDEN

PAGE 02
P.02

San Antonio Breakfast
December 8, 1993

Accepts

John/Jeune Dieterle	500
McBurnett	
Paul and Cathy Green	500
Cecilia Johnson	
Meredith Mallory	250
[John and Tonya Mallory]	
Phillip and Jude Mueller	500
Jack Richmond	250
Arthur Troilo	250
Dr. Robert West	250
Gail Whitehead	500
Irene Wischar	250

Regrets

Bob Coleman	
Charlotte and Larry Franklin	
C.C. Gunn	250
Hugh Halff, Jr.	oot
M/M Peter Holt	oot
Cyndi Krier	
M/M Tom Loeffler	
Robert Marbut	oot
M/M Vaughan Meyer	oot
Lewis Moorman (will send \$)	
M/M John Newman	oot
Dick Ryman	
Doris Spector	
Charles Stokes	50
Mao Stringfellow	
Jeff Wentworth	
Seagal Wheatley	oot
Dela White	
Barry Wolfe	
Lonnie Wolfe	

As of 12/1/93

TOTAL P.02

12/02/1993 18:25 7139686564
12-02-1993 05:42PM

SUE WALDEN

PAGE 03
P.02

San Antonio Breakfast
Dec. 8
(as of 12/02/93)

Accepts

Mr. Ernesto Ancira	\$???
Mrs. Mary Lou Grier	\$???
General McDermott	\$500
M/M Robert D. Reed	\$???-2 indiv.

Regrets

Mr. Arthur Felixon	
Mrs. Reagan Houston (will send \$)	
Mr. B. K. Johnson (will send \$)	
Mrs. Dorothy H. Jones	
Mr. A. J. Lewis, Jr.	oot
Mrs. Robert M. Maurer	\$100
Dr. Ruskin C. Norman	\$100
Mrs. A. A. Seeligson (will send money)	
M/M Campbell Smith, Jr.	oot

AS of 12/2/93
**Additions
to 12/1/93

TOTAL P.02

TEXAS

Status of Incumbent: Gov. Richards (D) is eligible to seek reelection

Filing Date: Jan. 3

Primary Election: MARCH 8 PRIMARY APRIL 12 RUN-OFF

POTENTIAL CANDIDATES

REPUBLICANS

George Bush, Jr., Partner TX Rangers

Louis Podesta, Free-Lance Writer

DEMOCRATS

Ann Richards, incumbent

Early Line

With his recent announcement Republicans are solidly behind George W. Bush as the candidate to face Ann Richards.

Despite Gov. Richards' mediocre job performance in February, she appears to hold her own and is coming back.

HARTE-HANKS TEXAS

July 9-18

Sample 1,006A

Richards Job Performance

Excellent/Good 58

Fair 29

Poor 12

Re-elect

Re-Elect 33

Condiser other 23

Depends who runs 42

Fav/Unfav

Bush 44/28

Mosbacher 25/13

Pickens 15/22

Luce 13/6

Craddick 9/7

Other '94 state-wide offices

US Sen Comptroller

Lt Gov Agriculture Commissioner

Atty Gen

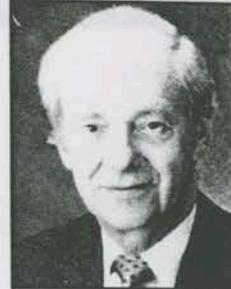
Treasurer

TEXAS DFP

Pat Cotton, State Coordinator
Gretchen Gere, Field Rep.
Charles Cantus, Field Rep.
Tom Pauken, Dallas
Richard Collins, Dallas

TEXAS

Fred Meyer Chairman



Present

Chairman, Republican Party of Texas, elected - June 10, 1988
Chairman of the Board and President, Aladdin Industries, Inc.,
1985 -

Previous

Chairman, Alan Steelman for U.S. Congress Campaign, 1972,
1974

Chairman, Alan Steelman for U.S. Senate Campaign, 1976
Finance Chairman, Jim Collins for U.S. Congress Campaign,
1978

Chairman, Dallas County Republican Party, 1979 - 1986

RNC Activity

Delegate, Republican National Convention, 1984, 1988, 1992
Chairman, Host Committee, Republican National Convention,
1984

Member, Committee on Arrangements, Republican National
Convention, 1992

Member, RNC Executive Council, 1988 - 1991

Personal

Spouse: Barbara

Children: Three

Education: B.S., Purdue University, M.B.A., Harvard

2121 San Jacinto Street

Suite 895, LB-5

Dallas, TX 75201

(cont.)

(cont.)

(214) 754-1800 (o)
(214) 880-0401 (f)
(214) 691-5848 (h)



TEXAS

Ernest Angelo, Jr.
National Committeeman

Present

National Committeeman, Texas, elected - August 18, 1976
Independent Petroleum Engineer

Previous

Chairman, Midland County Republican Party, 1969 - 1971
Member, Texas Republican Executive Committee, 1971 - 1976
Mayor, City of Midland, 1972 - 1980
State Co-Chairman, Texans for Reagan, 1976
State Chairman, Reagan for President, 1980
Deputy State Chairman and Campaign Manager, Texas
Reagan - Bush, 1980

RNC Activity

Delegate, Republican National Convention, 1976, 1980, 1984,
1988, 1992
Chairman, Texas Delegation, Republican National Convention,
1980, 1984
Chairman, Committee on Arrangements, Republican National
Convention, 1984
Vice Chairman, RNC Southern Region, 1984 -
Member, RNC Rules Committee, 1976 -
Member, Committee on Contests, Republican National
Convention, 1992

Personal

Spouse: Betty Lou (Penny)
Children: Four
Education: B.S., Louisiana State University

(cont.)

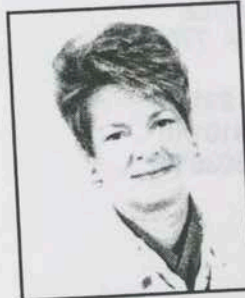
(cont.)

