

JULY 12, 1994

TO: SENATOR DOLE
FR: JOYCE C.
RE: NSPE/GREATER KC CHAMBER OF COMMERCE EVENT

You have agreed to speak to the joint luncheon of the Greater Kansas City Chamber of Commerce and the National Society of Professional Engineers (NSPE) annual convention via SPRINT fiber optic hook-up tomorrow from 1:45 - 2:00 p.m. The expected audience will be approximately 1,400.

Schedule permitting, your brief remarks will be followed with Q & A from the audience. Morris Kay will act as master of ceremonies to moderate the discussion. Given the interest of the engineering and business communities, we have anticipated several issues of concern. Whit, Rolf, and Nelson have prepared the attached talking points.

July 11, 1994
Whit

PROFESSIONAL ENGINEERS / K.C. CHAMBER

ETHANOL

We were told they might raise ethanol and Clean Air Act as an issue.

The Administration has proposed mandating at least 30% of the fuel used in the Reformulated Gasoline Program (RFG) come from renewables. Further, if ethanol is used in the summer months, it be in the form of ETBE, an alternative which is far more expensive than either splash blended ethanol or MTBE. The program would work on averages, so splash blended ethanol could be used in non-summer months. Finally, the first year would contain only a 15% mandate do to concerns over supplies.

API is expected to file suit to overturn the plan as early as tomorrow.

You have opposed mandates, instead favoring a plan whereby splash blended ethanol would be certified as a fuel meeting the requirements of the RFG program.

The dispute is over scientific theory. EPA, which has a history of bias against ethanol, has a computer model which shows straight ethanol can increase atmospheric ozone (smog) while the Great Lakes Governors' Study conducted by a group of scientists that, up until now, EPA has relied on for contracting out and peer review shows it does not.

Senator Bradley may offer an amendment to the HUD and Independent Agencies Appropriations Bill to prohibit funding for the mandate. I have told Renewable Fuels that my advice to you would be to opposed Bradley, since it would result in a 100% mandate for MTBE, a result that is even worse than EPA's 30% mandate.

It makes no sense for us to mandate that we become even more reliant on foreign sources of energy, and that is precisely where MTBE will come from. Especially if it is done on the basis of disputed scientific theory.

MEMORANDUM

DATE: July 12, 1994
FROM: Rolf Th. Lundberg, Jr.
TO: Senator Dole
SUBJECT: Trade Talking Points for National Society of Professional Engineers

- THE URUGUAY ROUND AGREEMENT, WHEN IMPLEMENTED, WILL PROVIDE BENEFITS FOR U.S. ENGINEERING SERVICE-PROVIDERS SEEKING TO ENTER FOREIGN MARKETS.
- I AM ENCOURAGED TO SEE A NUMBER OF COUNTRIES HAVE MADE COMMITMENTS ON MARKET ACCESS AND NATIONAL TREATMENT FOR ENGINEERING PROFESSIONAL SERVICES -- BUT MORE COUNTRIES MUST COME FORWARD.
- IN OTHER SERVICES SECTORS, SUCH AS FINANCIAL SERVICES AND AUDIO-VISUAL, AGREEMENT WAS NOT REACHED AND NEGOTIATIONS CONTINUE. I HOPE THESE WILL BE SUCCESSFUL.
- FURTHER MARKET LIBERALIZATION IS THE KEY TO ECONOMIC GROWTH. WE MUST ENSURE, FOR EXAMPLE, THAT THE DYNAMIC ECONOMIES OF ASIA REMAIN OPEN AND HOSPITABLE TO OUR GOODS AND SERVICES.
- THIS MEANS RESTRAINING OUR OWN TENDENCIES TOWARDS PROTECTIONISM, AND WORKING UNDER THE DISCIPLINE OF INTERNATIONAL RULES TO RESOLVE DISPUTES.

- I AM WORKING WITH THE ADMINISTRATION TO PASS THE URUGUAY ROUND IMPLEMENTING LEGISLATION THIS YEAR. HOWEVER, THERE REMAIN SERIOUS OBSTACLES, INCLUDING 1) FINANCING THE REVENUE LOSSES FROM TARIFF CUTS; 2) THE VIEW OF MANY MEMBERS THAT THE NEW WORLD TRADE ORGANIZATION WILL TAKE AWAY SOME U.S. SOVEREIGNTY; AND 3) THE ADMINISTRATION'S APPARENT DESIRE TO LINK TRADE TO INTERNATIONAL LABOR STANDARDS AND ENVIRONMENTAL COMPLIANCE.

July 12, 1994

MEMORANDUM FOR SENATOR DOLE

FROM:

Nelson Rockefeller

NAR

SUBJECT:

Update on KANSAS CITY, KANSAS AND KANSAS CITY,
MISSOURI BI-STATE EMPOWERMENT ZONE APPLICATION

THE GOAL: Kansas City, Kansas and Kansas City, Missouri have jointly submitted an application to the Department of Housing and Urban Development to be designated as the recipient of a bi-state Empowerment Zone. By the end of 1994, the Federal Executive Branch will designate six urban Empowerment Zones at least one of which must be a bi-state area.

BENEFITS OF BEING A BI-STATE URBAN EMPOWERMENT ZONE:

The designated zone will receive \$100 million in flexible Title XX funds and opportunities for other federal grants. In addition, the zone will receive business tax incentives and waivers from burdensome federal rules.

A primary goal of implementing the Empowerment Zone is to create economic opportunity. An Empowerment Zone will do this by implementing:

- a Economic Empowerment program which will provide incentive funds to create jobs and provide citizens with the skills to obtain them;
- a Neighborhood Empowerment program which will give citizens access to key services like child care and greater access to quality housing;
- and finally, a Family Advocacy program is targeted to serve thousands of low-income families by providing counseling and access to the services they need so they can become self-sufficient.

THE PLANNING PROCESS: Citizens, business persons and government officials of Kansas City, on both sides of the state line, have worked together with real cooperation in the preparation of the application that was submitted on June 29, 1994.

STATISTICS OF THE PROPOSED ZONE: Just over 49,000 people live in the 20-square-mile bi-state Empowerment Zone. Nearly 40 percent of the people live below the poverty level. More than four out of every 10 adults lack a high school diploma. The unemployment rate is almost 17 percent. One out of every five housing units in the zone is vacant.

SOURCE: Kansas City, Kansas and Kansas City, Missouri Bi-State Empowerment Zone Application

THE KANSAS CITY APPLICATION has considerable support from the residents, business and civic leaders and local and state officials. The application is designed to build on recent public and private investment in the urban core. The Empowerment Zone resources will allow the two Kansas Cities' to carry out their plan to improve the lives of people and neighborhood conditions within the zone.

SOURCE: Mid-America Regional Council