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OA/ID Number:	29143
Folder ID Number:	29143-006

Folder Title:
Child Care 1990 (2 of 2) [3]

Stack:	Row:	Section:	Shelf:	Position:
G	15	24	7	2

→ SUNUNU
from
DARMAN
(to be discussed)
4/2/90

H.R. 3	S. 5	Potential Child Health Credit (Bentsen)	Potential DCTC (Packwood)	Potential Grants in Labor Committees (Dodd)
1) Head Start- new grant for child care and expansion of eligibility +3.3B	1) Head Start- simple '90 increase (moot)	1) N/A	1) N/A	1) N/A
2) School Based- grants to school systems (Labor Committee) +2.3B	2) Covered in ABC grant	2) N/A	2) N/A	2) N/A
3) Tax/grant provisions	3) Tax/grant provisions	3) Tax/grant provisions	3) Tax/grant provisions	3) Tax/grant provisions
(a) EITC ('91-'95) -Increase Base EITC to 17%; 21% and 25% (from 14%) -6% additional credit for child(ren) under age 6. +18.5B	(a) Young Child EITC Supplement ('92-'95) -EITC base remains at 14% -7% credit if 1 child; 10% for 2 or more (under age 4). +2.2B	(a) EITC-reduced from H.R. 3 levels ('92-'95) to: 15% base; 19%; 21% -6% additional credit for under 6. +11.2B	(a) EITC-reduced from H.R. 3 levels ('92-'95) to: 15% base; 16%; 17% -6% additional credit for under 6. +7.5B	(a) EITC/DCTC/CHC -choose an $14B option

H.R. 3	S. 5	Potential CHC Compromise (Bentsen)	Potential DCTC Compromise (Packwood)	Potential Grants in Labor Committees (Dodd)
	Child Health Credit ('92-'95) -up to 50% credit for health ins. for child under 19; to max. of $1000 costs -Health Insurance demo. +2.8B	Child Health Credit ('92-'95) -up to 50% credit under '91 to $1000 cost (same as S.5) -Health Insurance demo. +2.8B	Child Health Credit ('92-'95) -50% credit. Same as S.5 & Bentsen -same demo +2.8B	
	Refundable DCTC ('92-'95) -90% refundable under current law levels +3.7B		DCTC Refundability ('92-'95) -90% refundable at current levels +3.7B	
(b)Title XX increase grant earmarked for child care with: -federal training standard -required state-set standards -includes mandatory vouchers & religious language +3.0B	(b)Grants-ABC grants to states includes: -states required to set standards in identified categories -federal "recommended" standards developed -mandatory vouchers -religious language authorized +9.7B	(b)Grants-same as H.R. 3 levels of Title XX -Finance or Labor version? +3.0B	(b)Grants-see Bentsen option +3.0B	(b) Grants-provide Labor Committee block grant to states with means of allowed uses. Same size as H.R. 3 with no standards. Include religious and voucher language +3.0B

	H.R. 3	S. 5	Potential CHC Compromise (Bentsen)	Potential DCTC Compromise (Packwood)	Potential Grants in Labor Committees (Dodd)
	4) Infrastructure Grants +1.4B	4) Covered in ABC grant	4) N/A	4) N/A	4) Allowed in Block Grant
	5) Business Grants +.1B	5) Covered in ABC grant	5) N/A	5) N/A	5) Allowed in Block Grant
	6) Standards Improvement Grants	6) Covered in ABC grant	6) N/A	6) N/A	6) Allowed in Block Grant
Tax Subtotal	18.5B	8.7B	14.0B	14.0B	14.0B
Grant Subtotal	10.5B	9.7B	3.0B	3.0B	3.0B
TOTAL	29.0B	18.4B	17.0B	17.0B	17.0B

*All EA/BA; JCT/CBO Estimates

April 2, 1990
(L404-Comp-t)

SUMMARY COMPARISON: H.R.3 AND S.5

	H.R.3	S.5
HEAD START	Inconsistent with Administration Policy ° Funds not spent to expand participation of current eligibles	Not inconsistent with Administration Policy ° Simple increase of FY90 authorization (now moot)
SCHOOL-BASED PROGRAMS	Inconsistent with President's Principles ° New grant ° No vouchers ° No sectarian child care possible ° Federally required State-set standards (2 of 3 required sets of standards)	Partially Consistent with President's Principles ° Part of services grant ° Vouchers ° Sectarian child care possible ° Federally required State-set standards (in Services Grant)

SERVICES GRANT

Inconsistent with Administration Policy

Type of Standards:	House has Federal training requirement, while Senate lets States set. Otherwise similar.
Reach of Standards:	Senate provision requiring uniformity in application of standards results in broader reach than House.
Religious Language:	Substantially the same. Both flawed.
Mandatory Vouchers:	Substantially the same. Both could be improved.

	H.R.3	S.5
BUSINESS GRANTS AND NONSERVICE ACTIVITIES	Three New Grants ° Business grant ° Quality improvement ("coordination and infrastructure") grant ° Standards improvement incentive grant	Incorporated into Services Grant ° Grants to businesses allowable ° Coordination and infrastructure activities required or allowed ° Set-aside for standards improvement grants
COSTS: GROSS* AS PASSED	\$29.0 billion: BA/EA \$27.5 billion: Out./Rev. (FYs 91-95)	\$18.3 billion: BA/EA \$17.1 billion: Out./Rev. (FYs 90-94; 1989 estimates)
ADJUSTED FYs 91-95	\$24.9 billion: BA/EA \$23.4 billion: Out./Rev.	\$18.4 billion: BA/EA \$17.4 billion: Out./Rev.

*Costs are CBO/JCT or OMB estimates of CBO/JCT estimates.
"Adjusted" costs assume grants are effective in FY91; tax provisions, 1/92.
S.5 adjusted costs exclude FY90 supplemental authorization for Head Start.

THE WHITE HOUSE
WASHINGTON

4/12

TO: JOHN SUNUNU

FROM: FRED McCLURE [initials]
Assistant to the President
for Legislative Affairs

- [x] FYI
- [ ] Comment
- [ ] Action

Here's the updated EPA side-by-side on clean air. Please substitute in earlier package.

DRAFT

CLEAN AIR ACT
NONATTAINMENT STATUS

	Original Administration	Senate	House
Progress Require-ments	For serious and severe ozone areas, 15% reductions in first 5 years, then 3% annually in each subsequent 3-year period unless infeasible in light of costs or not necessary for attainment. Baseline for reductions equals total inventory, not counting reductions from EPA (pre-enactment) tailpipe and any required RVP rules. No credit for reductions excluded from baseline, or SIP corrections.	For serious, severe, and extreme areas, 12% in first 3 years, 12% in next 3 years, and 3% annually in each subsequent 3-year period unless infeasible in light of costs. For first 6 years, baseline for reductions equals total inventory, and no credit for reductions from EPA RVP rules. For rest of years, baseline and creditability rules are same as Original Administration.	For serious, severe, and extreme (L.A.) areas, 15% reductions in first 6 yrs (unless not technologically achievable and area meets tighter NSR and RACT rules). Then, 3% annually in each subsequent 3-year period unless not technologically achievable (*i.e.*, in effect requires L.A.-type controls). No exemption from 3% for L.A. Baseline and creditability rules are same as Original Administration.
Major Source Definitions	New Source Review, LAER, and Non-CTG RACT threshhold: 100 tpy.	New Source Review, LAER, threshhold: 100 tpy; Non-CTG RACT threshhold: 100 tpy except 50 tpy in severe and extreme.	New Source Review, LAER, and non-CTG RACT threshhold: 100 tpy--marginal and moderate; 50 tpy--serious; 25 tpy--severe; 10 tpy--extreme.
Netting and Offsets	Netting allowed as under current law. Offset ratio: greater than 1:1, as under current law.	Netting allowed, but without any net increase. Offset ratio: greater than 1:1.	Restrictions on netting plus options on relief from LAER and offsets. Offset ratio: 1.2:1--serious; 1.3:1--severe; 1.5:1--extreme.
Future FIPs	Discretionary FIPs, full or limited to achieve certain reductions.	After sanctions have been applied, mandatory annual FIPs to achieve certain reductions.	Two years after State failure (without waiting for sanctions to work), mandatory FIP to achieve full attainment.

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NONATTAINMENT STATUS--page 2

	Original Administration	Senate	House
Existing FIP Obligations	EPA expressly excused from existing FIP obligations.	Courts required to consider effect of CAA changes in deciding whether and how to modify existing FIP orders.	No provision on existing FIP orders. General savings clause could be read to retain some existing FIP obligations.
Sanctions	If State does not make reasonable efforts, apply at least 1 of 4 sanctions. (Mandatory sanction 18 months after State fails to submit.)	Grace-period of 1 year if State makes reasonable efforts; then, apply at least 1 of 4 sanctions.	18 month grace-period. Then, either high-way funds cut-off or 2:1 off-sets. Apply other one 6 months later. Apply both if no good faith.
Northeast Ozone Transport	12-state (with D.C.) commission; no mandatory requirements; commission may make recommendations for EPA approval; if EPA approves, EPA must issue SIP call requiring revised SIPs.	Same, except 13-state (with D.C. and Virginia) commission. Plus, States must adopt enhanced I & M (for MSA over 100,000), RACT on certain sources, and Stage II down to 50,000 gallons, unless State shows areas do not contribute to problem. Special Vermont exemption.	Similar to Original Administration. Plus, enhanced I & M, CTG RACT and Non-CTG RACT for 50 tpy or more sources, controls equivalent to Stage II.
Consumer or Commercial Products	Two-year study, followed by regulations, as deemed necessary by EPA, to control to "reasonably available control" levels. Authority to require fees to recoup regulatory costs.	Three-year study, followed, within 2 years, by regulations to control to "reasonably available control" levels. Regulations must achieve at least 1% reductions in total nationwide VOC emissions. Regulations may include fees not limited to costs of regulations.	Three-year study, followed by regs to control to "best available control" levels for all significant categories. Regs must be promulgated for 25% of categories each 2 years after study, until all regs are issued 8 years after study. Regs may include fees not limited to costs of regs.

CLEAN AIR ACT
MOBILE SOURCE STATUS

DRAFT

	Original Administration	Senate	House
Auto Tailpipe Standards	Tier I; no Tier II	Tier I; Tier II triggered by 12 of 27 cities in non-attainment in 2001	Tier I; Tier II if EPA study demonstrates need, feasibility and cost effectiveness
Clean Fueled Cars	30% of new purchases in 9 cities beginning in 1995, ultra clean cars in 2000. No separate fleet program.	100% of new purchases in 9 cities beginning in 1995, cleaner cars in 1999. Separate fleet requirements.	100% of new purchases in 9 cities beginning in 1996, cleaner cars in 2000 (stds weaker than Senate). Separate fleet requirements
Reformulated Gasoline	No separate requirements	For conventional cars in 9 cities beginning in 1992; oxygen content, aromatics, benzene & VOC reduction specified	No separate requirements
Oxygenated Fuels	5 cities; states decide O_2 level	44 cities: 3.1% O_2	11 cities: 2.0% O_2 5 cities: 2.7%
Refueling	Stage II in 69 cities	Stage II in 39 cities; 62 cities have choice between Stage II and enhanced I/M. Onboard unless Congress decides otherwise	Stage II in 69 cities; onboard if safety issue resolved
Cold CO	Tier I standard; EPA to study need for Tier II	Tier I & Tier II	Tier I standard; EPA to study need for Tier II
Urban Buses	Phase in of clean fuel (non-diesel) buses in 1991 in large cities	Phase in of cleaner buses in 1991 in large cities; diesels allowed if meet 0.1 gram standard	Phase in of cleaner buses in 1994 in large cities; diesels allowed if meet 0.1 gram standard; also, beginning in 1995, 30% of new buses must meet CNG/ methanol-type standards

DRAFT

CLEAN AIR ACT
AIR TOXICS STATUS

	Original Administration	Senate	House
MACT	Regulations on top 50% of source categories in seven years. Decisions on remaining 50% in next three years.	Regulations on 100% of source categories within ten years.	Regulations on 100% of source categories in ten years.
Residual Risk	EPA would evaluate remaining risks and determine whether the risk is "unreasonable, taking cost into account. Risk evaluated seven years after MACT. Additional controls required if risks are found to be unreasonable.	NAS will perform a study and report to Congress and a risk management commission. If no congressional action is taken within five years, all sources must meet a risk level of one in 10,0000 for the most exposed individual and further reduce risks to one in 1,000,000.	EPA and Surgeon General conduct a study of the need for a "residual risk" amendment. If no congressional action is taken, current law applies, requiring EPA to regulate for residual risk no more than eight years after promulgation of the applicable MAC standard.
Area Sources	Area sources could be included on the list of source categories to be regulated at the discretion of the Administrator.	Requires EPA and States to conduct research on area sources including monitoring. EPA must develop an area source strategy with a goal of 75% reduction of cancer incidence. The EPA is required to identify at least 10 toxics emitted from area sources and list for regulations.	Requires the Administrator to insure that area sources representing 90% of area source emissions of air toxics are included as source categories to be regulated.
Accidental Release	Establishes a quasi independent chemical hazard safety board.	Establishes an independent board to investigate accidents. EPA develops a list of hazardous substances. Facilities with those substance, repare hazard assments and update them every five years. EPA audits 1.4% of assessments.	Lent substitute added to the quasi independent board a requirement for the Administrator to promulgate accident prevention, detection, and response regulations. List is based on the extremely hazardous substance of SARA Title III.