410 North Main
Midland, TX 79701

(915) 684-4449 (o)
(915) 683-1831 (f)
(915) 694-6034 (h)

TEXAS

Penny Butler
National Committeewoman



Present

National Committeewoman, Texas, elected - August 16, 1988
Board Member, State of Texas Commission on Aging
American Red Cross Board

Previous

Reagan for President, 1968, 1976
Archer for Congress, 1970
Nixon for President, 1972
Ford for President, 1976
Gerhart for Congress, 1976
Chairman, Phone Bank, Reagan - Bush Campaign, 1980
Fields for Congress, 1980
President, Harris County Council of Federated Republican
Women, 1981 - 1983
Harris County Co-Chairman, Gramm for Senate, 1984
Co-Chairman, Texans for Bush, 1987 - 1988
State Convention Chairman, Texas Federation of Republican
Women, 1987
Founder and President, Magic Circle Republican Women's Club
Kay Bailey Hutchison Campaign, 1993

RNC Activity

Delegate, Republican National Convention, 1984, 1988, 1992
Member, Committee on Arrangements, Republican National
Convention, 1992

Personal

Spouse: John
Children: Six
Education: Sophie Newcomb College

(cont.)

(cont.)

5409 Del Monte
Houston, TX 77056

(713) 629-1891 (o)
(713) 599-9101 (f)
(713) 622-8036 (h)

CAMPAIGN AMERICA
DALLAS LUNCH
WED, DEC. 8, 1993
\$5,000 per person unless otherwise noted

1. Richard Collins (HOST)	Today Newspapers
2. Dick Bartlett	Mary Kay Cosmetics
3. Louis Beecharl, Jr.	Oil/Gas Investor
4. Trammell Crow	Trammell Crow Real Estate
5. David Glickman	Johnson & Gibbs
6. Ward Lay	Pepsico/Frito-Lay
7. NationsBank Executive	NationsBank
8. T. Boone Pickens	Mesa Petroleum
9. Lonie "Bo" Pilgrim	Pilgrim Pride
10. Harold Simmons	Valhi, Inc.
11. Henry "Bud" Smith (BIG Gramm Supporter)	Clark/Bardes
12. Raymond Willie	North Texas Coors Distributor

NOT ATTENDING, BUT SENDING \$

1. Don Forman	Retired Attorney	\$5,000
2. Larry Lacerte	Lacerts Software	1,000
3. Jim Leininger San Antonio	Kinetic Concepts, Inc.	1,000
4. David Duhurst Dewhurst Houston	Falcon/Seaboard	5,000

SEN. HUTCHISON

TX NRSC Update

12-02-93 05:56 PM FROM ::::::::::::::::::::

P005

MEMORANDUM

DECEMBER 1, 1993

TO: SENATOR DOLE
FR: BILL THORNE, NRSC
RE: BRIEFING FOR TRIP TO TEXAS

Following is background information for your trip to Texas:

UPDATE: After the historic special election of Senator Hutchison -- who received the highest percentage of the vote by a Republican running statewide in Texas -- the Democrats are working hard to regain the seat formerly held by Secretary of Treasury Lloyd Bentsen. Even before the runoff election, the Democrat District Attorney, with active cooperation of Democratic operatives, have been attempting to undermine Senator Hutchison's overwhelming victory.

Ronnie Earle, the Travis County DA, has attempted to indict every political opponent, regardless of party. With Governor Richards's election in some doubt -- polls show her dropping below 50% in the trial ballot test -- her Democratic establishment will do anything in their power to diminish the steamroller effect of Senator Hutchison's topping the ticket in 1994.

As a result of the recent decision to drop the earlier indictments against the Senator (they were thrown out because one grand juror was ruled ineligible due to a misdemeanor theft charge), the Travis County District Attorney is pursuing additional indictments. There are rumors that a re-indictment is imminent. The original indictments included four felony counts and one misdemeanor count of misuse of treasury employees and destroying evidence and government records. These charges carry a maximum sentence of 61 years in prison and \$43,000 in fines.

Currently, the special grand jury is hearing witnesses and it has become apparent that the District Attorney is attempting to discredit those who testified on Hutchison's behalf by recalling their testimony in an effort to perjure themselves. Both former Attorney General Jim Mattox and Democrat primary candidate Richard Fisher have already announced for the seat. Congressman Mike Andrews has indicated his interest in running and there will probably be additional Texas Democrats who will announce in the future.

DEMOCRATS: Jim Mattox, announced
Richard Fisher, announced
Congressman Mike Andrews, probable
Congressman Jim Chapman, possible
Secretary Henry Cisneros, possible
Comptroller John Sharp, possible

12-02-93 05:56 PM FROM ~~~~~

P006

ELECTION INFORMATION:

Candidate	Raised 6/93	Spent 6/93	PAC \$	COH 6/93	Debt
Hutchison	\$7,390,890	\$6,505,766	\$1,136,835	\$865,814	\$141,215

File Date	Primary Date	Coord. Limit
January 3	March 8	\$1,503,149

HOTLINE 12/01/93

*10 TEXAS: ETHICS OPINION BOLSTERS HUTCHISON'S CASE

Mike Tigar, an atty for Sen. Kay Bailey Hutchison (R), said a legal opinion by the TX Ethics Commission "undermines the prosecution's case" that Hutchison "used state employees illegally for personal and political chores" while she was state treasurer. The opinion, issued at the request of a state legislator, "concludes that in some cases, an elected official may have employees keep track of political and personal appointments." It also "said that in some cases, employees may work during state time and use state equipment to handle financial contributions to a politician's officeholder account." DALLAS MORNING NEWS' Slater notes the opinion "does not deal directly with the allegations that Ms. Hutchison destroyed state records in an attempted cover-up." Nor does it "allude specifically to the Hutchison case." Tigar: "This is wholesale, unqualified adoption of the theory that we presented in our motions to dismiss the indictments. It means if a state elected official happens to use a state computer to keep their schedule so that they can more effectively perform the job they were elected to do, that's not a crime" (12/1).

EXCERPTS: From the opinion, on scheduling: "To plan legislative activities, a legislator must know his or her schedule, which will almost certainly include political and personal activities in addition to legislative activities." It notes that "the use of state equipment to handle campaign contributions" is a "misapplication of state property," but "makes a distinction between money raised during a political campaign and money raised between campaigns." According to the opinion, funds collected between elections to "defray expenses that are incurred by an office holder in performing a duty or engaging in an activity in connection with the office" can be handled by state employees on state computers. Tigar noted that at the time state computers were used for fund raising, Hutchison was not a candidate. "Much of the money" in Hutchison's officeholder account "may have been raised for office expenses but was subsequently transferred" to her Senate campaign account (DALLAS MORNING NEWS, 12/1).

