NATIONAL
GOVERNORS' ASSOCIATION
PLENARY SESSION

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Convention Center
Seattle, Washington

Reported by Lisa B. Ahlburg, CSR
APPEARANCES

Chairman: BOOTH GARDNER, Washington
Vice Chairman: JOHN ASHCROFT, Missouri

Louisiana: BUDDY ROEMER
South Carolina: CARROLL A. CAMPBELL, Jr.
Pennsylvania: ROBERT P. CASEY
Delaware: MICHAEL N. CASTLE
New Jersey: JIM FLORIO
Maryland: WILLIAM DONALD SCHAEFER
Kentucky: WALLACE G. WILKINSON
Ohio: GEORGE V. VOINOVICH
Indiana: EVAN BAYH
Illinois: JIM EDGAR
Arkansas: BILL CLINTON
Florida: LAWTON CHILES
California: PETE WILSON
Oregon: BARBARA ROBERTS
West Virginia: GASTON CAPERTON
Montana: STAN STEPHENS
Idaho: CECIL D. ANDRUS
Utah: NORMAN H. BANGERTER
New Mexico: BRUCE KING
Guam: JOSEPH ADA
American Samoa: PETER T. COLEMAN
Northern Mariana Is.: LORENZO I. DELEON GUERRERO
Virgin Islands: ALEXANDER A. FARRELLY
Hawaii: JOHN WAIHEE
Arizona: FIFE SYMINGTON
Nebraska: E. BENJAMIN NELSON
Alabama: GUY HUNT
Michigan: JOHN ENGLER
Wisconsin: TOMMY G. THOMPSON
Minnesota: ARNE H. CARLSON
Kansas: JOAN FINNEY
Nevada: BOB MILLER
Colorado: ROY ROMER
South Dakota: GEORGE S. MICKELSON
Wyoming: MICHAEL SULLIVAN
Oklahoma: DAVID WALTERS

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GOVERNOR GARDNER: We are in order.

It has been an honor and a challenge to share in this organization for the past year and to have all of you in our state.

A side bar for a moment, but the business of sharing the name of our state with the nation's Capitol has always been honored by those of us here, but there seems to be no way out of it. For a long time we have been the existential other Washington. We kind of have a colonial mentality at times, but we are proud to fight back. We are tired of being called Washington State. They don't call you Missouri State or Colorado State or California State. I mean those are names reserved for colleges, not states.

But if you want the real irony, when we petitioned to become a state, we asked to be called by the name of Columbia, not Washington. And Congress thought that sounded too much like the District of Columbia. So there's your typical bellway thinking in action, something that we hope to break out of.

But I digress. It has been an honor to hold this position because my peers from around the country are a pressedly talented and dynamic group.
And it has been a challenge because the focus of our work has been nothing less than the most difficult, complex and compelling domestic issue on the American agenda.

To cut to the heart of this issue, I have brought visual aids. If a picture is worth a thousand words, then the video you are about to see must be worth several million words.

(Video)

GOVERNOR GARDNER: The power of what you have just seen comes from the fact that the people that you saw in the video are real. They are my constituents. They are my reason for my sense of urgency about this issue.

And, ladies and gentlemen, they are here with us this morning. I would like them all to stand and I would like all of you to join me in expressing our appreciation to them for sharing their experiences.

(Pause in proceedings.)

GOVERNOR GARDNER: All of us has constituents like these. Their names are real and they are immediate. And they will be the ultimate judges of our leadership. And what they need from us is action. And as you heard one of them say in
the video, they are not going to let anyone off the
hook. Not Congress, not we governors, not the
White House. So now is the time to act.

    I would now like to call on Governor Castle
to move for adoption of the health care policy
payment and make remarks on the findings in the
report in the policy. I would then call on
Governor Clinton for a second for his remarks on
his proposed policy.

    Governor Casey.

GOVERNOR CASEY: Thank you, Governor
Gardner.