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	Original Administration	Senate	House
Electric Utilities	The Administrator shall conduct a study of the public health hazards anticipated from exposures to toxic emissions from electric utilities. The results of the study shall be reported to Congress in three (3)years.	Prohibits regulation of chlorine compounds within three (3) years of enactment. Requires a three year study of toxic particulate emissions and a 4 year study of mercury emissions. MACT standards for mercury and particulates must be issued no sooner than three years after enactment and no later than 5 years after enactment.	Identical to the original Administration position except language changes in committee; Instead of... the Administrator may not regulate electric utilities under this section unless he finds such regulation is appropriate; it now reads... The Administrator shall regulate electric utilities under this section if he finds such regulation is appropriate.

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CLEAN AIR ACT
PERMITS TITLE STATUS

	Original Administration	Senate	House
General Outline of Permits Program and Requirements for Permits	Permit program developed by State in accordance with minimum EPA criteria; specified times for State and EPA action; permits must include all applicable CAA rules, plus monitoring and reporting; permits have maximum 5 year term; permit fees.	Same, plus sources must submit permit applications within 30 months, and state must act on applications within 12 months (with 18-month extension if necessary).	Same as Original Administration bill.
Scope of Permit Program	Applies to major sources of NAAQS pollutants, air toxics sources, acid dep. sources, NSPS sources (and EPA may add or exempt sources).	Same.	Same.
Permit Shield	Applies to all CAA requirements unless EPA provides otherwise by rule.	Applies to only CAA requirements placed in permit.	Same as Original Administration.
Sanctions and EPA Permit Program	Discretionary sanctions; discretionary EPA promulgation of permit program.	Same, plus mandatory sanction if State fails to submit permit program, and mandatory EPA permit program if State fails to implement program.	Same as Original Administration.
EPA Veto	EPA has discretion to review and veto any permit.	No EPA veto of "codifying" permits. Mandatory EPA review of "modifying" permits, and mandatory veto if they fail to implement CAA.	No EPA veto. EPA may comment on any permit, and State must respond. EPA may require State to revoke permit after issuance.
Reopening Permits	EPA has discretion to require State to reopen permit for "cause" (not defined).	Permit must require its own revision if material mistake or if new rules make revision necessary to protect health.	Same as Original Administration.

CLEAN AIR ACT
ACID RAIN STATUS

DRAFT

	Administration	Senate	House
SO_2 Program	o 10 million ton reduction and cap by 12/31/2000 with a three year extension for repowering	o 10 million ton reduction and cap by 1/1/2000 with a four year extension for	o 10 million ton reduction and cap by 12/31/2000 with a three year extension for repowering
	o uses a market-based allowance system for plants larger than 1.2lbs/mmBtu	o uses a market-based allowance system for all utility plants, with clean oil and coal plants receiving growth allowances	o uses a market-based allowance system for all utility plants, with clean oil and coal plants receiving growth allowances
Phase 1	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.5 lbs/mmBtu x 1985-87 fuel	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.5 lbs/mmBtu x 1985-87	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.35 lbs/mmBtu x 1985-87 fuel

DRAFT

	o reductions required by 12/31/95	o reductions required by 1/1/95 with two year extension for plants that use 90% control technology	o reductions required by 12/31/95 with one year extension for plants that use 70% control technology
		o two for one credits for reductions below 1.2/lbs	o two for one credits for reductions below 1.2/lbs
			o 3 DOE plants (Joppa, Kyger Creek, Clifty Creek) reduce to 0.5 lbs/mmBtu
Phase 2	o plants greater than 75MW, reduce to 1.2lbs/mmBtu x 85-87 fuel	o all utility plants receive allowances; those with rates greater than 1.2 lbs/mmBtu come down to 1.2 lbs/mmBtu; those under 1.2 lbs/mmBtu receive 20% more allowances than 1985 emissions;	o all utility plants receive allowances; those with rates greater than 1.2 lbs/mmBtu come down to 1.2 lbs/mmBtu; those under 1.2 lbs/mmBtu receive 20% more allowances than 1985 emissions; slight differences over Senate allocation
		o extra 530,000 bonus allowances allocated from 2000-2009 to plants emitting less than 2.5lbs derived from a 5.3 million reserve established by year earlier date	

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NO_x Program	o low NO_x burners by 12/31/2000	o low NO_x burners as they are controlled for SO_2 o other boiler types to control with technology comparable in cost to low NO_x burners in phase 2 o new NSPS for NO_x	o low NO_x burners by 12/31/2000 o may increase NO_x reductions from 2.5 million to 4.0 million o new NSPS for NO_x
CCT	o FERC rate incentives o exempt temporary CCT from NSPS, PSD o exempt permanent CCT projects from NSPS, PSD if potential emissions do not increase (potential-potential)	o FERC rate incentives o exempt temporary CCT from NSPS, PSD o exempt permanent retrofit CCT and all retrofit control projects from PSD, NSPS if actual emissions do not increase (actual-actual) o exempt permanent repowering CCT if potential hourly emissions do not increase (potential-potential)	o no FERC rate incentives o exempt temporary CCT projects from PSD, NSPS o exempt permanent CCT projects from PSD, NSPS if future actual emissions at 70% capacity are not higher than current actual emissions (actual-actual) o remaining CCT funding restricted to owners or operators of Phase 1 plants

DRAFT

Clean Air Act
Enforcement Status

	Original Administration	Senate	House
Criminal Enforcement	Raises crimes from misdeameanor to felony; new sanctions for knowing & negligent endangerment.	Same as Admin proposal	Same as Admin proposal
Administrative penalties	ALJ hearings with $200,000 cap; cap can be waived	Same as Admin proposal, but cap is not waivable.	Same as Admin proposal
Administrative orders	Pre-enforcement review barred; compliance orders effective for up to 12 mos.	Informal hearing opportunity & circuit court review for most orders; no pre-enforcement review of emergency orders.	Silent on reviewability
Citizen Suits	Citizens may sue for penalties that go to U.S. treasury; US may intervene	Same as Admin proposal with ability to sue for past violations & to seek review of discretionary acts.	Same as Admin proposal
Contractor Inspections	Allowed	Allowed	Not Allowed
New Source Enforcement	EPA Authority to stop operation of sources violating new source requirement	Same as Admin Proposal	No EPA authority to stop operation If sources violating new source requirement

DRAFT

Public Comment on Consent Orders	No Provisions	No Provisions	Allows public comment on consent orders & Settlements prior to court filing.

SUMMARY COMPARISON OF H.R. 3 AND S. 5
Prepared by Rep. Stenholm's staff

HEAD START

H.R. 3
- o Inconsistent with Administration policy
- o Funds not spent to expand participation of current eligibles

S. 5
- o Not inconsistent with Administration policy
- o Simple increase of FY90 authorization (now moot)

SCHOOL-BASED PROGRAMS

H.R. 3
- o Inconsistent with President's Principles
- o New grant
- o No vouchers
- o No sectarian child care possible
- o Federally required State-set standards (2 of 3 required sets of standards)

S. 5
- o Partially consistent with President's Principles
- o Part of service grant
- o Vouchers
- o Sectarian child care possible
- o Federally required State-set standards (In Services Grant)

SERVICES GRANT
- o Inconsistent with Administration Policy

  Type of Standards:
  House has Federal training requirement, while Senate lets States set. Otherwise similar.

  Reach of Standards:
  Senate provision requiring uniformity in application of standards results in broader reach than House.

  Religious Language:
  Substantially the same. Both flawed.

  Mandatory Vouchers:
  Substantially the same. Both could be improved.

BUSINESS GRANTS AND NONSERVICE ACTIVITIES

H.R. 3

Three New Grants
- o Business grant
- o Quality Improvement ("coordination and infrastructure") grant
- o Standards Improvement Incentive grant

<u>S. 5</u>
Incorporated into Services Grant
- o Grants to businesses allowable
- o Coordination and Infrastructure activities required or allowed
- o Set-aside for standards improvement grants

COSTS: GROSS*
(as passed)
<u>H.R. 3</u>
- o $29.0 billion: BA/EA
- o $27.5 billion: Out./Rev.
- o (FYs 91-95)

<u>S. 5</u>
- o $18.3 billion: BA/EA
- o $17.1 billion: Out./Rev.
- o (FYs 90-94; 1989 estimate)

ADJUSTED
FYs 91-95
<u>H.R. 3</u>
- o $24.9 billion: BA/EA
- o $23.4 billion: Out./Rev.

<u>S. 5</u>
- o $18.4 billion: BA/EA
- o $17.4 billion: Out./Rev.

Costs are CBO/JCT or OMB estimates of CBO/JCT estimates.
"Adjusted" costs assume grants are effective in FY91; tax provisions, 1/92
S.5 adjusted costs exclude FY90 supplemental authorization for Head Start

Stenholm-Shaw Child Care Bill Comparisons
3/14/90

(Descriptions of provisions below are of changes to 10/5/89 Stenholm-Shaw amendment.) (Title nos. correspond to HR 3.)

	(5 years, in BILLIONS) PROPOSAL for SS-II BILL	ORIG. STENHOLM -SHAW	ORIG. W & M	ORIG. E & L
TITLE I -- HEAD START INCREASE Rearrange same funding increase; $600 mil. in 1st year + "such sums".	$ 3.2	$ 3.2	$ 2.6*	$ 1.9*
TITLE II -- SCHOOL-BASED EARLY DEV'L & "LATCHKEY" PROGRAMS (No separate provisions; see HS & Ti.XX)	---	---	2.6*	1.9*
TITLE III --				
TITLE XX (E&L-ABC) Instead of $200-350-400-400-400 mil, fund at $450 mil./year; Senate language requiring families have certificate option; certificates may be used with religions providers; Permit states adequate time & use of funds to set up certificate programs; Senate provision clarifying that religious providers may require employees to adhere to their teachings & tenets, incl. rules against drugs or alcohol.	2.25	1.75	1.75	2.6*
EITC ** Add infant (under 1) credit for families not claiming DCTC ($200-400); No repeal of EITC/AFDC disregard; Adopt W&M EITC/Welfare disregard.	14.9**	14.4**	14.4**	---
DCTC/FCA $70-90,000 PHASE-OUT	- 1.1	- 1.1	---	---
SOC. SECURITY EARNING TEST EXEMPTION	***	***	---	---
TITLE IV -- COORDINATION & INFRASTRUCTURE	---	---	2.2*	1.1*
TITLE V -- BUSINESS INVOLVEMENT	.1	.1	.1*	.1*
TITLE VI -- INCENTIVE GRANTS FOR STANDARDS	---	---	.4	---
COSTS: BA Subj. to Enacted Approp.	$ 3.3	$ 3.3	$ 7.9	$ 7.6
Direct Spending (Tax + Grants)	17.15**	16.15**	16.15**	---
TOTAL (Dir.+BA/SEA)	$19.55	$18.55	$23.15	$ 7.6
Offsetting Savings	- 1.1	- 1.1		
Assume EITC added to E&L pkg.				+14.4
Adj's for 5-th yr. Re-Auth.*			+ 2.06	+ 2.06
NET TOTALS (w/ 5th-yr. adj.)	$19.35	$18.35	$26.11	$24.06

Notes: * These programs are authorized for only 4 years in HR 3; assuming they are renewed for a 5th year would add more than $2 BILLION in authorizations to the E&L and W&M spending totals.
** Adjusted for 3/12 Joint Tax Cmte. prelim. est. of FY 92-95 EITC Costs.
*** Less than $50 million.

Comparison of Child-Care Bills As Passed by House, Senate

	S 5	HR 3
Grants for Child Care	Would authorize $1.75 billion for fiscal 1990 and "such sums as may be necessary" for fiscal 1991-94 for a new program of grants to states for child-care services (ABC).	Would authorize a $450 million increase in fiscal 1991, and $2.9 billion over five years, earmarked for child care, in the existing Social Services Block Grant (Title XX of the Social Security Act), an entitlement program.
Head Start	Would increase fiscal 1990 authorization from $1.405 billion to $1.552 billion (enacted separately as PL 101-120). Would require 7% of ABC funds to be used for extension of part-day programs, including Head Start.	Would authorize $611 million (in addition to regular authorization) in fiscal 1991 to expand part-day, school-year Head Start programs to full-day, full year. Would also permit some families with incomes above the poverty line to participate in Head Start, subject to a sliding fee scale.
"Latch-key" Children	Would authorize the use of ABC funds to establish after-school child-care programs.	Would authorize $429 million in fiscal 1991 for a new school-based program to provide pre-school and/or before- and after-school care for school-age children.
Standards	Would require that within three years states have in place standards in specific areas, including child-staff ratios, health and safety protections, and group size limits. Would also authorize grants to states to fund activities aimed at improving the supply and quality of care.	Essentially the same, except it would also require that within two years all providers who receive public funds complete an average of 15 hours of training annually.
Tax Credits	Would create a supplement to existing earned-income tax credit (EITC) for low-income families with children under age 4. Would also expand and make refundable the current dependent-care tax credit. Would also create a tax credit for health insurance costs, available only to families with children with incomes of $18,000 or less. Estimated cost in fiscal 1990-94: $8.4 billion.	Would increase and expand the EITC and provide a new "young child" supplement for families with children under age 6. Estimated cost in fiscal 1991-95: $18.5 billion.
Funding for Religious Activities	Would bar federal funding for sectarian activities, except for care provided by a relative or paid for by a voucher, which states would be required to offer if a parent requested one. Would prohibit discrimination on the basis of religion in facilities more than 80% funded by public entities, although sectarian organizations could require that employees adhere to religious "tenets and teachings." Facilities receiving less than 80% public funding could give preference in hiring and admission for non-publicly funded slots to participating members of the religious organization. Stipulates that such requirements would not supersede state laws regarding public funding for religious institutions.	Essentially the same as S 5.
Financing	Would make the telephone excise tax permanent. Would require "S" corporations to pay estimated taxes (enacted separately as part of PL 101-239).	Same as S 5. Would phase out child-care tax preferences for families with adjusted gross incomes greater than $70,000. Credit would be eliminated for those with incomes greater than $90,000.