HOTLINE 11/24/93

*10 TEXAS: HUTCHISON ATTYS REQUEST RECORDS OF TX DEMS

In preparation for her likely re-indictment, Sen. Kay Bailey Hutchison's (R) attys filed open records requests for telephone, campaign and other records of Gov. Ann Richards (D) and LG Bob Bullock (D). Hutchison spokesperson David Beckwith "said the lawyers hope the records will show that the things Ms. Hutchison is accused of are common practices among public officials in Austin." Ralph Warren, an investigator hired by Hutchison atty Dick DeGuerin, has asked for billing records of phone lines in Richards' and Bullock's offices "used for nonstate business, copies of their daily schedules and copies of campaign solicitation letters and thank-you notes to contributors." Hutchison attys are "particularly interested in records of telephone calls made from 13 private lines installed in Ms. Richards' executive offices at campaign expense" for political and nonstate business calls. "But it is unlikely they will get them without a legal battle." Kirk Adams, who handles Richards' political accounts, said those records are not subject to the TX Open Record Act "because the lines were paid for with private campaign funds." One charge against Hutchison is that she "had appropriated a state telephone line in the treasury for personal and political calls," but unlike the private lines in Richards' office, Hutchison's private line belonged to the state (Kuempel, DALLAS MORNING NEWS, 11/23). HOUSTON CHRONICLE reports Hutchison attys also requested bank deposits and a list of contributors to Richards' office holder account. Richards spokesperson Chuck McDonald: "Not everything [Hutchison attys] asked for is a state record." A Bullock spokesperson said attys in Bullock's office are preparing a response (11/24). Announced Dems: Businessman Richard Fisher, ex-AG Jim Mattox. Likely candidate: Reps. Mike Andrews (D-25). Also mentioned: Reps. Jim Chapman (D-01) and John Bryant (D-05).

TX RCA Update

TX Demographics

TEXAS DEMOGRAPHIC PROFILE

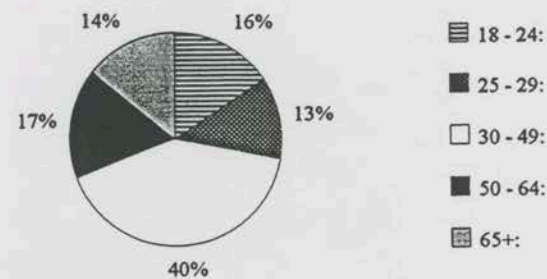
Population Data

1990 Total Population:	16,986,510
Total Voting Age Population:	12,150,671
% of Total Population Voting Age:	71.5%
Black Voting Age Population:	1,363,770
Nationwide Rank:	3
% Black Voting Age Population:	11.2%
Nationwide Rank:	18
Hispanic Voting Age Population:	2,719,586
Nationwide Rank:	2
% Hispanic Voting Age Population:	22.4%
Nationwide Rank:	3
Asian Voting Age Population:	223,183
Nationwide Rank:	4
% Asian Voting Age Population:	1.8%
Nationwide Rank:	15

Voting Age Population Data

18 - 24:	1,890,844
25 - 29:	1,532,740
30 - 49:	4,999,038
50 - 64:	2,011,473
65+:	1,716,576

Voting Age Population Distribution



Number of Counties: 254

TEXAS 1992 ELECTION SUMMARY

HISTORICAL PRESIDENTIAL PERFORMANCE

	REP. VOTE	REP %	DEM. VOTE	DEM %	OTH. VOTE	OTH %	TOTAL	REGISTRATION
1992 BUSH/CLINTON/PEROT:	2,496,071	40.7%	2,281,815	37.2%	1,354,781	22.1%	6,132,667	8,439,874
1988 BUSH/CLKAKIS:	3,036,829	56.0%	2,352,748	43.4%	37,563	0.7%	5,427,140	8,201,856
1984 REAGAN/MONDALE:	3,433,428	63.8%	1,949,276	36.2%	0	0.0%	5,382,704	7,900,167
1980 REAGAN/CARTER/ANDERSON:	2,510,705	55.8%	1,881,147	41.8%	111,613	2.5%	4,503,465	6,639,661
1976 FORD/CARTER:	1,953,300	48.2%	2,082,319	51.3%	20,118	0.5%	4,055,737	6,319,293
1972 NIXON/McGOVERN:	2,298,896	66.2%	1,154,289	33.3%	18,096	0.5%	3,471,281	3,872,462
1968 NIXON/HUMPHREY/WALLACE:	1,227,844	39.9%	1,266,804	41.1%	584,269	19.0%	3,078,917	4,073,576

STATEWIDE ELECTION RETURNS

	REP. VOTE	REP %	DEM. VOTE	DEM %	OTH. VOTE	OTH %	TOTAL
1990 SENATE:	2,302,357	61.7%	1,429,986	38.3%	0	0.0%	3,732,343
1990 GOVERNOR:	1,826,431	48.7%	1,925,670	51.3%	0	0.0%	3,752,101
1988 SENATE:	2,129,228	40.0%	3,149,806	59.2%	43,989	0.8%	5,323,023
1986 GOVERNOR:	1,813,779	52.7%	1,584,515	46.1%	42,496	1.2%	3,440,790

STATE SENATE

YEAR	SEATS	DEM	REP	OTH	NET
1992	31	18	13	0	4
1990	31	22	9	0	1
1988	31	23	8	0	2

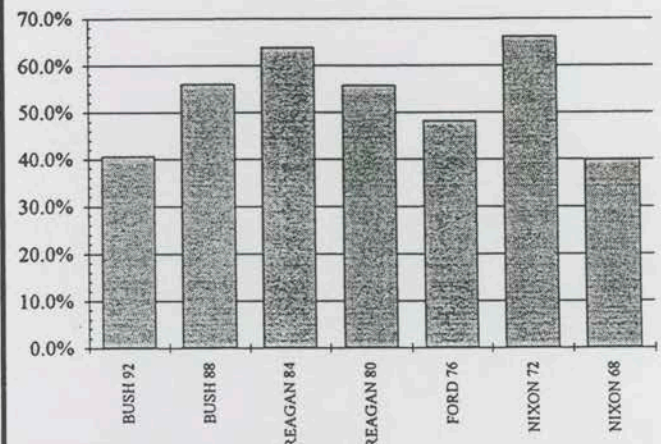
STATE HOUSE

YEAR	SEATS	DEM	REP	OTH	NET
1992	150	92	58	0	1
1990	150	93	57	0	0
1988	150	93	57	0	1

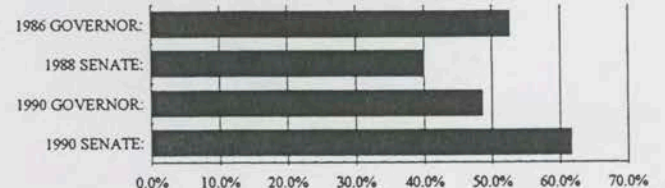
U.S. HOUSE OF REPRESENTATIVES

YEAR	SEATS	DEM	REP	OTH	NET
1992	30	21	9	0	1
1990	27	19	8	0	0
1988	27	19	8	0	-2

REPUBLICAN PRESIDENTIAL PERFORMANCE



REPUBLICAN STATEWIDE PERFORMANCE



TX GOP Leadership

TX DFP

12/08/93

11:28

004

December 8, 1993

THE GOVERNMENT DOWNSIZING, PERFORMANCE AND ACCOUNTABILITY ACT

This plan contains 50 commonsense recommendations from the Grace Commission, the National Performance Review and other sources to save the taxpayers money, streamline the Federal bureaucracy, improve government accountability and performance, and improve the legislative process.