    Thank you for the great coverage in addition
to all the great work you have done on the health
care policy.

    The health care policy is I think C-28; is
that correct? C-28 in your books. I think you are
all familiar with it. For those of us I think it
was close to us a hundred percent who were involved
in discussions on Saturday and Sunday, this
Saturday and Sunday.

    I think you realize the depth of this policy
and the importance of it. There was very long and
serious and I thought excellent debate on the
issues and there may be more here today. But
ultimately I believe that we adopted a policy
through the committee which is being presented at
the plenary session here today which is extremely
comprehensive, which is depended upon the state
demonstrations as a methodology of resolving the
problems of health care in the United States of
America.

We have heard from a number of state
representatives at this table about what they are
already doing in their states and you see that
those state solutions are working. I learned
personally about what could be done in Delaware. I
am sure all of us did about what we could do in our
own state concerning the problem. We do know that
there were concern about dates and the dates were
removed urging that we do all this as soon as
possible.

I will not take the time today because
there's much to be done to go over the entire
policy. I think you are familiar with it. But for
those who have not had a chance to read it in this
room, I would urge that you read not only the
policy but the narrative that accompanied it in
terms of what we as governors have done.

We have recognized the fact that there is a
problem. We have initiated a discussion which
needed to be initiated in this country and
hopefully we have moved to the next plateau in
terms of a resolution of the problems of health
care for the adoption of this policy.

We recognize the fact that the costs are
tremendous as we saw in the script here today. We
realize that if we are going to resolve these
problems there are going to be difficult political
decisions that are going to have to be made on a
state-by-state basis. None of this is going to be
simple and I don't think anyone thinks that we can
resolve it simply by throwing additional money at
it. But indeed we need to work with the public
government.

I think the time has come to stop some of
the finger pointing between the states and the
public government and the private sector and sit
down and work out whatever the differences are. If
somebody is not doing it correctly, be it us as
governors and states or the public government or
the private sector and all the various
components of health care, then the time has come
to put a stop to whatever those practices are and
put together practices which are going to make a
difference to this country.

There are not many issues that we take up as governors which affect each and every person in the United States of America. But this is one of them. We have a small sampling of these wonderful people here in the audience today and their reactions to some of the problems which they are facing. They represent the constituents in all of our states. They represent all of the constituents in all of our states, each of whom at some time or another will face a concern with health care; be it the health care they can receive, the ability to afford to pay for the health care which they receive, the access to it, or whatever the various variant inflections are with respect to health care, but there is nothing of more significance.

We all know that if we are healthy, we can make everything else happen. We also know that if we are not healthy, that things cease to happen as well as they did before and perhaps ultimately there is a fate awaiting us which is not a very good alternative.

And for all these reasons it is my hope that we as governors can use this policy as a genesis or a beginning for what we are going to do in the
future in our states. And frankly I look forward
not just to this session, but to what we are going
to do this winter, what we will do next summer and
in the future as we start to see what we are doing
in the various states in the country and be able to
exchange those thoughts and views and to use them
in each of our other states.

And for all these reasons, I move the health
care policy that the governors have adopted in the
earlier sessions to be adopted by this plenary
session and I look forward to it as being the
catalyst which is going to ultimately make a
difference in the quality of life of all of our
constituents.

GOVERNOR GARDNER: I now call on Governor
Clinton for the second.

GOVERNOR CLINTON: Thank you very much, Mr.
Chairman.

First I would like to thank you for your
leadership on this important issue and for putting
that marvelous film together with your very moving
citizens.

The three important features of this policy
are the following: First, it emphasizes a renewed
commitment to quality and a new emphasis on
preventive primary care, which will make us far
healthier at less cost; second, it tries to take on
head up the issue of cost. We are already spending
30 percent more on health care than any other
advanced nation of the world and getting less far;
and finally it addresses the issue of coverage, an
impossible fact that too many Americans don't have
it.

