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Labor - Legislative Agenda

THE WHITE HOUSE

WASHINGTON

January 23, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: JOHN HILLEY *JH*

SUBJECT: SENATE LEGISLATIVE AGENDA

I. Republican Agenda

On January 21, Majority Leader Trent Lott and Majority Whip Don Nickles, R-Okla., introduced their top ten list of bills and one resolution, encompassing the heart of the Republican agenda for the 105th Congress. Lott said the list represents a consensus of the 55 Republican members of the Senate, but he said individual Republicans may disagree on some of the specifics.

The following is a list of the Republican's first 10 bills:

-S.J. Res. 1, Balanced Budget Constitutional Amendment

-S1, "Safe and Affordable Schools Act." This bill would shift more responsibility for education to the local level and give parents more flexibility in choosing a school. The bill provides \$50 million for between 20 and 30 school choice pilot programs, establishes a grant program funding local efforts to improve unsafe schools, and provides access to block grant funds to states for establishing school choice programs, teacher incentive programs and to establish same-gender schools. Additionally, the bill provides \$7 billion over seven years in tax relief for parents with children in college or "on the verge of going" and for parents with young children who want to prepare themselves for the high cost of education. The bill would also fully fund the Individuals with Disabilities Education Act by authorizing an additional \$10 billion over seven years and would provide \$400 million for block grants for states to establish programs combating illiteracy. A separate \$100 million fund provides "incentive grants" encouraging local innovation addressing illiteracy.

-S2, "Family Tax Relief Act." The bill would make a variety of changes in tax law, including a \$500 per child tax credit, new incentives to invest in IRAs, an overhaul of the death or estate tax and a reduction in the capital gains tax rate. The package would reduce taxes by \$163 billion over five years, according to a Republican fact sheet, which said \$130 billion would benefit working families.

-S3, "Omnibus Crime Control Act." As introduced by Senator Hatch, the legislation is extremely broad in scope. It contains provisions targeted at issues such as the exclusionary rule, terrorism, possession of firearms during a federal crime, the federal death penalty, violence against women and children, juvenile justice, gang crime, and white collar crime. It also includes several anti-drug proposals, such as amending the methamphetamine statute enacted last year in order to increase sentences for trafficking in methamphetamine.

-S4, "Family-Friendly Workplace Act." The bill is Senator Ashcroft's proposal on comp time/flex time. It permits employers to schedule employees for more than 40 hours a week without paying overtime as long as the total number does not exceed 80 hours over two weeks. The Administration has expressed its opposition to this proposal. In addition, it contains the Republican comp time provisions that permit an employer to offer comp time in lieu of overtime pay.

-S5, "Product Liability Act." This bill would overhaul product liability laws with the aim of reducing liability for manufacturers developing new products. The bill is the same as the Gorton-Rockefeller bill that was vetoed during the last Congress because it unfairly tilted the legal playing field. The measure places caps on punitive damages but may permit judges to exceed caps. Additionally, it abolishes joint and several liability for noneconomic damages and tolls the statute of limitations in the event of a stay or injunction against an action.

-S6, "Partial-Birth Abortion Act." This bill aims to ban this abortion procedure. It is the same as the version that was vetoed by the President during the previous Congress. The bill would criminalize the use of the partial-birth method of abortion. The bill provides a life, but not a health, exemption for mothers. The President vetoed the previous bill because there was no exemption to protect the health of the mother.

-S7, "National Missile Defense Act." The bill calls for mandatory deployment of a limited NMD system by 2003. The system must be capable of defending the territory of the U.S. and capable of being augmented to meet more sophisticated future threats. Under the legislation, this system must contain interceptors, ground-based radars, space-based sensors and battle management elements. The bill urges you to amend the ABM Treaty for the deployment of an NMD system, and requires that any such agreement be submitted to the Senate for its advice and consent. If within one year of the enactment of the bill, the Administration has not completed ABM negotiations, the Congress and the President shall consider withdrawal from the ABM Treaty.

-S8, "Superfund Cleanup." The bill aims to reduce litigation associated with the cleanup of toxic waste sites. Upon cursory review, this new bill makes an effort to round-off some of the sharp edges of last year's legislation sponsored by Republicans and opposed by the Administration. However, considerable differences remain on key issues, such as: retroactive liability; natural resources damages; the states' role, and judicial review of remedies. One bright spot is that the bill appears to replicate much of the

Administration's position on brownfields using grants to assess sites and clean them up.

-S9, "Paycheck Protection Act." The bill makes it a violation of the Federal Election Campaign Act for a union to assess or collect dues from members or non-members if any part of those dues will be used for political activities, unless the union has obtained the prior written consent of each individual. The current law says that employees who are not union members cannot be assessed dues that will be used for political purposes if they object. However, under current law, non-members must object, and union members must live with the democratically determined policies of their union. The bill also makes it a violation of the FEC Act for a national bank or corporation to assess or collect fees from stockholders or employees as a condition of employment if any part will be used for political activities, unless each individual has given prior written consent. However, this provision essentially states the law as its already written.