THE WHITE HOUSE

WASHINGTON

April 11, 1990

MEMORANDUM FOR JOHN H. SUNUNU

FROM: NICHOLAS E. CALIO NEC
JACK HOWARD JH

THROUGH: FREDERICK D. MCCLURE FM

SUBJECT: Problems for Religious-based Day Care in H.R. 3

We have reviewed H.R. 3 for the problems it may present religious-based day care providers. We have also discussed this matter with a number of experts on the Church/State area of child care.

The problems in H.R. 3 are listed below in the left-hand column. The right-hand column provides a comparison with what the Stenholm/Shaw bill would or would not have provided.

Each of the experts we talked with indicated that the Catholic Conference is aware of these problems.

NOV BY:XEROX Telecopier 7020 ; 4- 6-90 ; 12:55PM ; 2022245431→ 2024566221;# 2

MEMORANDUM

TO: JOHN H. SUNUNU
FROM: CHRIS DODD
RE: STATE FLEXIBILITY AND FISCAL RESPONSIBILITY: A COMPARISON OF S.5 AND H.R.3

ISSUE	S.5	H.R.3
TOTAL COST (5 YEARS)	$17.25 BILLION	$27 BILLION
Mandatory Spending (Tax & Entitlements)	$ 8.5 BILLION	$21.5 BILLION
STATE FLEXIBILITY AND BUREAUCRACY:		
% spent at Governors' discretion	100%	40%
# of funding streams	1 pot of funds/ states to coord. with other state and federal progs.	6 pots of funds/ states directed to admin. Title XX separately from other programs.
States Set Standards?	Yes	Yes, plus 15 hr. federal training requirement.
State formula poverty-based?	Yes	No for Title XX $
% OF FUNDS AVAILABLE FOR CHURCH, FAMILY, AND RELATIVE CARE	100%	25%
% OF FUNDS AVAILABLE FOR INFANTS & TODDLERS	100%	25%
% OF FUNDS AVAILABLE THROUGH VOUCHERS	100%	25%
VOUCHERS MANDATORY?	YES	YES
HIRING AND ADMISSIONS PREFERENCE FOR CHURCHES?	YES	YES

THE WHITE HOUSE

WASHINGTON

April 10, 1990

MEMORANDUM FOR JOHN H. SUNUNU

FROM: FREDERICK D. McCLURE FM

SUBJECT: Side-by-side Analyses; Child Care and Clean Air

Attached please find:

1. Memorandum from Nick Calio to me regarding discussions with committees of jurisdiction and pending **requests** for side-by-side analyses

2. EPA Preliminary Comparison of Administration bill, Senate-passed bill, and House-reported bill

3. Clean Air comparison prepared by Congressional Quarterly

4. Summary Comparisons prepared by Rep. Charlie Stenholm's staff

5. Child Care comparison prepared by Congressional Quarterly

As soon as we have additional information, we will get it to you.

THE WHITE HOUSE

WASHINGTON

April 10, 1990

MEMORANDUM FOR FREDERICK McCLURE

FROM: NICHOLAS E. CALIO NEC

SUBJECT: Child Care/Clean Air Side-by Sides

Per our discussion, we have checked again with the Ways and Means Committee (Child Care) and the Energy and Commerce Committee (Clean Air) and determined that they have not yet prepared side-by-sides of the Child Care and Clean Air legislation.

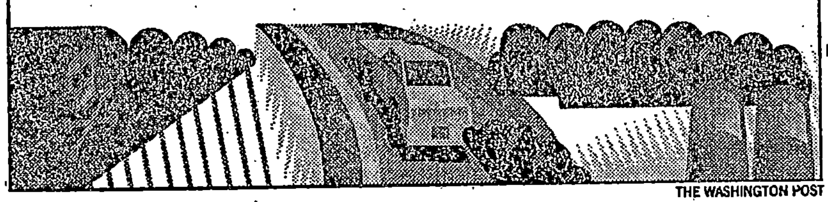
We did request last week that the Ways and Means minority staff prepare a child care side-by-side of H.R. 3, S.5 and Stenholm/Shaw. They agreed to do so, but have not yet completed the document. I have attached two comparisons of H.R. 3 and S.5 for your reference. The first was prepared by Representative Charlie Stenholm's staff; the second appeared in Congressional Quarterly.

On Clean Air, EPA has prepared a preliminary assessment of S.1630 as passed by the Senate and H.R. 3030 as reported by the Energy and Commerce Committee. A copy is attached. However, I understand that it is currently being redrafted.

Wash. Post 4/6/90

THE CLEAN AIR ACT: COMPARING CONGRESS'S VERSIONS

	SENATE BILL	HOUSE COMMITTEE BILL
Tailpipe emissions Nitrogen oxide	0.4 grams per mile (gpm) by 1995; 0.2 gpm by Oct. 1, 2003, if 12 of 27 "seriously" polluted cities remain smoggy.	0.4 gpm by 1996; 0.2 gpm by 2003 if EPA deems it "feasible and necessary."
Hydrocarbons	0.25 gpm by 1995; 0.125 by Oct. 1, 2003, if 12 of 27 "seriously" polluted cities remain smoggy.	0.25 gpm by 1996; 0.125 by 2003 if EPA deems it "feasible and necessary."
Alternative fuels	Requires a reformulated gasoline mixture for all new cars in the nation's nine smoggiest cities by 1995. Also requires "super-clean fuels" for federal and private fleets in the nine smoggiest cities by 1997.	Requires auto makers to certify their "capability" to produce 1 million cars by 1997 that can run on clean fuels in nine smoggiest cities. Requires "super-clean fuel" program for fleets, similar to provision in Senate bill.
Toxic industrial emissions	Requires industry to install "best available technology" by 2000 to control sources of 200 toxic substances. Congress to set standards for residual risk of carcinogens with goal of no more than 1 in 10,000 odds of causing cancer.	Requires industry to install "best available technology" to control sources of 200 air toxics, except for those showing no cancer risk greater than 1 in 1 million; EPA to limit residual risk. with "ample margin of safety," as in current law.
Acid rain	Calls for 50% cut in emissions of sulfur dioxide by the year 2000 and caps them at that level. Uses system of credits to ease burden on dirty utilities, compensate miners for job loss and help fast-growing states.	Same environmental goals as Senate bill. Uses system of credits, tight controls on Department of Energy plants and annual auctions to ease burden on dirty utilities, compensate miners for job loss and help fast-growing states.



THE WASHINGTON POST

THE WHITE HOUSE
WASHINGTON

April 10, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

FROM: ROGER B. PORTER RBP

SUBJECT: Clean Air Act Administration-Congressional Comparisons

The Environmental Protection Agency, at my request, has produced the attached side-by-side comparison of:

(1) The original administration Clean Air bill transmitted by the President last July;

(2) The Clean Air bill which passed the Senate last week; and

(3) The Clean Air bill as reported out by the House Energy and Commerce Committee last week.

I am circulating this side-by-side to the members of our Clean Air Group for their comments.

I am also working with Dick Schmalansee on the cost estimates and should have something on them shortly.

Attachment

CLEAN AIR ACT
NONATTAINMENT STATUS

	Original Administration	Senate	House
Progress Requirements	For serious and severe ozone areas, 15% reductions in first 5 years, then 3% annually in each subsequent 3-year period unless infeasible in light of costs or not necessary for attainment. Baseline for reductions equals total inventory, not counting reductions from EPA (pre-enactment) tailpipe and any required RVP rules. No credit for reductions excluded from baseline, or SIP corrections.	For serious, severe, and extreme areas, 12% in first 3 years, 12% in next 3 years, and 3% annually in each subsequent 3-year period unless infeasible in light of costs. For first 6 years, baseline for reductions equals total inventory, and no credit for reductions from EPA RVP rules. For rest of years, baseline and creditability rules are same as Original Administration.	For serious, severe, and extreme (L.A.) areas, 15% reductions in first 6 yrs (unless not technologically achievable and area meets tighter NSR and RACT rules). Then, 3% annually in each subsequent 3-year period unless not technologically achievable (i.e., in effect requires L.A.-type controls). No exemption from 3% for L.A. Baseline and creditability rules are same as Original Administration.
Major Source Definitions	New Source Review, LAER, and Non-CTG RACT threshhold: 100 tpy.	New Source Review, LAER, threshhold: 100 tpy; Non-CTG RACT threshhold: 100 tpy except 50 tpy in severe and extreme.	New Source Review, LAER, and non-CTG RACT threshhold: 100 tpy--marginal and moderate; 50 tpy--serious; 25 tpy--severe; 10 tpy--extreme.
Netting and Offsets	Netting allowed as under current law. Offset ratio: greater than 1:1, as under current law.	Netting allowed, but without any net increase. Offset ratio: greater than 1:1.	Restrictions on netting plus options on relief from LAER and offsets. Offset ratio: 1.2:1--serious; 1.3:1--severe; 1.5:1--extreme.
Future FIPs	Discretionary FIPs, full or limited to achieve certain reductions.	After sanctions have been applied, mandatory annual FIPs to achieve certain reductions.	Two years after State failure (without waiting for sanctions to work), mandatory FIP to achieve full attainment.

NONATTAINMENT STATUS--page 2

	Original Administration	Senate	House
Existing FIP Obligations	EPA expressly excused from existing FIP obligations.	Courts required to consider effect of CAA changes in deciding whether and how to modify existing FIP orders.	No provision on existing FIP orders. General savings clause could be read to retain some existing FIP obligations.
Sanctions	If State does not make reasonable efforts, apply at least 1 of 4 sanctions. (Mandatory sanction 18 months after State fails to submit.)	Grace-period of 1 year if State makes reasonable efforts; then, apply at least 1 of 4 sanctions.	18 month grace-period. Then, either high-way funds cut-off or 2:1 off-sets. Apply other one 6 months later. Apply both if no good faith.
Northeast Ozone Transport	12-state (with D.C.) commission; no mandatory requirements; commission may make recommendations for EPA approval; if EPA approves, EPA must issue SIP call requiring revised SIPs.	Same, except 13-state (with D.C. and Virginia) commission. Plus, States must adopt enhanced I & M (for MSA over 100,000), RACT on certain sources, and Stage II down to 50,000 gallons, unless State shows areas do not contribute to problem. Special Vermont exemption.	Similar to Original Administration. Plus, enhanced I & M, CTG RACT and Non-CTG RACT for 50 tpy or more sources, controls equivalent to Stage II.
Consumer or Commercial Products	Two-year study, followed by regulations, as deemed necessary by EPA, to control to "reasonably available control" levels. Authority to require fees to recoup regulatory costs.	Three-year study, followed, within 2 years, by regulations to control to "reasonably available control" levels. Regulations must achieve at least 1% reductions in total nationwide VOC emissions. Regulations may include fees not limited to costs of regulations.	Three-year study, followed by regs to control to "best available control" levels for all significant categories. Regs must be promulgated for 25% of categories each 2 years after study, until all regs are issued 8 years after study. Regs may include fees not limited to costs of regs.