- The plan would cut Federal spending by over \$50 billion over 5 years and reduce the discretionary spending cap to ensure that ALL savings would go to deficit reduction.

Section I -- SAVING THE TAXPAYERS MONEY

The plan contains 12 proposals to eliminate, phase-out, or privatize Federal programs, and 18 more specific proposals to cut spending. These recommendations include:

- Cutting both Legislative Branch and Executive Office of the President spending by 7.5%, and cutting non-defense Federal government administrative expenses -- like travel, consulting services, and printing.
- Selling the Alaska Power Administration, privatizing the NOAA research fleet, and closing the Uniformed Services University of the Health Sciences.

Section II -- STREAMLINING THE FEDERAL BUREAUCRACY

The plan contains 9 proposals to reduce government bureaucracy by consolidating overlapping government agencies, reducing paperwork burdens, and streamlining procedures. These recommendations include:

- Consolidating the management of 4 Defense Department Health Care systems; reducing paperwork requirements on purchases under \$100,000 and Davis-Bacon contracts; and establishing clearinghouses for death data, disability and veterans benefit claims.

Section III -- IMPROVING GOVERNMENT PERFORMANCE AND ACCOUNTABILITY

The plan contains 8 recommendations to improve accountability and performance by establishing new Federal accounting standards, audited financial statements, and performance goals for each Federal program. These recommendations include:

- Requiring 23 key Federal agencies to prepare audited financial statements; and making job performance a more important consideration in Federal promotion and reduction-in-force procedures.

Section IV -- REFORMING THE LEGISLATIVE PROCESS

The plan contains a Presidential line-item veto, a requirement that new programs may be authorized for a maximum of 5 years, and a super-majority requirement for all "emergency" spending legislation.

Attachments

Gunning for Robert Reischauer

W. TIMES 12/8

The Congressional Budget Office has agreed to the Clinton administration's strong plea that the bulk of the spending included in the president's health care plan be kept off the federal budget. . . .

White House officials have been publicly apprehensive about the CBO process because they believe — apparently with good reason — that [CBO director Robert] Reischauer prefers a single-payer, government-financed system like Canada's to the more complex, mixed system President Clinton has proposed.

— David S. Broder in The Washington Post, Thursday, Dec. 2.

Wednesday night, Dec. 1, Mr. Broder called Mr. Reischauer to tell him what was in the article scheduled to run the next day. Mr. Reischauer explained, as first reported by The Washington Times' Ralph Z. Hallow Dec. 3, that he told Mr. Broder his story was all wrong — that at that very moment Mr. Reischauer was writing a memo summarizing the three main options that had already been discussed by the CBO staff. The memo (Mr. Reischauer told the editorial page of The Times yesterday that he still hasn't finished it) will be the basis for more CBO debate on whether to put the president's health plan in the unified federal budget, off the budget, or somewhere in between. By no means had any decision been made, Mr. Reischauer told Mr. Broder.

Mr. Broder responded that he had it on good authority that a decision had been made. Mr. Reischauer asked, What better authority could he have about a decision by the CBO director than the CBO director? The story ran the next day with the obligatory quote from Mr. Reischauer denying all. But that part of the story was on page A17: The statement that the CBO had made its decision went confidently on the front page. "Who am I to disagree with David Broder?" Mr. Reischauer told the editorial page, laughing.

Within the day a new conventional wisdom bloomed inside the Beltway. Mr. Reischauer has his own agenda, goes the buzz. He wants socialized medicine and has teamed up with the biggest single-payer system advocate on Capitol Hill, Rep. Pete Stark. Congressional aides on both sides of the aisle were confident by the end of last week that Mr. Reischauer was taking health care off-budget because he wants to help hide its costs. Once the costs are hidden, the staffers said, the stage will be set to sneak in the horrifically expensive single-payer plan. Whew! Machiavelli has nothing on Mr. Reischauer.

The only problem with this beautifully-crafted tapestry of Capitol intrigue is that it is woven with the same yarn as the emperor's new clothes. It isn't just Mr. Reischauer who laughs when asked if he is in hot pursuit of Canadian-style medicine. A variety of CBO staff aides, at liberty to speak their minds because they were talking on background, all

laughed at the idea as well. Nonetheless, by Friday it was common knowledge on the Hill that Mr. Reischauer is in cahoots with Mr. Stark. But ask any of these aides for some evidence that the CBO director had turned into a closet policy activist, and the best they can come up with is that, well, it's what everyone is saying. So goes current wisdom, self-perpetuating and useless.

Mr. Reischauer isn't sure how the story got started, but he told the editorial page he has an idea. "People have gotten into the habit of saying that CBO has sympathies toward single-payer plans," he says. "They may have just transferred that to the CBO director having single-payer sympathies. Both are equally untrue." The CBO seems to have gotten its reputation, says Mr. Reischauer, because the outfit has generally found single-payer systems to have more "scorable" savings than other sorts of health plans. This isn't because Canadian-style plans are better, or even preferred by CBO analysts. Single-payer systems have prescribed budgets and fixed outlays, which enable the CBO accountants to count costs and savings; plans that rely on some predicted market effect are more speculative about revenues and outlays, making expected savings harder to determine with any accuracy — harder to "score."

"The fact that one approach may be scorable doesn't mean it is more desirable," Mr. Reischauer says. There are other important issues, like consumer choice, technological advancement, the quality of care and the accessibility of care, that may be far more important in determining what sort of health system is best. But sorting out those issues is not within the scope of the CBO's mandate. As the director puts it: "We do cost."