-S10, "Violent Juvenile Offenders Act." The bill would treat violent and repeat juvenile offenders as adults. Specifically, the bill targets youth gangs and drug-related crimes. The bill would provide \$2.5 billion over five years in new incentive grants for states to enact accountability-based reforms in juvenile justice systems. The bill authorizes efforts aimed at trying violent juvenile offenders as adults; establishes the ability of states to collect juvenile criminal records, fingerprints and photographs and to share criminal histories and information within a state, with other states, and with the federal government. Under the bill, states will be eligible to receive federal funds to help provide for the adult prosecution of juveniles 14 or older who commit violent crimes such as murder, forcible rape, armed robbery, and assault with a deadly weapon or offenses involving controlled substances or involving the possession of a firearm or a destructive device.

II. Democratic Agenda

On January 21, Minority Leader Tom Daschle introduced the ten bills at the top of the Democratic agenda for the 105th Congress.

The following is a list of the Democrat's first 10 bills:

-S11 Campaign Finance. A bill that would overhaul campaign finance laws and institute voluntary spending limits on congressional campaigns. The bill: 1) Bans PAC's in Senate elections; 2) provides incentives (such as reduced rate television and radio time and low cost mailing) for candidates who voluntarily agree to aggregate campaign spending limits; 3) bans soft money; 4) makes it extremely difficult for political parties to run either independent expenditure ads or express advocacy ads on behalf of their candidates for federal office; 5) expands the definition of independent expenditures to include issue advocacy spending designed to influence voters; and 6) bans lobbyists from contributing to a candidate's campaign if they have lobbied the candidate or his staff within the last year (this provision includes the President and Vice President) 7) improves FEC enforcement capabilities, and 8) bans foreign nationals from influencing or directing

the contributions or permanent resident aliens; 8) provides qualified candidates with equal, reduced-rate, adjacent broadcast time to answer independent expenditure advertisements.

-S12 College Aid. This legislation would provide two new types of assistance to families with college-age children, including a \$1,500 per year tax credit, known as a HOPE scholarship, for the first two years of post-secondary education. The measure also includes a \$10,000 per year tax deduction for "qualified education expenses."

-S13 Health Coverage for Children. A tax credit for working families to help cover the costs of child health care for children up to 18 years in age. The bill includes coverage for pregnant women. The tax credit would cover most of a private health insurance premium for the lowest-income families and decrease on a sliding scale for families with higher incomes. The bill requires that insurance companies do business with the federal government to develop children's-only policies.

-S14 Pension Protection. A measure that broadens the availability of IRAs by doubling over time the income thresholds for IRAs to \$80-100,000 for joint filers and \$50-70,000 for single filers. It also unlinks the spousal rule on IRAs and increases the flexibility for withdrawals to pay for higher education, medical expenses, etc. It also includes a Boxer provision to prevent employers from requiring employees to invest in employer's securities or assets. The bill would provide the 1% employer match that was included in the President's NEST proposal but not enacted last year and enhance the ability to audit the approximately \$950 billion of currently unaudited pension plans.

-S15 Juvenile Justice. A measure that would increase federal penalties for juvenile offenders and authorize more than \$1 billion to states to build more facilities for the placement of juvenile offenders. Additionally, the bill puts an additional 25,000 police officers on the street by extending the COPS Program for two years, extends the Violence Against Women Act, increases federal penalties for juveniles by raising the mandatory release age from 21 to 26, and targets gang violence.

-S16 "Cattle Industry Improvement Act." A measure which would require the Department of Agriculture to define and prohibit noncompetitive practices in the livestock industry.

-S17 "Working Americans Opportunity Act." A measure which would overhaul the federal job training system by consolidating job training programs and increasing flexibility and accountability in the job training system. The bill would consolidate certain Federal job training programs by developing a system of vouchers for dislocated workers and economically disadvantaged adults.

-S18 "Brownfield and Environmental Cleanup Act." The measure would direct the EPA to establish a grant program for local governments to clean up brownfield sites, which are abandoned industrial sites that can ruin the ecosystem of surrounding areas.

The measure would also limit liability for prospective purchasers interested in developing brownfield areas.

-S19 "Working Families Child Care Act." This legislation would expand the Child Care Development Block Grant (CCDBG) program and increase child care programs for infants, especially for care during non-traditional working hours. The bill increases authorization of CCDBG funds to \$2 billion for FY 1997 to FY 2002, including \$1.4 million in mandatory spending over the next six years. Additionally, the bill authorizes \$500 million for FY 1997 to FY 2002 to carry out the following activities in areas where shortages of child care exist within a state: infant care programs; before and after school programs; resource and referral programs; nontraditional work hour child care programs; extending the hours of kindergarten programs to provide full-day services, and any other child care programs that the Secretary determines are appropriate.

-S20 "Targeted Investment Incentive and Economic Growth Act." The measure aims to encourage small business development by allowing the capital gains on the sale of small business stock to be deferred if they are fully reinvested in other small business. It would also increase the number of qualified small business stocks by raising the asset threshold to \$100 million from \$ 50 million. It would also qualify more family owned businesses for estate tax relief. The bill would increase the annual contribution limit on IRAs to \$2,500 from \$2,000 and allow family farmers to rollover up to \$400,000 of the gain on the sale of their farm into a qualified pension saving vehicle, such as an IRA. The bill includes the President's proposal to exempt the first \$500,000 in profit on the sale of a home from capital gains taxes. Additional provisions would allow states to use up to ten percent of their unobligated balances in the Highway Trust Fund to provide funding for State Infrastructure Banks and make permanent the expiring employer-provided educational assistance tax exclusion.