CLEAN AIR ACT
MOBILE SOURCE STATUS

	Original Administration	Senate	House
Auto Tailpipe Standards	Tier I; no Tier II	Tier I; Tier II triggered by 12 of 27 cities in non-attainment in 2001	Tier I; Tier II if EPA study demonstrates need, feasibility and cost effectiveness
Clean Fueled Cars	30% of new purchases in 9 cities beginning in 1995, ultra clean cars in 2000. No separate fleet program.	100% of new purchases in 9 cities beginning in 1995, cleaner cars in 1999. Separate fleet requirements.	100% of new purchases in 9 cities beginning in 1996, cleaner cars in 2000 (stds weaker than Senate). Separate fleet requirements
Reformulated Gasoline	No separate requirements	For conventional cars in 9 cities beginning in 1992; oxygen content, aromatics, benzene & VOC reduction specified	No separate requirements
Oxygenated Fuels	5 cities; states decide O_2 level	44 cities: 3.1% O_2	11 cities: 2.0% O_2 5 cities: 2.7%
Refueling	Stage II in 69 cities	Stage II in 39 cities; 62 cities have choice between Stage II and enhanced I/M. Onboard unless Congress decides otherwise	Stage II in 69 cities; onboard if safety issue resolved
Cold CO	Tier I standard; EPA to study need for Tier II	Tier I & Tier II	Tier I standard; EPA to study need for Tier II
Urban Buses	Phase in of clean fuel (non-diesel) buses in 1991 in large cities	Phase in of cleaner buses in 1991 in large cities; diesels allowed if meet 0.1 gram standard	Phase in of cleaner buses in 1994 in large cities; diesels allowed if meet 0.1 gram standard; also, beginning in 1995, 30% of new buses must meet CNG/ methanol-type standards

CLEAN AIR ACT
AIR TOXICS STATUS

	Original Administration	Senate	House
MACT	Regulations on top 50% of source categories in seven years. Decisions on remaining 50% in next three years.	Regulations on 100% of source categories within ten years.	Regulations on 100% of source categories in ten years.
Residual Risk	EPA would evaluate remaining risks and determine whether the risk is "unreasonable, taking cost into account. Risk evaluated seven years after MACT. Additional controls required if risks are found to be unreasonable.	NAS will perform a study and report to Congress and a risk management commission. If no congressional action is taken within five years, all sources must meet a risk level of one in 10,0000 for the most exposed individual and further reduce risks to one in 1,000,000.	EPA and Surgeon General conduct a study of the need for a "residual risk" amendment. If no congressional action is taken, current law applies, requiring EPA to regulate for residual risk no more than eight years after promulgation of the applicable MAC standard.
Area Sources	Area sources could be included on the list of source categories to be regulated at the discretion of the Administrator.	Requires EPA and States to conduct research on area sources including monitoring. EPA must develop an area source strategy with a goal of 75% reduction of cancer incidence. The EPA is required to identify at least 10 toxics emitted from area sources and list for regulations.	Requires the Administrator to insure that area sources representing 90% of area source emissions of air toxics are included as source categories to be regulated.
Accidental Release	Establishes a quasi independent chemical hazard safety board.	Establishes an independent board to investigate accidents. EPA develops a list of hazardous substances. Facilities with those substance, repare hazard assments and update them every five years. EPA audits 1.4% of assessments.	Lent substitute added to the quasi independent board a requirement for the Administrator to promulgate accident prevention, detection, and response regulations. List is based on the extremely hazardous substance of SARA Title III.

CLEAN AIR ACT
AIR TOXICS STATUS (CONT.)

	Original Administration	Senate	House
Electric Utilities	The Administrator shall conduct a study of the public health hazards anticipated from exposures to toxic emissions from electric utilities. The results of the study shall be reported to Congress in three (3) years.	Prohibits regulation of chlorine compounds within three (3) years of enactment. Requires a three year study of toxic particulate emissions and a 4 year study of mercury emissions. MACT standards for mercury and particulates must be issued no sooner than three years after enactment and no later than 5 years after enactment.	Identical to the original Administration position except language changes in committee; Instead of... the Administrator may not regulate electric utilities under this section unless he finds such regulation is appropriate; it now reads... The Administrator shall regulate electric utilities under this section if he finds such regulation is appropriate.

CLEAN AIR ACT
PERMITS TITLE STATUS

	Original Administration	Senate	House
General Outline of Permits Program and Requirements for Permits	Permit program developed by State in accordance with minimum EPA criteria; specified times for State and EPA action; permits must include all applicable CAA rules, plus monitoring and reporting; permits have maximum 5 year term; permit fees.	Same, plus sources must submit permit applications within 30 months, and state must act on applications within 12 months (with 18-month extension if necessary).	Same as Original Administration bill.
Scope of Permit Program	Applies to major sources of NAAQS pollutants, air toxics sources, acid dep. sources, NSPS sources (and EPA may add or exempt sources).	Same.	Same.
Permit Shield	Applies to all CAA requirements unless EPA provides otherwise by rule.	Applies to only CAA requirements placed in permit.	Same as Original Administration.
Sanctions and EPA Permit Program	Discretionary sanctions; discretionary EPA promulgation of permit program.	Same, plus mandatory sanction if State fails to submit permit program, and mandatory EPA permit program if State fails to implement program.	Same as Original Administration.
EPA Veto	EPA has discretion to review and veto any permit.	No EPA veto of "codifying" permits. Mandatory EPA review of "modifying" permits, and mandatory veto if they fail to implement CAA.	No EPA veto. EPA may comment on any permit, and State must respond. EPA may require State to revoke permit after issuance.
Reopening Permits	EPA has discretion to require State to reopen permit for "cause" (not defined).	Permit must require its own revision if material mistake or if new rules make revision necessary to protect health.	Same as Original Administration.

CLEAN AIR ACT

ACID RAIN STATUS

	Administration	Senate	House
SO_2 Program	o 10 million ton reduction and cap by 12/31/2000 with a three year extension for repowering	o 10 million ton reduction and cap by 1/1/2000 with a four year extension for	o 10 million ton reduction and cap by 12/31/2000 with a three year extension for repowering
	o uses a market-based allowance system for plants larger than 1.2lbs/mmBtu	o uses a market-based allowance system for all utility plants, with clean oil and coal plants receiving growth allowances	o uses a market-based allowance system for all utility plants, with clean oil and coal plants receiving growth allowances
Phase 1	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.5 lbs/mmBtu x 1985-87 fuel	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.5 lbs/mmBtu x 1985-87	o plants greater than 100MW,emitting more than 2.5 lbs/mmBtu required to reduce to 2.35 lbs/mmBtu x 1985-87 fuel

	o reductions required by 12/31/95	o reductions required by 1/1/95 with two year extension for plants that use 90% control technology	o reductions required by 12/31/95 with one year extension for plants that use 70% control technology
		o two for one credits for reductions below 1.2/lbs	o two for one credits for reductions below 1.2/lbs
			o 3 DOE plants (Joppa, Kyger Creek, Clifty Creek) reduce to 0.5 lbs/mmBtu
Phase 2	o plants greater than 75MW, reduce to 1.2lbs/mmBtu x 85-87 fuel	o all utility plants receive allowances; those with rates greater than 1.2 lbs/mmBtu come down to 1.2 lbs/mmBtu; those under 1.2 lbs/mmBtu receive 20% more allowances than 1985 emissions;	o all utility plants receive allowances; those with rates greater than 1.2 lbs/mmBtu come down to 1.2 lbs/mmBtu; those under 1.2 lbs/mmBtu receive 20% more allowances than 1985 emissions; slight differences over Senate allocation
		o extra 530,000 bonus allowances allocated from 2000-2009 to plants emitting less than 2.5lbs derived from a 5.3 million reserve established by year earlier date	

NO_x Program	o low NO_x burners by 12/31/2000	o low NO_x burners as they are controlled for SO_2	o low NO_x burners by 12/31/2000
		o other boiler types to control with technology comparable in cost to low NO_x burners in phase 2	o may increase NO_x reductions from 2.5 million to 4.0 million
		o new NSPS for NO_x	o new NSPS for NO_x
CCT	o FERC rate incentives	o FERC rate incentives	o no FERC rate incentives
		o exempt temporary CCT from NSPS, PSD	o exempt temporary CCT projects from PSD, NSPS
	o exempt temporary CCT from NSPS, PSD	o exempt permanent retrofit CCT and all retrofit control projects from PSD, NSPS if <u>actual</u> emissions do not increase (actual-actual)	o exempt permanent CCT projects from PSD, NSPS if future <u>actual</u> emissions at 70% capacity are not higher than current <u>actual</u> emissions (actual-actual)
	o exempt permanent CCT projects from NSPS, PSD if <u>potential</u> emissions do not increase (potential-potential)	o exempt permanent repowering CCT if <u>potential</u> hourly emissions do not increase (potential-potential)	o remaining CCT funding restricted to owners or operators of Phase 1 plants

Clean Air Act
Enforcement Status

	Original Administration	Senate	House
Criminal Enforcement	Raises crimes from misdeameanor to felony; new sanctions for knowing & negligent endangerment.	Same as Admin proposal	Same as Admin proposal
Administrative penalties	ALJ hearings with $200,000 cap; cap can be waived	Same as Admin proposal, but cap is not waivable.	Same as Admin proposal
Administrative orders	Pre-enforcement review barred; compliance orders effective for up to 12 mos.	Informal hearing opportunity & circuit court review for most orders; no pre-enforcement review of emergency orders.	Silent on reviewability
Citizen Suits	Citizens may sue for penalties that go to U.S. treasury; US may intervene	Same as Admin proposal with ability to sue for past violations & to seek review of discretionary acts.	Same as Admin proposal
Contractor Inspections	Allowed	Allowed	Not Allowed
New Source Enforcement	EPA Authority to stop operation of sources violating new source requirement	Same as Admin Proposal	No EPA authority to stop operation If sources violating new source requirement

Public Comment on Consent Orders	No Provisions	No Provisions	Allows public comment on consent orders & Settlements prior to court filing.

Clean Air: A Conference Outlook

Now that the Senate (S 1630) and the House Energy and Commerce Committee (HR 3030) have approved clean-air bills, the outlines of next-generation law are sharper than they have been in years. A comparison:

Current Law	Senate	House
Smog (Mandates how and when urban areas must meet clean-air standards.)		
Current law has failed to bring the air in more than 100 cities into compliance with health standards since 1970, missing major deadlines in 1975, 1982 and 1987.	The bills have similar compliance schedules; disputes are likely to focus on specific compliance methods. Potentially contentious Senate provisions include: size of pollution sources to be controlled (generally larger sources emitting 100 tons per year or more); waivers for yearly reduction requirements (available after first six years if states can show hardship due to cost or other factors); and federal implementation plans, or FIPs (the Environmental Protection Agency (EPA)) would be required to impose one FIP element a year, rather than a comprehensive plan, to achieve 3 percent annual smog reduction when states fail to develop or implement an adequate state implementation plan).	A surprise House compromise produced a measure that environmentalists and state air officials say is tougher than the Senate's. States could control smaller sources (down to 25 tons or even 10 tons in some areas), cost waivers would not be permitted, and EPA would be required to impose FIPs that would "provide for attainment." The agreement binds key committee members through conference. The question is whether Senate Environment Committee leaders, who originally backed similar language, will accept the House provisions. The Senate deal with the White House was good only through floor passage.
Motor Vehicles (New tailpipe-emissions limits and alternative fuels.)		
Tailpipe-emissions controls were imposed in the 1970 Clean Air Act but loosened slightly in 1977 amendments after bitter industry complaints. Controls have reduced pollutants by as much as 96 percent, but increasing numbers of cars and miles traveled mean pollution will eventually go back up, not continue down.	First-round tailpipe limits are similar to the House bill but would phase in earlier (model years 1993-95). The Senate would phase in controversial, much tougher second-round limits nationwide (in model year 2004) if at least 12 of the nation's smoggiest cities remained out of compliance in 2001; backup trigger provision could impose second-round limits only in nine such cities in model year 2004. The alternative-fuels program would target all light vehicles in the nine smoggiest cities beginning in 1995; this could probably be met with reformulated gasoline, which would be the only gasoline available in those cities beginning in 1994. Fleets would have to meet substantially tougher requirements.	Sets a complex phase-in for first first-round limits (model years 1994-98). Even tougher, second-round limits are similar to the Senate's and would go into effect unless vetoed by EPA on grounds that they were not technologically feasible, cost-effective or necessary. The alternative-fuels program is similar to the Senate's in structure, but emissions standards are less stringent. There are many potential disputes in this section; the chief one may be how to trigger or veto second-round tailpipe standards. The House deal binds key committee members through conference on all but alternative fuels; a fray is likely over how tough to make the clean-fuels program.
Toxic Air Pollutants (Should technology be followed by health standards?)		
The 1970 Clean Air Act required EPA to control toxic air pollutants by setting limits to provide "an ample margin of safety to protect human health." But "ample margin" for a carcinogen may be no exposure at all, so EPA has set standards for only seven toxics in 20 years, lest it force industry shutdowns.	All sides agree that the law has failed and that the best way to change it is to require air-toxics sources to install a first round of technological pollution controls. The chief question in conference will likely be what to do next. The Senate bill proposes a "residual risk" standard that would impose second-round restrictions on toxics sources, requiring them to reduce the risk of cancer to nearby residents to less than 1-in-10,000. Sources could use a hypothetical "most exposed individual" test or less stringent "actual man" test to measure risk to actual population. Industry critics say the provision could force industries to shut down.	In third key deal, Energy Committee opted to beef up first-round standards, deferring the issue of what to do about residual risk for another decade. The compromise would require technological controls on virtually all major sources and on many smaller "area sources," such as gas stations and dry cleaners. Backers of tough residual-risk standards settled instead for a choice: Congress could legislate on the question again about 10 years after enactment, based on an EPA study or the law would revert to the original "ample margin" language.
Acid Rain (Midwest faces expensive cleanup; "clean" states want room to grow.)		
Current law includes standards to limit emissions of sulfur dioxide (SO_2), a chief cause of acid rain. Critics say the law is aimed at enhancing local air quality while allowing SO_2 pollution to go on harming areas hundreds of miles downwind as acid rain. Both bills would create complex requirements to curb this phenomenon, largely by targeting big Midwestern coal-fired utility plants. Bills call for similar SO_2 reductions, differing chiefly in how they would ease burden on Midwest, provide for "clean state" utility growth and ensure continued market for high-sulfur coal.	Key to both bills is how to manipulate system of pollution allowances — which most utilities must have to emit SO_2 — while not busting the overall emissions cap. Senate bill would move up deadlines one year (to 1995 and 2000) to generate extra allowances. Utilities that use scrubbers to allow continued burning of high-sulfur coal could get extra compliance time or extra allowances; they could get 2-for-1 allowances for cleaning below their required emissions limit. Extra allowance pool would also be distributed to clean states and high-growth states to allow utility growth.	These provisions formed the fourth major committee agreement. The section is similar to the Senate measure in that it provides help to the Midwest and clean states by enlarging allowance pool without busting the emissions cap. It would create additional allowances by requiring cleanup to a lower level (2.35 pounds of SO_2 per million British thermal units instead of 2.5 pounds) in the first phase; it would also bring in additional units not previously included in allowance system. Utilities that use scrubbers could get 2-for-1 allowances; they could also "bank" early reduction allowances for later use. The measure retains the original dates (1996, 2001) to give utilities more compliance time.