Who knows why Mr. Broder went with his story even though Mr. Reischauer denied it firmly? No doubt The Post did have its "congressional sources" who assured the reporter that off-budgeting for health care was a done deal. But there should have been as much attention to the motives of the unnamed congressional sources as there was to the purported motives of the CBO. It seems evident that someone may have been trying to force the CBO's hand.

Only Mr. Broder knows for sure who. A guess, though?

Perhaps staff aides on Sen. Ted Kennedy's Labor and Human Resources leaked the notion in the hopes of making off-budget a done deal: If the health plan is on budget, its costs will count as taxes, and the plan will have to go to the rival Senate Finance Committee, headed by Daniel Patrick Moynihan.

The Washington Times editorial page has absolutely no evidence that that is what happened. But in the spirit of the times, here is the theory, presented in the hope that it will become current wisdom, at which point evidence will be a rather moot point.

THE WASHINGTON POST

... WEDNESDAY, DECEMBER 8, 1993 A3

AMA Steps Back From Major Part of Clinton Health Care Plan

By Michael Weisskopf and Dana Priest
Washington Post Staff Writers

NEW ORLEANS, Dec. 7—The American Medical Association, divided over health care reform, today backed off from its support for an "employer mandate"—a requirement that all employers pay part of the cost of health insurance for their employees—to finance most Americans' health coverage.

The proposal is central to the White House health care reform plan and has been the most concrete area of agreement between the doctor's group and the administration.

After three days of spirited debate over the conciliatory posture that its leadership has taken in talks with the White House, the AMA House of Delegates voted to give all

financing options equal weight as it enters into its lobbying campaign on Capitol Hill. It declined, despite vocal demands by some members, to specifically reject the administration's proposal.

The action is a setback for the Clinton administration, which has found few industry allies for its financing mechanism and can no longer claim the imprimatur of the largest U.S. medical group. The AMA's new position gives the doctors' lobby an opening to negotiate with Republican lawmakers who favor a plan that would require individuals to buy coverage in the same manner as auto insurance.

"This gives us the flexibility we need," said Lonnie Bristow, a California doctor and chairman of the AMA board of trustees, who drew on military metaphors to under-

line the importance of the legislative battle ahead. "Don't take away our cannons, don't burn our boats."

The practical effect was summed up afterward by American Psychiatric Association delegate John McGrath. "The subtext of this debate, without a doubt, is to cast off the employer mandate."

White House spokesman Bob Boorstin said, "Obviously, we'd rather have them support the exact notion of employer responsibility that we believe in. We don't believe there is a viable option out there."

An administration official said the AMA's decision to play down the employer mandate could "hurt" on Capitol Hill.

The employer mandate issue has dominated the five-day annual policymaking meeting here, the first since the Clinton

plan was introduced in Congress. In 1989, the AMA endorsed the mandate in its own proposal to improve the medical system.

The AMA's support for the mandate has given its lobbyists in Washington an important chit with the White House as they push the doctors' own agenda, including limits on malpractice awards and freedom from restrictions on their fees.

But to physicians throughout the country, and especially among the more conservative delegations from Texas, Louisiana and New Jersey, the mandate came to symbolize just how out of touch the AMA leadership has become from its grass roots.

Past president Edward Annis broke a 30-year silence to return to the floor with a dramatic plea that AMA members "say we made a mistake four years ago, rectify it.

It's time to confront those who would destroy American medicine."

The Clinton administration, Annis said, "is determined to dictate, to control the way American medicine is practiced." In 1961, the AMA rented an empty Madison Square Garden as a dramatic television backdrop for Annis's attack on Medicare. The assault helped stall the enactment of Medicare legislation for years.

Physicians' self-interest on the employer mandate issue is split. Universal coverage means that someone—either employers, individuals or the government—would pay for everyone's health care. Doctors, therefore, would no longer have to deal with unpaid medical bills. But about one-third of the group's 296,000 doctors do not pay for their own employees' health coverage.

Hillary Clinton Offers Reassurance at Health Summit

In Friendly Boston Forum, First Lady Strives to Halt Erosion of Public Support

By Christopher B. Daly
Special to The Washington Post

BOSTON, Dec. 7—Working to stem erosion of public support for health care reform during the congressional recess, Hillary Rodham Clinton came to friendly territory today and promised that the administration's plan would make nearly

all Americans better off.

At a regional "health summit" reminiscent of an old-fashioned town meeting, Clinton heard from a Maine lobsterman and a hospital president, a Vermont dairy farmer and an insurance executive—all urging immediate reform. The First Lady said she would return

to Washington with "more resolve than ever" to change the system.

The health care forum, sponsored by The Boston Globe and organized by Sen. Edward M. Kennedy (D-Mass.), chairman of the Senate Labor and Human Resources Committee, brought together an extraordinary array of

political forces. Nearly every Senate and House member from New England was there, from conservative Republicans such as Sen. Judd Gregg (N.H.) to liberal Democrats such as Rep. Barney Frank (Mass.)

Afterward, Senate Majority Leader George J. Mitchell (D-Maine), said health care would top the congressional agenda next year. Standing beside Kennedy, who has been squabbling with Senate Finance Chairman Daniel Patrick Moynihan (D-N.Y.) over control of the Clinton health bill, Mitchell promised that internal politics will not delay the measure by a single day.

"There is a total sense of urgency. Jurisdictional matters will have no effect on the bill," Mitchell said, adding that "no American, other than a reporter, has asked me about the jurisdictional question."

During the "town meeting," Clinton fielded questions and heard comments from dozens of New Englanders, as thousands more looked on from inside the World Trade Center at the edge of Boston Harbor and through live television hookups.

Kim Holstrum, an assistant town manager of Auburn, Mass., said that in her town budget the increase in health care costs alone could have been used to hire 10 more police officers or 11 extra teachers.

Melanie Carmichael, whose family runs a dairy farm in northern Vermont, described her family's struggle to keep its farm going with wholesale prices at 1979 levels. She



Clinton listens to Maine lobsterman David Cousins, who told of trying to deliver a lobster to her, then described his fears about being self-insured.

said her insurance premiums have doubled in recent years, forcing her husband to work off the farm to secure health benefits.

Carmichael said the family must hire a veterinarian every month to insure the cows' health but worries every time one of the three children gets sick. "I feel right now that my cattle are receiving better health care than my children," she said.

Clinton assured the Vermont woman that premiums and deductibles would fall under the administration's plan and leave her family better off.

David Cousins, an independent lobsterman from South Thomaston, Maine, said that if he is required under the president's plan to buy

insurance for his one employee, he might have to let his "stern man" go. He said that when he started lobstering in 1983, he got \$2.70 a pound for lobster and paid \$147 a month to insure his family. Now, he said, he gets \$2.30 a pound and pays \$546 a month.