There are three points I would like to make
about this policy in seconding it. First of all,
even though we differ on the timing or federal
action set of comprehensive national health care,
we agree I think unanimously that our nation needs
immediate federal action to give the states the
waivers necessary in spending present federal money
to begin a solution that may not be a Canadian
solution but at least will be a Canadian process;
that is, we think the states can take this to a
national resolution, this issue, if the federal
government will support us and it needs to begin
tomorrow.

Secondly, this policy takes on the tough
issue of insurance reform in a way that is not
going to be addressed at the national level and
recognizes that we are being burdened with
incredible costs that have nothing to do with health care. That as a result of that many people cannot even change jobs because their spouses and children have preexisting conditions and there are many businesses who can't afford to get health insurance in the first place are tragically dropping it every year so that more and more people become unemployed.

We must have insurance reform along with governmental reform and other changes in the health care industry.

And finally with regard to timing, let me just say this -- we will have our discussion about that in a moment -- but one of the big myths that we continue to hang onto in this country is that we are still the best in everything. And I just want to close by saying we are the only advanced economy in the world that has not figured out how to provide some kind of insurance to every one of the citizens. And what we do is we spend 30 percent more of our income on everybody else and that means that on our report we do on the timing here, we cannot wait one more day to take action and begin to implement this policy.

With that I second the policy and thank you,
Mr. Chairman.

GOVERNOR GARDNER: Thank you, Governor Clinton.

It is now time for open discussion comments for amendments.

I call on Governor Miller.

GOVERNOR MILLER: Nevada has had the dubious distinction for some time in leading the nation in hospital costs. Four years ago my predecessor, Richard Brian, enacted a copy of cost containment legislation which provided for two years of governmental control cost. And in the spirit of compromise was followed by two years of the market control cost, which of course was pushed by the office association. The first two years were fairly successful. The last two years were disaster.

And in our recently concluded legislative session I pushed through legislation which freezes the cost at any hospital in Nevada for the next year and a half, at all times in the future limits any additional cost to consumer price index which in our state means a savings of almost 200 million dollars over the next four years to constituents.

We also required them to reduce charges for
uninsured Nevada by 30 percent. We created, and they have to fund it, but it is not under their control, a consumer complaints division that will arbitrate bill disputes and has the authority to order refunds to individual patients.

We force the hospitals, who are obviously profitable, to include in this legislation nursing foundation to which they contribute a quarter million dollars a year for most nursing education. We provide -- they are require to provide technical assistance from the urban hospitals to all the rural hospitals a hundred thousand dollars a year to public wellness programs and they are required to provide acute care treatment to indigent residents of our state and others that need health care.

And all for all, this is only for one reason and that is to emphasize that the government has to correct this problem. It is not going to correct itself. And that is the reason we need to act and we need to act now.

GOVERNOR GARDNER: Thank you, Governor Miller.

Governor Chiles.

GOVERNOR CHILES: Mr. Chairman, I again want
to join my voice in complimenting you and all of
the work that the committee has done. I think
there's some very, very fine work in the report. I
think your film has tremendous impact and I think
that it so clearly shows what I see happening in my
state and all over the country.

In a few moments I want to make a motion for
the amendment, but I would say that as I noted in
the film, when I go to Miami Jackson Hospital,
which does more indigent care in my state than any
other hospital, the people that I see in the
emergency room there or are not the poor. They're
all working. They are people that do not have
insurance.

And as we saw in the film today, we have
some coverage, albeit in Medicaid, that takes care
of the poorest of our people. The people that we
are neglecting as a country are the people that are
trying to work.

And now I think what we are now talking
about is the timing of that and I think also what I
want to talk about is leadership.

I spent 18 years in the Congress. I know
something about how that institution works, the
kind of deadlines under which it works. On my
plate was the deficit. I thought it was the greatest problem facing the country then and I still kind of think it is now. We are no closer to solving it from the leadership than we were. And I finally broke my pick on that and decided that it wasn't going to be solved up there or not anything that I could do and I left. And I thought I was out and I was happy to be gone.