DRAFT

CLEAN AIR ACT
NONATTAINMENT STATUS

	Original Administration	Senate	House
Progress Requirements	For serious and severe ozone areas, 15% reductions in first 5 years, then 3% annually in each subsequent 3-year period unless infeasible in light of costs or not necessary for attainment.	For serious, severe, and extreme areas, 12% in first 3 years, 12% in next 3 years, and 3% annually in each subsequent 3-year period unless infeasible in light of costs.	For serious, severe, and extreme (L.A.) areas, 15% reductions in first 6 years, and 3% annually in each subsequent 3-year period unless not technologically available (i.e., in effect requires L.A.-type controls). No exemption from 3% for L.A.
Major Source Definitions	New Source Review, LAER, and Non-CTG RACT threshhold: 100 tpy. Offset ratio: greater than 1:1.	New Source Review, LAER: 100 tpy; Non-CTG RACT threshhold: 100 tpy except 50 tpy in severe and extreme. Offset ratio: greater than 1:1.	New Source Review, LAER, and non-CTG RACT threshhold: 100 tpy--marginal and moderate; 50 tpy--serious; 25 tpy--severe; 10 tpy--extreme. Offset ratio: 1.2:1--serious; 1.3:1--severe; 1.5:1--extreme. Restrictions on netting plus options on relief from LAER and offsets.
FIPs	Discretionary FIPs, full or limited to achieve certain reductions.	After sanctions have been applied, mandatory annual FIPs to achieve certain reductions.	Two years after State failure (without waiting for sanctions to work), mandatory FIP to achieve full attainment.
Sanctions	If State does not make reasonable efforts, apply at least 1 of 4 sanctions. (Mandatory sanction 18 months after state fails to submit.)	Grace-period of 1 year if State makes reasonable efforts; then, apply at least 1 of 4 sanctions.	18 month grace-period. Then, apply either highway funds cut-off or 2:1 offsets. Apply other sanction 6 months later. Apply both if lack of good faith.

	Original Administration	Senate	House
Northeast Ozone Transport	12-state (including D.C.) commission; no mandatory requirements; commission may make recommendations for EPA approval; if EPA approves, EPA must issue SIP call requiring revised SIPs.	Same, except 13-state (including D.C. and Virginia) commission. Plus, States must adopt enhanced I & M (for MSA over 100,000), RACT on certain sources, and Stage II down to 50,000 gallons, unless State shows areas do not contribute to problem. Vermont has special exemption.	Similar to Original Administration. Plus, enhanced I & M, CTG RACT and Non-CTG RACT for 50 tpy or more sources, controls equivalent to Stage II.
Consumer or Commercial Products	Two-year study, followed by regulations, as deemed necessary by EPA, to control to "reasonably available control" levels. Authority to require fees to recoup regulatory costs.	Three-year study, followed, within 2 years, by regulations to control to "reasonably available control" levels. Regulations must achieve at least 1% reductions in total nationwide VOC emissions. Regulations may include fees not limited to costs of regulations.	Three-year study, followed by regulations to control to "best available control" levels for all "significant" categories. Regulations must be promulgated for 25% of categories each two years after study, until all regs are promulgated 8 years after study. Regulations may include fees not limited to costs of regulations.

CLEAN AIR ACT
MOBILE SOURCE STATUS

	Original Administration	Senate	House
Auto Tailpipe Standards	Tier I; no Tier II	Tier I; Tier II triggered by 12 of 27 cities in non-attainment in 2001	Tier I; Tier II if EPA study demonstrates need, feasibility and cost effectiveness
Clean Fueled Cars	30% of new purchases in 9 cities beginning in 1995, ultra clean cars in 2000. No separate fleet program.	100% of new purchases in 9 cities beginning in 1995, cleaner cars in 1999. Separate fleet requirements.	100% of new purchases in 9 cities beginning in 1996, cleaner cars in 2000 (stds weaker than Senate). Separate fleet requirements
Reformulated Gasoline	No separate requirements	For conventional cars in 9 cities beginning in 1992; oxygen content, aromatics, benzene & VOC reduction specified	No separate requirements
Oxygenated Fuels	5 cities; states decide O_2 level	44 cities: 3.1% O_2	11 cities: 2.0% O_2 5 cities: 2.7%
Refueling	Stage II in 69 cities	Stage II in 39 cities; 62 cities have choice between Stage II and enhanced I/M. Onboard unless Congress decides otherwise	Stage II in 69 cities; onboard if safety issue resolved
Cold CO	Tier I standard; EPA to study need for Tier II	Tier I & Tier II	Tier I standard; EPA to study need for Tier II
Urban Buses	Phase in of clean fuel (non-diesel) buses in 1991 in large cities	Phase in of cleaner buses in 1991 in large cities; diesels allowed if meet 0.1 gram standard	Phase in of cleaner buses in 1994 in large cities; diesels allowed if meet 0.1 gram standard; also, beginning in 1995, 30% of new buses must meet CNG/methanol-type standards

CLEAN AIR ACT
AIR TOXICS STATUS

	Original Administration	Senate	House
MACT	Regulations on top 50% of source categories in seven years. Decisions on remaining 50% in next three years.	Regulations on 100% of source categories within ten years.	Regulations on 100% of source categories in ten years.
Residual Risk	EPA would evaluate remaining risks and determine whether the risk is "unreasonable, taking cost into account. Risk evaluated seven years after MACT. Additional controls required if risks are found to be unreasonable.	NAS will perform a study and report to Congress and a risk management commission. If no congressional action is taken within five years, all sources must meet a risk level of one in 10,0000 for the most exposed individual and further reduce risks to one in 1,000,000.	EPA and Surgeon General conduct a study of the need for a "residual risk" amendment. If no congressional action is taken, current law applies, requiring EPA to regulate for residual risk no more than eight years after promulgation of the applicable MAC standard.
Area Sources	Area sources could be included on the list of source categories to be regulated at the discretion of the Administrator.	Requires EPA and States to conduct research on area sources including monitoring. EPA must develop an area source strategy with a goal of 75% reduction of cancer incidence. The EPA is required to identify at least 10 toxics emitted from area sources and list for regulations.	Requires the Administrator to insure that area sources representing 90% of area source emissions of air toxics are included as source categories to be regulated.
Accidental Release	Establishes a quasi independent chemical hazard safety board.	Establishes an independent board to investigate accidents. EPA develops a list of hazardous substances. Facilities with those substance, repare hazard assments and update them every five years. EPA audits 1.4% of assessments.	Lent substitutes added to the quasi independent board a requirement for the Administrator to promulgate accident prevention, detection, and response regulations. List is based on the extremely hazardous substance of SARA Title III.

Clean Air Act
Enforcement Status

	Original Administration	Senate	House
Criminal Enforcement	Raises crimes from misdeameanor to felony; new sanctions for knowing & negligent endangerment.	Same as Admin proposal	Same as Admin proposal
Administrative penalties	ALJ hearings with $200,000 cap; cap can be waived	Same as Admin proposal, but cap is not waivable.	Same as Admin proposal
Administrative orders	Pre-enforcement review barred; compliance orders effective for up to 12 mos.	Informal hearing opportunity & circuit court review for most orders; no pre-enforcement review of emergency orders.	Silent on reviewability
Citizen Suits	Citizens may sue for penalties that go to U.S. treasury; US may intervene	Same as Admin proposal with ability to sue for past violations & to seek review of discretionary acts.	Same as Admin proposal
Contractor Inspections	Allowed	Allowed	Not Allowed
New Source Enforcement	EPA Authority to stop operation of sources violating new source requirement	Same as Admin Proposal	No EPA authority to stop operation If sources violating new source requirement

Public Comment on Consent Orders	No Provisions	No Provisions	Allows public comment on consent orders & Settlements prior to court filing.

CLEAN AIR ACT
PERMITS TITLE STATUS

	Original Administration	Senate	House
General Outline of Permits Program and Requirements for Permits	Permit program developed by State in accordance with minimum EPA criteria; specified times for State and EPA action; permits must include all applicable CAA rules, plus monitoring and reporting; permits have maximum 5 year term; permit fees.	Same, plus sources must submit permit applications within 30 months, and state must act on applications within 12 months (with 18-month extension if necessary).	Same as Original Administration bill.
Scope of Permit Program	Applies to major sources of NAAQS pollutants, air toxics sources, acid dep. sources, NSPS sources (and EPA may add or exempt sources).	Same.	Same.
Permit Shield	Applies to all CAA requirements unless EPA provides otherwise by rule.	Applies to only CAA requirements placed in permit.	Same as Original Administration.
Sanctions and EPA Permit Program	Discretionary sanctions; discretionary EPA promulgation of permit program.	Same, plus mandatory sanction if State fails to submit permit program, and mandatory EPA permit program if State fails to implement program.	Same as Original Administration.
EPA Veto	EPA has discretion to review and veto any permit.	No EPA veto of "codifying" permits. Mandatory EPA review of "modifying" permits, and mandatory veto if they fail to implement CAA.	No EPA veto. EPA may comment on any permit, and State must respond. EPA may require State to revoke permit after issuance.
Reopening Permits	EPA has discretion to require State to reopen permit for "cause" (not defined).	Permit must require its own revision if material mistake or if new rules make revision necessary to protect health.	Same as Original Administration.

ACID RAIN TITLE

	Administration	Senate	House
SO_2 Program	o 10 million ton reduction by 12/31/2000 with a three extension for repowering	o 10 million ton reduction by 1/1/2000 with a four year extension for repowering	o 10 million ton reduction three by 12/31/2000 with a three year extension for repowering
	o cap on utility emissions	o cap on utility emissions (8.9 million tons)	o Cap on utility emissions (8.9 million tons)
	o uses a market-based allowance system to allocate reductions and minimize cost; but only plants larger than 1.2lbs/mmBtu are in allowance system	o uses a market-based allowance system to allocate reductions and minimize costs; all utility plants in allowance system with clean oil and coal plants receiving growth allowances	o uses a market-based allowance system to allocate reductions and minimize costs; all utility plants in allowance system with clean oil and coal plants receiving growth allowances
Phase 1	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.5 lbs/mmBtu x 1985-87 fuel	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.5 lbs/mmBtu x 1985-87 fuel	o plants greater than 100MW, emitting more than 2.5 lbs/mmBtu required to reduce to 2.35 lbs/mmBtu x 1985-87 fuel

NO_x Program	o dry botton and wall-fired boilers required to use low NO_x burners by 12/31/2000	o dry bottom and wall-fired boilers to use low NO_x burners as they are controlled for SO_2 o other boiler types to control with technolgy comparable in cost to low NO_x burners in phase 2 o new NSPS for NO_x	o dry bottom and wall-fired boilers to use low NO_x burners by 12/31/2000 o may increase NO_x reductions from 2.5 million to 4.0 million o new NSPS for NO_x
CCT	o FERC rate incentives o exempt temporary CCT from NSPS, PSD o exempt permanent CCT projects from NSPS, PSD emissions do not increase	o FERC rate incentives o exempt temporary and permanent retrofit CCT projects from PSD, NSPS o exempt permanent if potential repowering CCT if potential emissions do not increase	o exempt temporary CCT projects from PSD, NSPS o exempt permanent CCT projects from PSD, NSPS if actual emissions at 70% capacity are not higher than current

	o reductions required by 12/31/95	o reductions required by 1/1/95 with two year extension for plants that use 90% control technology	o reductions required by 12/31/95 with one year extension for plants as 70% control technology
		o two for one credits for reductions below 1.2lbs	o two for one credits for reductions below 1.2lbs
Phase 2	o plants greater than 75MW, reduce to 1.2lbs/mmBtu x 85-87 fuel	o all utility plants receive allowances; those with rates greater than 1.2 lbs/mmBtu; come down to 1.2 lbs/mmBtu those under 1.2 lbs/mmBtu receive 20% more allowances than 1985 emissions;	o all utility plants receive allowances; those with rates greater than 1.2lbs/mmBtu come down to 1.2 lbs/mmBtu those under 1.2 lbs/mmBtu receive 20% more allowances than 1985 emissions; slight differences over Senate allocation
	o extra 530,000 bonus allowances allocated from 2000-2009 to plants emitting less than 2.5lbs derived from a 5.3 million reserve established by year earlier date		

Child Care

Budgetary Effect

- The total net budget effect, change in receipts plus authorized spending, not to exceed $12.8 billion for FY91 through FY95.

- Reductions in the existing DCTC of $1.2 billion to bring total budget effect to $14 billion.

- At least 80 percent of this total ($14 billion) to be spent on direct aid to parents in the form of child based tax credits.

Tax Credits

- May be used to make existing EITC sensitive to number of children in the family and/or the age of such children.