If he has to cover his employee as well as his family, "The economics of this don't add up for the working man," he said.

Clinton promised that, with reforms, the total cost of insuring his family and his stern man would be less than he pays now. "Work with us," she urged small business. "Don't immediately panic."

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4A • WEDNESDAY, DECEMBER 8, 1993 • USA TODAY

WASHINGTON

USA TODAY'S SPECIAL REPORTS FROM THE CAPITAL

GOP targets Dems who 'tax and pretend'

The Republican National Committee today launches a radio ad campaign in 15 congressional districts thumping Democrats who voted for President Clinton's tax increase and against a spending-cut bill.

The targets include eight freshman plus House veterans such as Speaker Thomas Foley of Washington state, Jack Brooks of Texas, Harold Volkmer of Missouri and Sam Gejdenson of Connecticut.

It's a sign the GOP plans a big hit in the 1994 elections on Democratic votes on economic measures. "We're targeting 'tax-and-pretend' Democrats who sided with President Clinton on raising taxes, and promised to cut spending, and didn't," says RNC Chairman Haley Barbour. "The public has a right to see through these bait-and-switch tactics."

The GOP will spend up to \$80,000 in a one-week campaign aimed at morning drive-time, AM radio listeners.

Democratic National Committee spokeswoman Catherine Moore says Republicans are "wasting their money."

"People who supported the president to move the country forward will get credit," Moore says.

The one-minute ads accuse the Democrats of telling voters "one thing to get elected," then caving in to party bosses to stay in Washington. The ads include an 800 number to call to get members' voting record. — **Richard Benedetto**

MOM'S VIEW: President Clinton's mother, Virginia Kelley, is writing a book about her two sons, her three husbands and her uphill battle with cancer. Much of Kelley's time is spent on an as-yet untitled book that will be published next year by Simon and Schuster, documenting "a very personal story of her journey," her Washington lawyer, Robert Barnett, told The Associated Press. The 70-year-old retired nurse is working with an author to produce an autobiography that will address "the problems with her husband, her battle against breast cancer, the joys of the campaign and the convention, her love of horse racing and her affection for Elvis Presley," he said.



KELLEY: Book to tell 'personal story'

WHITE HOUSE SHUFFLE: Phil Lader was named White House deputy chief of staff, the first of several personnel moves that likely will be made by the first of the year. Lader is deputy director of management at the Office of Management and Budget. His Clinton connection: He founded the "Renaissance Weekend" seminars and talkathons in Hilton Head, S.C., in which the Clintons have been avid participants. Lader replaces Roy Neel, who is leaving to become head of the U.S. Telephone Association.

BRIEFLY: New York Mayor-elect Rudolph Giuliani, a Republican, met with President Clinton at the White House Tuesday, discussing gun control and health-care reform. ... Former secretary of State George Schultz may bill the taxpayers \$281,397 for legal fees incurred while a special prosecutor examined his role in the Iran-contra scandal, a court ruled.



RNC NEWS RELEASE

Haley Barbour
Chairman

Jeanie Austin
Co-Chairman

FOR IMMEDIATE RELEASE
Wednesday, December 8, 1993

CONTACT: ANNE GAVIN
(202) 863-8614

RNC TARGETS 'TAX AND PRETEND' DEMOCRATS WITH RADIO ADVERTISING

Washington, D.C. -- Today the Republican National Committee launched a new wave of radio advertising targeting fifteen congressional Democrats who have failed to hold the line on taxes and spending.

"In August, congressional Democrats and President Clinton raised taxes and said they would cut spending later. Then in November, one of the greatest charades in American political history took place -- Bill Clinton and his tax and pretend Democrats pulled out all the stops to defeat the Kasich-Penny amendment, a bi-partisan effort, which would have cut federal spending 90 billion dollars," said Barbour.

"The hypocrisy of this administration and the Democrats who blindly follow its lead is an insult to the voters who demand serious spending cuts and have instead received higher taxes and more federal spending," said the RNC chief.

Barbour emphasized that the purpose of the 60-second radio spot is to make Democrats accountable for recent votes where they repeatedly rejected opportunities to cut government spending.

"Democrats in Congress talk a good game, but when given the opportunity to vote for real spending cuts and deficit reduction, they turn their backs on the voters who put them in office. Next year at the ballot box voters will remember who was responsible for higher taxes," Barbour said.

The ad concludes with an 800 number that listeners can call to receive their Congressman's voting record.

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White House Defends Ethics Policy as Officials Take Private-Sector Jobs

By PAUL RICHTER and DAVID LAUTER
TIMES STAFF WRITER

WASHINGTON—The White House on Tuesday defended the Administration's efforts to close the "revolving door" between high government posts and lucrative lobbying jobs, as controversy arose over the plans of two high-level aides to leave government for lobbying organizations.

Howard Paster, White House director of congressional relations, plans to return to his former post as Washington head of the Hill & Knowlton public relations and lobbying firm. Roy M. Neel, deputy White House chief of staff and a man with broad ties to communications policy-makers, will head the U.S. Telephone Assn., the lobbying operation for the regional and local telephone companies.

Critics have pointed to these departures as signs that the Administration, despite its pledges, has had little more success than its predecessors in ending past practices.

But White House spokeswoman Dee Dee Myers said President Clinton "has done what he can" by tightening ethics rules regarding former officials with an executive order issued just after he took office. And she said that in any case, the two men would be executives and not personally engaged in lobbying.

The Clinton executive order—which stemmed from a campaign promise to reduce the influence of special interest groups—bars departing senior White House officials from making business contacts with anyone in the White House for five years, and prohibits them from representing a foreign government for life.

Before Clinton took office, existing law barred senior Administration officials from business contacts with executive branch officials for a year.

Nothing prevents the two men from lobbying Congress, however, nor is there any rule prohibiting their subordinates from approaching officials with whom the men have ties.

Myers said there must be a limit to the rules. "You can't expect people who work in government will never have another job," she says. "It's not a reasonable standard."

She rejected suggestions that the two men could have influence on policy-makers indirectly, through subordinates.

"Personal relationships is the currency here. . . . And they will be banned from doing that," she said at the regular White House briefing.

Pam Gilbert, director of the consumer group Public Citizen's Congress Watch organization, said she had no reason to suspect either man would lobby their former colleagues. But by taking their posts "they will be violating the spirit of that order, and going against the theme of the Clinton presidency, to end

business as usual in Washington," she said. "It's hard to see a difference between this and previous Administrations."