But then I began to see what a number of you all were doing in your states. Literally that you were grappling with problems and that you were finding solutions and you quit waiting on Washington to kind of decide that they were going to do it for you and you started dealing with it yourself. And I saw that there were some opportunities in state government, more in the local government where they again were not waiting on us even in the state government. And that induced me to kind of get back in it.

If there was any way that we could deal with this problem ourselves, then that is what we ought to be doing. And we would be looking to Washington and we shouldn't be looking to them and each of us in our state are trying to come to grips with it. We are the ones who do get judged by results so we
can't put things off.

But I think it is very clear from another resolution that we are going to be taking up here that has to do with how you match some of the funds, that we cannot deal with this problem entirely in our states. It is not within our grasp. We must have the assistance of the federal government to truly come to grips with the health problem.

So if we have got to have their help, how do we send them some message that we think this is an immediate problem. I said this about leadership and I think very much it's about leadership. I think that we have to send that message by putting a date in this report. I think that we say we want to be willing partners. We are willing to do our share. We want to partnership with the Congress and with the President in trying to solve this.

Now, I have noted in some of the writings about my motion that it appears to be partisan. I listened to the speaker and the speaker said we will work hard and see if we can get it done by the year 2000. I don't think that would cut it.

And so if I am trying to point a finger at someone, it is not just the President. It is
Congress and the President. It is Washington. And it is for us to try to say we think this is immediate. We don't think those people in that film, the people that are in Miami Jackson can wait until the year 2000. What happens to those little earthquake babies, what happens to those families, what happens to the fabric of this country and what is happening everyday.

If I saw one thing that I challenge about the film it was the 2,016. Education is already being affected in my state. We are not able to do what we should be doing for education, what we should be doing for the environment, what we should be doing for transportation, what we should be doing in public safety in my state because all of our money is being taken now for Medicaid and in trying to deal with this problem because we do not give access to all of our people, so therefore, we cannot control costs. We all know that. The question is are we going to try to come to grips with that.

Now again I would like to say that I came out here to show my people that I want to lead on this. Nope. They are already ahead of me on this question in my state. They are already literally
in the street about this question and they don't
think I am leading on this question worth a hoot.
They can't understand why we aren't doing
something, why we aren't coming to grips with it.
So if anything, I am trying to get in front or get
out there where my folks are on this because I
think they are out there. They want us to do
something.

If we are not willing, we who are
responsible and have to be responsible and have to
balance our budget and have to live with the
results that we have, if we aren't willing to say
this is an immediate problem, how can we expect
that we will ever get Washington to deal with it.

As Governor Miller said: This isn't going
to be solved by sitting back and not doing
anything. We ought to be marching, trying to lead
our people to the march on the Hill and trying to
say that we have to deal with this problem.

I feel that putting a date on this is the
step that we could take to strengthen the report to
say that we want to do something about people that
work who are not able to get coverage. That we
want to do something to see that this country is
going to be able to have healthy people, kids who
can learn because they have education. All of those things I think we have an opportunity to do.

So, Mr. Chairman, I would move that we amend the report to put a date in. And as we go in 28.2 in the governors' goal, that we add to that the language you now have to be enacted by January 1, 1994.

And, Mr. Chairman, I would like to ask that we have a role call on this. I want to at least be able to go back home to my state and say I tried to get out there where my people are on this question.

GOVERNOR GARDNER: Thank you, Governor Chiles.

Any seconds?

Governor Engler seconds.

Is there a discussion?

Governor Schaefer.

GOVERNOR SCHAEFER: If we can solve the problem of health care by publishing manuals, by having emotional films like that, we would have done it a long time ago.