- May be used to assist families with very young children, including those not covered by existing EITC.

Direct Grants to States

- Allowable Purposes:

  - Before and after school child care programs in a way which does not discriminate against religious or sectarian providers.

  - Assistance for referral services.

  - Training, technical assistance, and scholarship assistance to day care providers.

  - Grants to local libraries for purchase and delivery of children's books to child care providers.

  - Respite relief for family day care providers.

  - Initial capital for liability risk retention programs for child care providers.

  - Consumer education programs to assist parents in choosing a child care provider.

  - Grants or low interest loans to existing and potential day care providers to begin operation or make improvements to comply with state standards.

- Funding for non-discriminatory voucher programs which allow parents to choose day care for their children.

o States would not be subject to any standards test, nor would federal standards, including model standards, be established.

o Grants would have to be administered in a way which did not discriminate against sectarian or neighborhood providers.

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FAMILY RESEARCH COUNCIL

TALKING POINTS

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Child Care Veto

Several months ago, a married woman working in the U.S. Commerce Department gave birth to a child with Down's Syndrome. Faced with the challenge of raising a child with such special needs, she decided to interrupt her career and devote herself full-time to the care of her new baby.

Most Americans would argue that this woman's sacrifice is noble, even heroic. But federal policy does not see it that way. Had this woman and her husband opted to place their child in the care of a paid baby-sitter, they would have been entitled to a generous tax benefit for day care expenses. But since this woman decided to care for her own child herself, she and her husband receive no comparable tax assistance. Indeed, the taxes they pay help subsidize the day care costs of other families, many of whom are better off financially.

Mr. President, when the House-Senate conference committee sends you its child care package, there will be those who will argue that concerns about discrimination against families that care for their own children have been addressed. But unlike your original proposal, the Stenholm Bill you endorsed, and a measure recently adopted in the Soviet Union (see enclosed news story), the conference bill will not allow families that care for their own children to receive as many tax credits as those that use paid day care.

Accordingly, the woman caring for her Down's baby -- and millions of other families that make economic sacrifices to care for their own children -- will continue to be discriminated against. Indeed, given the fact that the conference bill will dramatically increase government day care subsidies not available to these families, it can be said that this bill significantly increases the discrimination against families that care for their own children.

This fact alone would be reason enough for us to call for a Presidential veto. But discrimination against families that care for their own children is, of course, not the only problem with the bill that will come out of conference. The church-state language is fraught with problems, from new restrictions on religious preference in hiring and admission to mandates that unlicensed religious centers be denied participation in the Title XX voucher program -- even in those 13 states that currently exempt sectarian programs from regulation.

In addition, the conference bill will include a school-based grant program for preschoolers and latchkey kids that violates each of your four principles. It is not voucherized (thereby restricting parental choice), prohibits use of funds at religious programs (including parochial schools), penalizes families that care for their own children (who receive no comparable assistance to level the playing field), and fails to target assistance to those families that need help most. It is the next step in the education establishment's drive to offer school-based programs from "cradle to college."

Mr. President, during the 1988 presidential campaign, you promised to work for child care legislation that promotes parental choice and does not discriminate against families that care for their own children. Middle-American families responded to your message, in large part because many parents have apprehensions about socialized day care and most want to spend more time with their children (see attached survey of attitudes).

Please do not abandon your commitment to fairness by signing a bill that enriches a professional class of day care administrators and providers at the expense of families that care for their own children.

A veto can be sustained, and a better bill can be adopted. Please stick to your guns. America's families -- especially that family with its Down's baby -- are counting on you.

Soviets Seek to Boost Birthrate and Infant Care

By JOHN-THOR DAHLBURG
TIMES STAFF WRITER

MOSCOW—The Soviet Union, beset with a dropping birthrate and infant mortality of Third World proportions in some locales, Tuesday adopted a sweeping emergency program championed by President Mikhail S. Gorbachev to aid couples who have babies and improve infant health care.

The official Tass news agency said 6 million families would get more money from the government as a result.

A leading demographic expert on the Soviet Union said the resolution adopted by the Supreme Soviet, as the national legislature is called, was clearly intended to reverse a recent decline in the birthrate in the country's Slavic heartland—Russia, the Ukraine and Byelorussia.

"This is a major pro-natalist move because the fertility rate in the Slavic republics has started to decline again," Murray Feshbach, research professor of demography at Georgetown University in Washington, said. "And if they want those children to survive, they've also got to improve the health care for infants."

Russians already barely make up the majority in this country of more than 100 ethnic groups and are certain to see their share in the population diminish further if much higher birthrates in the traditionally Muslim areas of Soviet Central Asia persist. That trend is clearly worrisome for the Kremlin leadership, which, despite the

Please see BIRTH, A10

BIRTH: Moscow's Bold Child-Care Plan

Continued from A1

country's changing ethnic balance, is still firmly in the hands of Slavs.

The urgency of the pro-birth program, which is forecast to cost the equivalent of $5.3 billion yearly, was stressed by Gorbachev last week, who used his new prerogatives as Soviet president to request that lawmakers consider it as soon as possible.

As another indication of the plan's importance, finding revenues for it in the state budget will mean postponing raises for employees in universities and other institutions of higher learning, as well as for Soviet citizens who work in the harsh conditions of the Far North and other remote areas.

Child-care subsidies paid by the state until the age of 18 months will increase from a maximum of 50 rubles to 70 rubles, or $83 to $116. Mothers who do not work will be eligible for the allowance for the first time, and if a woman gives birth to twins or triplets, she will receive a stipend for each child, instead of only for one, as was the previous practice.

Women who have children age 14 and younger may now also work only a partial workday or workweek at their request. That provision continues a trend away from the unisex treatment that the Bolshevik revolutionaries originally advocated for the men and women of the proletariat, and toward a special status for mothers.

Soviet sociologist Tatyana Zaslavsakaya has even said that her country must officially recognize that a woman's primary role in society is childbearing and rearing and that the often menial and brutal jobs given Soviet women are not a sign of their equality with men, but of inferiority.

Labor laws now allow Soviet women to carry up to 7 tons by hand during a single work shift, while Japanese women are limited to 1,540 pounds. More Soviet women work on the night shift than men and traditionally fill such drudge jobs as street cleaners and janitors.

Only 12% of managerial personnel are women.

While Western women "are still striving for the right to work in coal mines, firefighting units, police brigades . . . Soviet women are battling to be freed from such labor," American author Francine du Plessix Gray wrote in a recently published book, "Soviet Women."

There is no sign they are succeeding.

"Our state murders the family and women," a 36-year-old working mother of two from Vladivostok wrote in despair to a magazine last year. "Can I be called a woman after working, [lugging] packages, [standing in] lines, cooking, tub washing?"

She said she felt like "a lemon that is squeezed dry, and then tossed away on pension."

The emergency plan specifically allocates the equivalent of more than $660 million in precious hard currency reserves, presumably for foreign-made health-care technology and imported consumer goods needed in early child care, such as baby bottles and disposable syringes, which are often impossible to find in this shortage-plagued economy.

Health care in the Soviet Union has long been free—one of the proudest achievements of socialism—but its standards are often shoddy and the results alarming. According to one recent publication, in one unidentified Central Asian republic, babies get an average of 200 to 400 shots in their first year of life—a figure Georgetown University's Feshbach called "mind-boggling."

"It means they're just giving them everything in the medicine chest," the American demographer said in a telephone interview. "It's the most outrageous thing I've ever heard."

For an uncomplicated respiratory illness like bronchitis, a Soviet infant receives the staggering number of 38 shots, the publication reported.

State-run television has revealed that more than three times as many women die in childbirth in the Soviet Union as in the United States. Gray, recounting her visit to a Soviet obstetrics clinic, said that a midwife walked "between the three stoical, moaning women, screaming at them to push harder."

Whether such practices can be changed by an infusion of state money is far from certain.

However, recent official statistics report that infant mortality has decreased to 22.2 deaths per 1,000 live births, which Soviet officials estimate is the lowest in their country's history. But in some republics, infant mortality runs as high as 50 per 1,000 live births, a level that China, a country far poorer than the Soviet Union, attained nationwide by 1985.

Also, Feshbach said there is persuasive evidence of growing under-reporting of infant deaths to make the performance of local health systems look better. The demographer came to the Soviet Union last year to observe how the national census, carried out once every 10 years, is conducted.

That census showed that the share of ethnic Russians in the Soviet population had declined to 50.8%, down from 52.4% in 1979. The birthrate dropped to 17.6 per 1,000 people, down from 18.8 the previous year and from 20.0 in 1986.

However, the national average masks a lower birthrate among Slavs. In 1988, the most recent year for which detailed statistics are available, 16 babies were born per 1,000 people in the Russian Federation and Byelorussia, and 14.5 in the Ukraine.

While Western women strive for jobs as miners and firefighters, 'Soviet women are battling to be freed from such labor.'

FRANCINE DU PLESSIX GRAY
American author

THE INDIANAPOLIS NEWS, October 30, 1989

Gary Bauer

Parents or the state?

When a research team asked a group of employed parents to identify what they disliked most about their current child care arrangement, the researchers expected parents to express concerns about the availability, affordability and quality of day care in America today. Instead, parents reported their greatest frustration with their current day care situation was "the feeling that I am missing out on some of the most important events in my child's life."

"Day care angst," as The Washington Post calls it, is on the rise among employed parents today. And while some view this as a sign that employed parents want bigger and better government day care programs, the truth is most parents want just the opposite: They want government and business policies which allow them to spend more time with their children. Consider:

- A recent New York Times poll found that 83 percent of employed mothers and 72 percent of employed fathers said they were torn by the conflict between their jobs and the desire to see more of their families;
- A Cornell University study found that two-thirds of all mothers employed full-time expressed a desire to work fewer hours so they could devote more time to their families.
- A survey conducted by Mark Clements Research Inc. for Glamour magazine found that 84 percent of all employed mothers agreed with the statement, "If I could afford it, I would rather be at home with my children."
- A Lou Harris poll taken earlier this year found that 82 percent of the respondents felt the best work/family arrangement was one which permitted children to be cared for by one or both parents or by other family members.

It is hard to imagine how a "kinder and gentler" president could sign a bill that intentionally separates children from their parents.

These numbers demonstrate that many parents are clearly uncomfortable with the way their family lives are currently ordered. They feel trapped — trapped by economic constraints which hinder them from enjoying as much time with their children as they would like. And parents want change.

Seizing on this unrest, day care advocates have been lobbying Congress for several years to expand government-subsidized day care facilities. These advocates argue that such subsidies are needed, since many mothers today "have to work." According to these advocates, higher-quality day care will make a mother's separation from her children as painless as possible.

But such reasoning suggests that rather than signing the Emancipation Proclamation, President Lincoln should have merely sought better working conditions for the slaves. After all, if it is safe to assume that mothers who "have to" work would prefer to spend more time with their own children, then it follows that the most appropriate public policy response is one which facilitates parent-child interaction.

Unfortunately, the child care bill passed by the Senate in June actually increases barriers to parent-child interaction. The bill, commonly known as the Act for Better Child Care (or ABC), would establish a new government bureaucracy to distribute federal funds to government-approved day care programs.

Under ABC, parents must place their children in state-approved, government-funded day care programs or receive no federal subsidy. Families that prefer other options not only receive no direct benefit, but their tax dollars are used to subsidize the day care costs of other, often wealthier, parents.

The most obvious victims of this discrimination are families that care for their own children — a group much larger than is commonly realized. In fact, according to recent Census Bureau data, *three-fourths* of all U.S. children under the age of 5 are primarily cared for by one ore more family members. Specifically:

- 54 percent have a mother who forgoes paid employment so she can be home with her children.
- 7 percent have "tag-team parents" who work different shifts and share child-rearing duties.
- 4 percent have "double-time" mothers who care for their children while they babysit other children or earn income in some other way.
- 11 percent have a grandmother or other relative who cares for children while Mom is at work.

And contrary to public opinion, family-oriented care is as common in low-income, single-parent households as it is among two-parent families. In fact, black social scientist Robert Hill reports that 83 percent of all never-married employed black mothers rely on relatives to care for their children while they are at work.

Apart from families that care for their own children, many analysts believe families that use religious day care will lose out under ABC. In its original form, the ABC bill denied funding to any day care program that had a religious orientation. Indeed, the original bill was so hostile to religion that it required church-run programs to cover all religious symbols (crosses, creches, six-pointed stars, etc.).

In addition, the child care bill recently passed by the House offers day care grants to public schools. School-based day care proponents envision a brave new world in which children attend schools from "cradle to college." Such a system, which proponents estimate would eventually cost as much as $100 billion annually, would replace the panorama of options now available to parents with one "plain vanilla" school-based day care monopoly. And it would saddle public schools with new responsibilities at a time when educational achievement is lagging.

To maximize parental choice in child care, pro-family forces have rallied behind alternative proposals that provide tax credits of up to $1,000 per child to all families with pre-school children. Under these proposals, families can use their tax credit to purchase day care outside the home and/or to offset the "opportunity cost" (in forgone after-tax wages) that they pay to care for their own children.

In other words, these bills establish a non-discriminatory "level playing field" on which parents can freely choose how to best care for their children. And while new tax benefits are extended to families earning as much as $45,000 under one popular alternative, all of the tax credit proposals now before Congress target the greatest tax relief to the low-income families that need help most.