Gilbert said that while her organization supports further restrictions on the activities of former officials, there will always be loopholes for those who wish to use their connections to influence policy. Thus, she said, the best remedy would be for Clinton to use "moral suasion" and insist that top aides voluntarily agree not to lobby the government after they depart.

Paster said when he announced his resignation that he did not intend to lobby Congress.

And Neel, who said he had attended some eight hours of briefings over the last two weeks on the ethics laws, said in an interview that he would be careful to avoid any activities that might tread even close to the ethical line. But he also said that he expected criticism would come his way.

"I have no intention of embarrassing the White House" by acts in the new job, Neel said. "I plan to be very careful about appearances as well" as actual violations of the law, he said.

"But I have to tell you some of that I can't do anything about. I fully expect someone a year from now to write a story, probably with an unattributed quote, suggesting undue influence" because of his White House role, he said. "It's the nature of this town," he said, "and the nature of competitive business."

The laws as they are written put reasonable restrictions on peoples' work, Neel said. But he said the restrictions can become excessive.

"These laws are not about eliminating the ability of someone to go into the private sector and build on the experience they had in government," he said.

An absolute restriction that would prohibit people in government from moving to the private sector in jobs such as the ones he and Paster are taking, and would "lead to a permanent class of government officials" without any private sector experience, he said.

"The public interest is not well served" by that sort of development, he said.

Meanwhile Tuesday, the Administration named Neel's replacement, selecting Phil Lader, Office of Management and Budget deputy director and Clinton friend, as deputy chief of staff.

As top aide to Chief of Staff Thomas McLarty, Lader will be responsible for White House operations and staff.

Lader, 47, is a South Carolina businessman and was a candidate for South Carolina governor in 1986. He also was the founder of Renaissance Weekend, an annual retreat attended for many years by the Clintons and other leaders in the field of public policy.

15 AP 12-08-93 02:41 EST 55 Lines. Copyright 1993. All rights reserved.
PM-OH--Obit-Taft, Ohio Bjt,480<

Robert Taft Jr. Was Lawyer, Reluctant Politician<

CINCINNATI (AP) Robert Taft Jr., a former U.S. senator and representative whose family has been at the center of national politics more than century, has died of a brain hemorrhage. He was 76.

Taft died Tuesday at Jewish Hospital.

"The words 'Taft' and 'public service' are synonymous," said Sen. Bob Dole, R.-Kan. "Bob Taft carried on the Taft family tradition with great intelligence and integrity."

Taft, a Republican, was the grandson of William Howard Taft, president from 1909-1913 and chief justice of the United States from 1921-1930. His father, Robert A. Taft, known as "Mr. Republican," also was a U.S. senator who unsuccessfully sought the Republican presidential nomination in 1952.

Taft's political heritage extended to his great-grandfather, Alphonso Taft, who was secretary of war and attorney general for President Ulysses S. Grant.

Still, he was reluctant to capitalize on his family's name.

When his father died in 1953, "Young Bob" spurned encouragement to run for office on his father's name. He said he needed more experience and went on to serve four terms in the Ohio Legislature before becoming a congressman in 1962.

"I never tried to pattern myself after my father," he said.

Taft made an unsuccessful try for the Senate in 1964, and after two years out of office was again elected to the U.S. House in 1966 and 1968.

In 1970, he made a second try for the Senate, this time beating Gov. James A. Rhodes in the GOP primary and Democrat Howard Metzenbaum in the general election.

In the House, Taft helped to enact the Civil Rights Act of 1964. In the Senate, he helped write legislation to extend the National Labor Relations Act to health care workers.

On his first day in Congress, Taft took his family to lunch in the House restaurant. He gave the waiter \$10 for a \$7 check, and lingered for his change.

"The waiter never came back and I'm still waiting on the change," Taft later said. "I was afraid they would think a big-spending Taft had hit town."

Taft left politics after his 1976 defeat to Metzenbaum. Until 1988, when he retired, he was a partner in the Cincinnati law firm of Taft, Stettinius & Hollister.

He also was president of the Dixie Terminal Co., board chairman of Cincinnati Warehouse Inc., a trustee of the Children's Home of Cincinnati and the Cincinnati Institute of Fine Arts.

He is survived by his wife, Joan; two sons; two daughters; and six grandchildren.

A memorial service will be Thursday at Armstrong Chapel United Methodist Church in suburban Indian Hill. A private burial ceremony will be at Indian Hill Church.

Bob Dole

NEWS

FROM:

U.S. SENATOR FOR KANSAS

SENATE REPUBLICAN LEADER



OFFICE OF THE SENATE REPUBLICAN LEADER
PRESS OFFICE
FACSIMILE COVER SHEET

210-340-3711

DATE: 12/8

TIME: 9:35 E.T.

TO: SENATOR DOLE / MIKE GLASSNER

FROM: KRISTIN HYDE

RE:

PAGES FOLLOW THIS COVER SHEET

DELIVERY: ☒ URGENT - DELIVER TO ADDRESSEE IMMEDIATELY

☐ PLEASE DELIVER TO ADDRESSEE A.S.A.P.

COMMENTS: Statement on Elders made it into
POST, NYT, USATODAY, L.A. TIMES, --
ALSO ON CNN

SENT BY:

(PRESS OFFICE-SENATE REPUBLICAN LEADER)

(TELEPHONE: 202/224-5358 FACSIMILE: 202/224-3163)

20 AP 12-08-93 07:58 EST 93 Lines. Copyright 1993. All rights reserved.
PM-Elders-Legalized Drugs

Surgeon General Suggests Legalizing Drugs Could Reduce Crime<

By CHRISTOPHER CONNELL Associated Press Writer

WASHINGTON (AP) Surgeon General Joycelyn Elders, no stranger to controversy, was enmeshed in a new one today after suggesting that legalizing drugs could help make America's streets safer.

The White House quickly made it clear Tuesday that President Clinton doesn't see eye to eye on that issue with the health crusader who accompanied him from Little Rock, Ark.

Republicans and conservatives who opposed her confirmation expressed outrage; some said the outspoken doctor should resign or be fired.

"If the surgeon general has to have a study to see if drugs are hazardous to your health, we need a new surgeon general," Sen. Don Nickles, R-Okla., said today.

"Americans must be wondering if the surgeon general is hazardous to our health," cracked Senate Minority Leader Bob Dole.

But Elders also was praised for "her usual courage" by Baltimore Mayor Kurt Schmoke, who felt some of the same wrath five years ago when he suggested the nation consider decriminalizing drugs.

"I think what the surgeon general said was absolutely courageous and correct; there should be a study," said Schmoke, interviewed along with Nickles on NBC.

U.S. District Judge Robert Sweet, a supporter of legalizing drugs, said on ABC the nation should learn the lessons of Prohibition and the crime that ensued when alcohol was illegal. The nation should focus on education. "Look at tobacco, the most addictive drug, and we've reduced (use) by a third," Sweet said.

Elders, responding to questions at a National Press Club luncheon after a speech decrying violence, said 60 percent of violent crimes are drug- or alcohol-related.

"Many times they're robbing, stealing and all of these things to get money to buy drugs," she said. "I do feel that we would markedly reduce our crime rate if drugs were legalized."

She added that she did not know about the ramifications, but felt it was worth studying because some other countries that have taken this route have reduced crime without driving up drug use.

That infuriated critics who felt she was unfit to be surgeon general because of her unabashed support for sex education including distributing condoms in schools and abortion rights.

Her views "are so far outside the mainstream they are simply radical," said Sen. Dan Coats, R-Ind. "Simply put, Dr. Elders does not speak for the great majority of Americans."

In this instance, at least, she didn't speak for Clinton, who weathered earlier storms over blunt Elders statements when he was governor and she was health commissioner of Arkansas.

"The president is against legalizing drugs and he's not interested in studying the issue," White House Press Secretary Dee Dee Myers said. "She expressed a personal opinion. ... It's been made clear to her that the president doesn't share that view."

Clinton has cited the drug problems of his brother, Roger, as a reason for opposing legalized drugs.

Myers added that the case was closed and no further action was contemplated.

Lee P. Brown, the director of the Office of National Drug Control Policy at the White House, said legalization was "a formula for self-destruction" and would inflict "terrifying damage" on communities already torn apart by drugs.

Elders' office issued a statement saying the remarks were just "her personal observations based on the experience of other countries" and stressing that "there are no similar initiatives under consideration by the administration or the Public Health Service at this time."

Sen. Orrin Hatch, R-Utah, said, "This is just another indication of this administration's retreat on all fronts of the drug war."

The Republicans cited deep cuts Clinton made after taking office in the staff of the drug control policy office and in international drug interdiction efforts.

But some experts contend that the war on drugs has been an abysmal failure and that Americans would be safer if more money was spent on medical treatment and rehabilitation for addicts and less on pursuing them as criminals.

Schmoke said, "We might be able to drastically reduce violence in this country if we make the war on drugs primarily a public health war rather than a criminal justice war."

Kevin Zeese, vice president of the Drug Policy Foundation, which supports decriminalization, said Elders "is the conscience of the administration. It's good to see someone telling the truth."

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17 AP 12-08-93 05:45 EST 85 Lines. Copyright 1993. All rights reserved.
PM-Digest Briefs,0703<

WASHINGTON (AP) Surgeon General Joycelyn Elders, no stranger to controversy, finds herself enmeshed in a new one after suggesting that legalizing drugs could help make America's streets safer.

The White House quickly made it clear Tuesday that President Clinton doesn't see eye to eye on that issue with the health crusader who accompanied him from Little Rock, Ark.

Republicans and conservatives who opposed her confirmation expressed outrage; some said the outspoken doctor should resign or be fired.

"Americans must be wondering if the surgeon general is hazardous to our health," cracked Senate Minority Leader Bob Dole.

16 AP 12-08-93 03:10 EST 68 Lines. Copyright 1993. All rights reserved.
PM-Kemp-Politics,550<

Kemp To Revive Fund-Raising Operation, Raise Political Profile
By JOHN KING AP Political Writer

WASHINGTON (AP) After prodding by supporters worried he was sitting idle while the 1996 Republican presidential jockeying got an early start, Jack Kemp is launching a new fund-raising committee and taking other steps to raise his political profile.

Kemp's Campaign for a New Agenda political action committee has opened an office in Washington and plans to register soon with the Federal Election Commission, which would allow it to contribute to 1994 House and Senate races.

Sal Russo, a GOP political consultant putting the organization together, said Kemp would use it primarily to pay for political travels next year in support of GOP candidates.

Kemp, the former New York congressman who unsuccessfully ran for the 1988 Republican presidential nomination, has spent most of this year working with Empower America, a think tank he and several other conservatives founded. Because of its tax-exempt status, the organization's political activities are significantly restricted.

Kemp, who was housing secretary in the Bush administration, was in Miami on Tuesday and an aide said he could not be reached.

But two GOP sources familiar with Kemp's planning said Kemp's decision to form a new federal PAC stemmed from an acknowledgement that he needed to be more active in GOP circles next year if he was serious about running in 1996, and even more so because of the early prospecting by others.

Senate Republican Leader Bob Dole of Kansas, Texas Sen. Phil Gramm, former Tennessee Gov. Lamar Alexander, South Carolina Gov. Carroll Campbell and former Defense Secretary Dick Cheney already trying to build support for possible 1996 candidacies.

"There certainly are a lot of possible presidential candidacies bouncing around and organization is important," said GOP strategist William Kristol.

"It simply means that Kemp has decided to start doing what Dole and a lot of other people have been doing for a number of months," said Republican consultant Craig Shirley. "These kinds of activities are to create political foundations upon which to attack Clinton and to further their presidential ambitions."

Russo, in an interview Tuesday, said Kemp had proscribed any talk of a 1996 run. "But obviously it doesn't hurt" Kemp's 1996 chances to be more active politically, Russo said.

"He started the year out thinking nobody was interested in politics," Russo said. "But the fact that the 'New Democrat' Clinton that was elected disappeared so quickly forced Jack to reverse his idea to stand on the sidelines. So he will become much more engaged now."

Kemp, a former NFL quarterback, will use the Super Bowl in

January to kickoff the PAC's major fund-raising. Several Hall of Fame players have agreed to appear at a Kemp luncheon as part of the three-day event, and Russo said plans were for "several hundred people" to attend.

Kemp's decision to launch a new federal PAC comes on the heels of a reorganization at Empower America that saw the roles of Kemp loyalists enhanced. Kemp's former chief of staff, Bill Dal Col, became president of the organization and former GOP Rep. Vin Weber was named a vice chairman and co-director of the organization.

Kemp intends to play a leading role in a Dec. 14 Empower America conference designed to promote conservative alternatives to President Clinton's economic and health care plans.