Day care advocates hope to tempt the president into signing ABC by attaching some less-appealing tax credits to their bill. But it is hard to imagine how a "kinder and gentler" president could sign a bill that intentionally separates children from their parents. As The Wall Street Journal put it in a recent editorial: "You have to wonder about a society that would penalize parents who choose to devote more time to raising their kids."

Bauer is president of the Family Research Council in Washington D.C.

NATIONAL ENDOWMENT FOR THE ARTS

The controversy over the extremely offensive, certainly blasphemous, and arguably obscene works funded by the National Endowment for the Arts shows no signs of abating. Nor should it -- government can and does distinguish between work that enjoys First Amendment protection and obscenity, which does not. The extremely effective work of your National Obscenity Enforcement Unit at the Justice Department -- 28 major prosecutions in recent months -- underscores this fact.

Obscenity is a critical issue, but it is not the only issue. As the attached editorial from three prominent Cincinnati-area physicians attests, some of the materials sponsored by the NEA depicts acts that are uncommonly dangerous to public health.

It is true that the material that has caused the greatest controversy was funded before the appointment of Chairman Frohnmayer. He has not -- not yet at least -- had the opportunity to vindicate the trust you have placed in him to ensure that such work as you yourself have described as "filthy" will not be funded with taxpayers' money.

Chairman Frohnmayer's Congressional critics have it right, however, that he has refused to say whether or not he would have funded -- or will fund -- even the most egregious materials at issue in the controversy, including photographs of ultimate sex acts and the immersion of a photograph of Jesus Christ in a jar of urine.

The inherent conflict remains: if it is reasonable for the President and the public to trust that individuals -- Chairman Frohnmayer and the NEA review panels -- will prevent repeats of previously funded disasters, why is it <u>impermissible</u> for the Congress of the United States to legislate precisely the same standard that the NEA will presumably apply?

The Helms Amendment has been in place for half the current fiscal year -- no one has even made an attempt to show that it is operating to prevent the funding of worthy artists.

The durability of this controversy and the depth of disagreement it stirs -- with a great many of your most ardent supporters on the opposite side of your stated position -- should not be underestimated. You need to defuse the situation, and having budgeted a modest increase for the NEA you are perfectly poised to do it.

Reverse your stated position and support, <u>at minimum</u>, a continuation of current law, which the NEA has already promulgated to potential grantees (see attachment) and which appears to be working. The alternative is a long, drawn-out battle in which both you and the NEA risk a substantial loss in public support.

NATIONAL ENDOWMENT FOR THE ARTS

WASHINGTON D.C. 20506

A Federal agency advised by the National Council on the Arts

GENERAL INFORMATION & GUIDANCE FOR FELLOWSHIP & INDIVIDUAL PROJECT GRANT RECIPIENTS

Revised November 1989

THE INFORMATION THAT FOLLOWS IS PRESENTED IN TWO PARTS. THE FIRST PART PROVIDES GUIDANCE TO BOTH FELLOWSHIP AND INDIVIDUAL PROJECT GRANT RECIPIENTS. THE SECOND PART, ENTITLED "ADDITIONAL INFORMATION FOR INDIVIDUAL PROJECT GRANT RECIPIENTS," PROVIDES ADDITIONAL GUIDANCE FOR INDIVIDUAL PROJECT GRANT RECIPIENTS <u>ONLY</u>.

1. <u>Definitions</u>. The Arts Endowment awards fellowship and individual project grants to individuals who are citizens or permanent residents of the United States.

   a. <u>Fellowship grant</u> is a nonmatching grant given to individual artists of exceptional talent to provide them with an opportunity to further their professional careers in the arts.

   b. <u>Individual project grant</u> is either a matching or nonmatching grant given to an individual for a specific purpose.

      (1) <u>Matching grants</u> require the individual to match the Endowment's grant with at least an equal amount of nonfederal funds.

      (2) <u>Nonmatching grants</u> are solely supported by Endowment funds.

2. <u>Restriction on use of FY 1990 Appropriated Funds</u>. Public Law 101 – 121 requires that:

   "None of the funds authorized to be appropriated for the National Endowment for the Arts ... may be used to promote, disseminate, or produce materials which in the judgment of the National Endowment for the Arts ... may be considered obscene, including but not limited to, depictions of sadomasochism, homoeroticism, the sexual exploitation of children, or individuals engaged in sex acts and which, when taken as a whole, do not have serious literary, artistic, political or scientific value."

3. <u>Fellowship & Individual Compliance Agreement & Payment Request Form (Compliance form)</u>. Your grant package includes the Compliance form. This form is used by:

   a. the Endowment to identify whether you have received a fellowship or an individual project grant.

CINCINNATI ENQUIRER
3/24/90

Mapplethorpe in Cincinnati

BY JOHN W. VESTER,
WILLIAM J. GERHARDT
& MARK SNYDER
Guest Columnists

In April, Cincinnati's Contemporary Arts Center (CAC) plans to display "The Perfect Moment," a collection of photographs by Robert Mapplethorpe. CAC director Dennis Barrie booked the show last spring after he viewed it in New York and found the show to be "stunning."

In the summer of 1989, "The Perfect Moment" ran smack into controversy. The National Endowment for the Arts (NEA) underwrote the show's display at the Corcoran Gallery of Art in Washington. When a number of U.S. senators learned of the content of some of the pictures that were being federally funded, "The Perfect Moment" was criticized, and the Corcoran gallery canceled the show. Why? It was art, right? CAC has compared the photos to the works of Michelangelo's frescos in the Sistine Chapel. Chad Wick of Central Trust, former chairman of CAC's board, thinks Cincinnati is mature enough for "The Perfect Moment." And why wouldn't it be?

Some different photos

While most of Mapplethorpe's works are still lifes, portraits and nudes, which few would find offensive, a number of pictures are decidedly different. The following photographs, which were part of the NEA-funded exhibit, have caused the controversy:

- A self-portrait of Mapplethorpe with a bullwhip protruding from his rectum.
- A man hanging upside down, nude, with the arms and legs chained while another man is fondling the nude man's genitals.
- One man holding his penis and urinating into another man's open mouth.
- A man sticking a large cylinder up how own rectum.
- A closeup of a man sticking a finger up his penis.
- A man's fist and arm (to the forearm) in another man's rectum.
- Pictures of prepubescent children focusing on or displaying their genitals.

At the New York exhibit there was also a sequential frame photograph of a man masturbating and a man apparently performing cunnilingus with his head between the legs of a woman who is nude except for high heels and hose. It's no wonder that CAC has felt it necessary to work for months promoting the show.

> "Civilized society cannot afford to remain neutral in the face of such an assault."

CAC curator Jack Sawyer, in *Cincinnati* magazine, said the pictures of nude children are not exploitive, and that one picture of a little girl with her dress pulled up so that her vagina is exposed alludes to the Greek myth of innocence in the world. Where has Sawyer been? Children are abused sexually at an alarming rate. Child molesters persuade children to engage in sex or to pose for them by showing the children explicit pictures of other children, which is meant to lower their inhibitions to do what was in the pictures. Children should never be made the focus of sexual attention or interest. Not for a moment; not as entertainment; not as art.

The picture of a man's hand and arm inside another man's rectum shows "fisting." This is a dangerous sex act which can lead to irreparable damage to the intestinal tract and occasionally to death. CAC curator Sawyer has stated that this and other "pictures document sexual practices that are passe because of AIDS." Sawyer's understanding of AIDS transmission is incorrect, and he represents himself as an authority on sexual practices that are not passe. CAC's display of such pictures implies that these practices are acceptable, which is hardly responsible.

What message is conveyed by the other photographs? Who was having "a perfect moment" in the picture of one man urinating into another's mouth, in the picture of a cylinder being inserted into a man's rectum, or in sadomasochistic photographs? What perception of life is advocated? Love and mutual respect are not portrayed. On the contrary, sex, which is meant to be an intimate private expression of life, has been cheapened and degraded. Human beings are treated as animals to be abused for a moment's fun. Nothing is noble or personal. Instead, we are invited to be voyeurs and call it art.

Civilized society cannot afford to remain neutral in the face of such an assault. Civilized society promotes love, fidelity, responsible sexual relationships, marriage, family and human dignity. Urinating on people, sticking whips and cylinders up rectums, and engaging in sadomasochistic sex are degrading activities that diminish us all, particularly when these acts are spread out in public view.

Condemnation deserved

CAC is afraid to to admit that some of Mapplethorpe's "perfect moments" ought to be condemned. As Alexander Pope once said, "Of all the causes which conspire to blind a man's erring judgment . . . is pride, the never-ending voice of fools." CAC admits that had the controversy over "The Perfect Moment" erupted before it was booked, they would have thought twice about it. CAC is too fearful to back down now because they feel they will look like they are not progressive.

Most distressing is that CAC did not realize "The Perfect Moment" had some less than perfect aspects before booking it. Leo Tolstoi wrote that "art is a human activity having for its purpose the transmission to others of the highest and best feelings to which men have risen." Saul Bellow wrote that art seeks "what is fundamental, enduring, essential." John F. Kennedy said that "art establishes the basic human truths which must serve as the touchstone of our judgment."

CAC serves the Cincinnati community best when it follows these great men, but serves us worst when it forces upon us a bizarre sexual vision that it cannot even criticize or mollify for fear of being called a rube.

John W. Vester, M.D., is director of research at the Good Samaritan Hospital; William J. Gerhardt, M.D., is director of the Department of Pediatrics at the Christ Hospital, and Mark Snyder, M.D., is an orthopedic surgeon in private practice and orthopedic consultant to the Cincinnati Ballet.

NATIONAL ADDRESS ON THE FAMILY

* Mr. President, there is a general sense in the nation that things are going well -- "going our way." In traditional political terms, optimism would seem justified. The Cold War is winding down, the Berlin Wall has come down, democracy is on the march around the world, the economy is in its <u>eighth</u> consecutive year of growth. Extraordinary achievements in which you have played a major part.

* But all is not well on America's front porch -- in American family life. The numbers are too stark to ignore.

* While America is prospering, American families are hurting. Since 1960 the number of families headed by a single woman has grown nearly 150 percent. Among families with children, one in four is now headed by a single parent.

* Out-of-wedlock births have increased more than since 1960, and in wedlock births are sharply down. <u>If current trends continue, close to half of all pregnancies will occur out-of-wedlock by the 1999</u>.

* It is widely predicted that <u>nearly half</u> of all children today will spend some time living in a single-parent household before they reach the age of 18.

* The problem is particularly acute (though race differentials are narrowing) among black families. Today, nearly 61 percent of all black children are born out of wedlock; the abortion rate among blacks is fully three times as high as among whites; nearly 30 percent of all black families are headed by a single woman.

* While many single parents make heroic (and successful) efforts to cope, family dissolution -- or the failure to form a family -- is a key ingredient in increasing rates of crime, delinquency, drug use, truancy, out-of-wedlock sexual activity and child-bearing, welfare dependency, and a host of other problems.

* Your Administration is preparing an annual Report on the Family, required under Executive Order 12606. Its release should not be a quiet affair. In fact, the gravity of America's family problems, the extreme economic and social pressures on families, and your own support for family values and a "kinder, gentler" approach make it appropriate that this Report's release be accompanied by a ***National Address on the Family***.

ADOPTION TALKING POINTS

* Mr. President, thank you for your positive words about adoption. However, with only 6% of pregnant teenagers choosing adoption, a much greater emphasis on this option is needed.

* This is an issue with great potential for good. Teenage mothers who choose adoption are more likely to complete high school, less likely to live in poverty, less likely to receive public assistance, and less likely to become pregnant again out-of-wedlock, than mothers who parent their babies.

* Therefore, adoption has much merit as an issue on its own strength. However, adoption also merits consideration as an ancillary issue to the abortion debate. The adoption system must be perfected so that all of America's children have homes. (2 million couples nationwide wanting to adopt compared to 1.6 million annual abortions.)

* On the political front, this issue is truly bipartisan and has garnered attention from both sides of the aisle. We must not allow the liberals to coopt a pro-adoption posture as exclusively their own.

* The National Committee for Adoption is celebrating its Tenth Anniversary May 17th. You could solidify your Administration's pro-adoption stance by announcing new and/or complete adoption initiatives in conjunction with their meeting.

Suggestions:

* We appreciated your introduction of a bill to reinstate the special needs adoption expenses tax deduction. However, the bill has still not been reported out of committee. We ask that you instruct your House and Senate liaisons to make this issue a top priority and to get this bill passed into law before the end of May.

* Data collection for adoption ceased in 1975. This has been an egregious omission that your Administration has taken steps to correct. Earlier this spring, regulations for the initiation of data collection were sent to OMB by HHS. We ask that you contact OMB and ensure that the implementation of this mechanism not be bogged down by the bureaucracy.

* Reinstituting the tax deduction for special needs adoption expenses and the adoption data collection would correct two of the most glaring problems in the adoption arena. These actions would have the positive ramification of establishing your serious intent to promote adoption as a positive option in today's society.

VOID THE DRAFT NOTICE OF PROPOSED RULE-MAKING TO ELIMINATE VENEREAL DISEASES FROM THE LIST OF EXCLUDABLE CONDITIONS FOR ALIENS

* Mr. President, Section 212(a) of the Immigration and Nationality Act establishes the excludability of aliens for a variety of reasons, including those who suffer from "dangerous contagious diseases."

* Regulations issued under this Act (prior to your Administration) specify a variety of such diseases, including sexually transmitted diseases, leprosy, and so forth.

* In 1987 the Senate unanimously approved (96-0) an amendment to appropriations legislation adding HIV infection to this list, making it the only "dangerous contagious disease" specifically enumerated by Congress as affected by Section 212(a) (6).

* Despite this unanimous support, pressure has built on you Administration over the past year to modify this policy on excludable health categories to accommodate individuals with HIV infection.

* Last year your Department of State responded to this pressure by permitting 30-day entry of infected persons to the United States, for educational, medical, or family purposes, but DOS continued to require acknowledgement of the admittee's HIV infection status.

* Homosexual activists demanded still more: on April 13, 1990, the Attorney General announced the availability of a new 10-day visa for <u>all people</u> seeking to attend medical/professional conferences. <u>HIV infection status is no longer required to be reported</u>.

* This policy is a regrettable threat to the public health of Americans, but there is still more. Officials at the Centers for Disease Control are preparing a Notice of Proposed Rule-Making (NPRM) that would go well beyond the AG's policy and remove <u>all sexually transmitted diseases</u> from the list of excludable conditions.

* The American Medical Association House of Delegates, at its 1989 meeting, approved a resolution specifying that "to exclude HIV infection from the health assessment of those seeking U.S. citizenship would be a change in long standing U.S. policy and difficult to justify on medical, scientific or economic grounds."

* The draft NPRM is a transparent attempt to move the government in the direction of removing HIV infection from the law of excludable conditions. It is a radical proposition with no public health benefits, and many possibly adverse effects.

* The AG's current policy goes more than far enough and direction should be given to the Secretary of HHS to quash the draft NPRM <u>now</u>.

U. S. Department of Justice
Immigration and Naturalization Service
Washington, D.C. 20536

News Release

Contact: Verne Jervis or Duke Austin
Press Information Office
Phone (202) 633-2648

FOR IMMEDIATE RELEASE
FRIDAY, APRIL 13, 1990

The Administration today announced that a new, short-term visa will be available for persons scheduled to attend professional, scientific or academic conferences in the United States which the Secretary of Health and Human Services determines to be in the public interest.

Secretary Louis W. Sullivan has certified the first two conferences to qualify for this new visa procedure--the Sixth International Conference on AIDS to be held June 20-24 in San Francisco, and the Nineteenth International Congress of the World Federation of Hemophilia to be held August 14-19 in Washington, D.C.

These special 10-day visas, an alternative to current policy, will be provided without requiring individuals to identify whether they are HIV-positive. They must meet all other requirements for admission into the United States.

Persons wishing to avail themselves of this visa should contact their nearest U.S. consulate office abroad, or the Department of State.

In addition, the 30-day waiver policy adopted last year by the Immigration and Naturalization Service will remain in effect. That procedure allows persons infected with the HIV-virus to

(MORE)

House of Delegates

SPECIAL COMMUNICATION

Speaker, House of Delegates
John L. Clowe, M.D.

Vice Speaker, House of Delegates
Daniel H. Johnson, Jr., M.D.

January 19, 1990

TO: Delegates, Alternate Delegates
Executive Directors
State Medical Associations
National Medical Specialty Societies

SUBJECT: AMA AIDS Policy

At the 1989 Interim Meeting, the House of Delegates adopted as amended Report X of the Board of Trustees which provided a comprehensive review of AMA opinions and policies on the AIDS epidemic. Your Speakers heard a request from the floor for an early distribution of this report that included the many amendments approved by the delegates.

Recognizing the high level of interest on this issue across the country, we are pleased to provide the enclosed report as it was amended. This report serves to keep the Association in the forefront of public debate on the complex issues pertaining to the AIDS epidemic.

We trust that this report will be helpful to you in discussing this important subject with your colleagues and the public.

John L. Clowe | Daniel H Johnson Jr

John Lee Clowe, MD
Speaker, House of Delegates

Daniel H. Johnson, Jr, MD
Vice Speaker, House of Delegates

Enclosure

Immigrants have historically undergone a health assessment before admission into the citizenship process. To exclude HIV infection from the health assessment of those seeking United States citizenship would be a change in long standing U.S. policy and difficult to justify on medical, scientific or economic grounds. However, there is no justification to extend this mandatory test policy to foreigners who travel within the United States.

Mandatory testing of recruits and military personnel was originally controversial, possibly because of fear of how it might be used. The military has received less criticism as the program of HIV testing has unfolded.

The scientific literature does not support testing of all medical patients, health care workers or marriage license applicants.

Those who are mandatorily tested should be informed of the meaning of the test and of the results and they should receive pre- and post-test counseling appropriate to the testing situation.

Recommendation 19-A: That AMA support mandatory HIV testing of donors of blood and blood fractions, and breast milk; organs and other tissues intended for transplantation; semen or ova for artificial conception; immigrants to the United States; and military personnel.

Recommendation 19-B: That AMA review its policy on mandatory testing periodically to incorporate information from studies of the unintended consequences or unexpected benefits of HIV testing in special settings.

Mandatory Testing of Prisoners

Federal, state, and local correctional facilities house significant numbers of individuals who are at an increased risk for HIV infection, particularly from activities associated with IV drug use.

Mandatory HIV testing of correctional inmates has been recommended because disproportionately high numbers of inmates in specific geographical regions test positive for HIV. Mandatory health testing of some kind during imprisonment is typically conducted to determine the full extent of the inmate's health needs and medical management problems. Complete medical care requires knowledge of an inmate's serostatus. As early care provides increasing benefits to those who are HIV infected, the value to inmates of mandatory HIV testing will increase.

An inmate has a right to confidentiality of his/her medical records. Neither HIV test results nor any other medical information

FETAL TISSUE RESEARCH, EXPERIMENTATION AND TRANSPLANTATION

On Thursday, November 2, 1989, Health and Human Services Secretary Louis W. Sullivan, M.D. issued a statement informing the National Institutes of Health that the limited moratorium on federal funding of research on human fetal tissue from induced abortions was indefinitely continued. This statement incurs our appreciation and thanks.

The Administration has positioned itself firmly on the side of the right to life. The protection of fetal tissue promotes the Administration's position to the next step. Established policy banning research, experimentation and transplantation of the tissue insures the protection of live fetuses, handicapped, anencephalic and normal, healthy newborns. The following events have already occurred which provide insights into an ethical abyss we would do well to avoid.

* In October 1987, Loma Linda University Medical Center in California transplanted a heart from Baby Gabriel, a Canadian anencephalic infant whose life was prolonged to keep her tissues fresh for the procedure.

* In September 1987, doctors in Mexico City successfully transplanted tissues from a fetus (said to be spontaneously aborted) into the brains of two Parkinson's disease patients. Doctors in Sweden and Cuba reportedly performed similar operations in 1987.

* A woman who appeared on ABC TV's "Nightline" wanted to bear a child who could be aborted to provide tissue in order to relieve her father's Parkinson's disease. (The father refused.)

As Dr. Arthur Caplan of the Center for Biomedical Ethics at the University of Minnesota stated, "The worst possible ethical evil of all this would be to create lives simply in order to end them and take the parts."

The Family Research Council recommends that the President develop options to this problem such as an Executive Order, or other actions if appropriate, that would, to the extent permitted by law, protect unborn or newborn children from experimentation, research and organ transplantation, except in cases where the unborn or newborn child would itself directly benefit by any such procedures[1] to which it was subjected.

Tax Relief for Families with Children

During the last four decades, the tax burden borne by parents has increased dramatically. In 1950, a median income family of four paid just two percent of its total earnings to the federal government in income and payroll taxes. Today, a similar family sends 24 percent of its annual income to the Federal Treasury.

Indeed, the federal income tax liability of parents with two children has increased more than 2600 percent since 1948 -- nearly 20 times more than income tax increases on non-parents.

This shift stems largely from lawmakers' failure to raise the value of the tax code's dependent exemption to keep pace with inflation. If the exemption had been properly adjusted for inflation since 1948, it would now be worth close to $6,500. Instead, parents can exempt only $2,000 per child.

Since the overtaxation of the family is at the heart of so many family economics problems, we believe Congress should raise the exemption for dependents to its inflation-adjusted 1948 level or, perhaps better, create a new tax credit offering up to $1,000 per child to all families with dependent children.

We strongly support the President's proposal to create a new $1,000 per child credit for poor families with young children and believe this proposed credit should be extended well up the income scale. Indeed, apart from policy considerations, we believe there are good political reasons for extending the credit up the income scale since the Democrats are attempting to appeal to middle-income voters via the Moynihan payroll tax cut.

At the very least, we believe indexing provisions should be modified so that the annual inflation adjustments are either *rounded to* the nearest $10 (which was the practice after the 1981 tax act and before the 1986 act) or, better yet, *rounded up* to the nearest $50. The current practice of *rounding down* to the nearest $50 means that rather than moving closer to a restoration of the exemption's 1948 value, we are now moving farther from it.

This issue is noted in the Wall Street Journal's article of April 18, 1990, "The personal exemption rises in 1990 to $2,050, adjusted for inflation, from $2,000 in 1989; indexing rules rounded the increase *down* to the nearest $50. So a bill by Rep. Hastert (R., Ill.) would round off the adjustment to the nearest $10--lifting the 1990 exemption to $2,090."

GARY BAUER

WA Times 4/20

Heftier family tax bite

The great mad dash to beat the federal income tax filing deadline is over, as is the scramble to organize receipts, schedule last-minute appointments with tax preparers and have technical questions answered by Internal Revenue experts.

It is ironic that Tax Deadline Day comes, as it does, in the spring. Winter would be more appropriate. The dead of winter. For this is not a day many people eagerly anticipate — especially not American families, and especially not in recent years.

Since 1950, the federal tax burden carried by families with children has risen dramatically. Four decades ago, a median-income family of four paid just 2 percent of its total income in federal payroll and income taxes. Today, a similar family sends 24 percent of its annual income to the U.S. Treasury.

Indeed, the federal income tax liability of parents with two children has increased more than 2600 percent since 1948 — nearly 20 times more than income tax increases during the same period on single taxpayers and childless couples.

This dramatic increase in parents' taxes is not the result of overt and intentional attempts to single out families with children for higher taxes. Instead, the increase stems largely from congressional neglect — specifically, from lawmakers' failure to raise the value of the tax code's dependent exemption to keep pace with inflation.

The dependent exemption is the tax code's chief instrument for adjusting tax liability according to family size. It is the code's way of acknowledging that feeding four mouths is more expensive than feeding one.

In 1950, parents could exempt from taxation $600 for every dependent child in their household. If this exemption had been properly adjusted for inflation since then, families would now be able to exempt from taxation more than $6,000 for each child. Instead, parents can exempt only $2,000 per child.

The indirect impact of increased taxes on families with children has been quite serious. To make up for the income lost to greater taxation, families today are spending more time on the job than they did a generation or two ago.

And this increase in the number of hours spent earning income has coincided with a decrease in the number of hours parents spend with their children. In fact, the amount of contact parents have with their children has dropped 40 percent during the last quarter-century. In 1965, the average parent had roughly 30 hours of contact with his or her children each week. Today, the average parent has just 17 hours of weekly contact with children.

Not only is there a decline in parent-child interaction, there is also a decrease in certain time-honored family rituals. One recent report noted that the length of the average family vacation has declined 14 percent since 1983. Another study found the number of families that eat their evening meal together has dropped 10 percent since 1976.

Not surprisingly, parents are not pleased with these developments. A recent poll found that 83 percent of employed mothers and 72 percent of employed fathers say they are torn between their jobs and the desire to spend more time with their families. Another survey found that parents with young children regard "missing big events in children's lives" as the thing they dislike most about current day-care arrangements.

Parental discontent with the "family time famine" is shared by the public at large. In a recent survey, Americans identified "parents having less time to spend with their families" as the single most important reason for the family's decline in our society.

Social scientists Nick Stinnett and John DeFrain believe this concern about family time together is well founded. Indeed, in their research on family strengths, they found that time together is one of six key characteristics of strong families.

Given the linkage between soaring taxes and less time for families, it is time for Congress to reduce the taxes paid by families with children. Indeed, since the shift in the federal tax burden coincided with the Cold War defense build-up, pro-family tax cuts would be the most logical place to direct the "peace dividend" that many expect to result from reductions in defense spending.

Some lawmakers are already responding to the opportunity. Missouri's Rep. Jack Buechner recently introduced legislation that would use a peace dividend to finance an increase in the dependent exemption to $4,000.

Similarly, Rep. Clyde Holloway of Louisiana and Rep. Dick Schulze of Pennsylvania have introduced a bill, cosponsored by 120 of their colleagues, that would offer families with preschool children a tax credit worth up to $1,000 per child. Apart from offering tax relief to families, the Holloway-Schulze bill is designed to replace two provisions in the tax code that offer tax benefits to families only if they have day-care expenses. These provisions discriminate against families that care for their own children.

As soon as the great mad dash to beat the income tax filing deadline is over, members of Congress should get to work on legislation to cut parents' taxes. Indeed, they should approach such efforts with the same urgency shown by last-minute tax filers queueing up at the post office.

Maybe then parents will be freed from some of the economic worries that are squeezing time with family. Maybe then April will seem like spring again.

Gary L. Bauer is president of the Family Research Council in Washington.