If you brought in all the books that are written on this, the newspaper articles that are written on this, it would fill this room. I don't mean any disrespect, but putting in -- I get
worried over this 1994.

I would much rather hear from you why we
can't convince members of Congress that there is a
national emergency in health care. They see the
same books year after year, the same
resolutions with a couple amendments to it, to them.
And we sit here and we say, well, now we have got
to convince them. Can you tell me how I can
convince my members of the legislature that there
is a national emergency when we have something like
a 50 million dollar deficit plus on health care?

You bring the people here. Every one of us
could applaud -- I could applaud hundreds of people
here the same way. I am disturbed on what we are
saying here.

If we know it, you mean to say the President
doesn't know it? You mean to say the senators
don't know it? I don't believe that is true. What
are we going to do to convince them that there is a
serious problem and a national emergency.

Putting in the date 1994, putting in the
date 2000, as soon as possible, I understand what
you are saying. I really understand it, but I
don't think it's going to make that much difference
unless we are able to get them to really understand
the seriousness of the problem.

I am going to vote with you only because you are so sincere in trying to tell the Congress that they ought to get off their base and do something about it.

GOVERNOR GARDNER: Thank you, Governor Schaefer.

Governor Campbell.

GOVERNOR CAMPBELL: Thank you very much, Mr. Chairman.

I agree with what Governor Schaefer said that we have to convince the Congress of the United States that there is a problem. They should know it.

The problems that we have in the states that were cited by the senator, by the governor from Florida, were interesting to me because he talked about leaving Congress because Congress couldn't solve the problems. And that is the truth because the problems we are having in funding in our states right now are largely because the Congress of the United States had put mandates on the states to tell us how to run our programs and have taken away the flexibility in many instances by denial of dollars for the use of the Medicaid programs to get
to the very people that you have that were shown on
this film.

In a state where you have optional programs
and you have taken them because your population
needs them and the Congress of the United States
comes in and says very specifically that you no
longer can have a Medicare program and we no longer
will take care of qualified medical beneficiaries,
you now must fund those out of your Medicaid
program and it then takes your money that you were
using for prenatal care or for those children that
were low birth weight babies because you have opted
into those programs, yes, we have a problem and I
agree with all of the statements that have been
made there.

The thing that concerns me is that the
resolution that was hammered out and was passed by
the task force, came through the task force and is
before us today, consisted of a lot of work. It
contains a word in it, not an arbitrary date. I
could say July the 15, 1993, or I could say August
the 21st, 1995. The date is arbitrary. The word
is "immediate." That was put in this resolution
and that is what it says. "Shall immediately begin
working to achieve."
The thing that scares me about putting in an
arbitrary date is that we profess to believe that
the innovation should come from the states, that
the programs should be there and that we should
bring the best to the table. That we should use
all of our demonstrations to convince the Congress.
And that I am concerned that we will deny the
states the time or even the incentive to do
anything other than just wait until the arbitrary
date and see what the Congress of the United States
does.

I don't think it is the way to solve the
health care problem. I think the way to solve the
problem is to utilize the ingenuity of the
governors in the states and put into place those
programs that address problems. And where the
government of the United States at the federal
level is standing in our way, to go to them to get
them out of the way.

So let's seek that partnership, work with
them in a positive manner and try to fashion a
system that will serve the people that are not
being served. But if you believe, if you believe
that amendments stuck in without a vote of the
Congress into continuing resolutions are not one to
continue to happen because maybe a representative from California decides that is what he wants and it never goes through committee, you think that is going to fade into the sunset, you are fooling yourself. We need to take the problem head on.

The problem of mandates from Washington trying to tell people in California and South Carolina and Wisconsin that you are all the same, your problems are the same and this is how you must deal with them. And we aren't the same. We have different problems. We have different populations. We have different things that have to be addressed.

And I am concerned that we are really asking the Congress to come up with something by 1994 and do it instead of trying to do what we can and should do ourselves. That is the only concern I have with it. I think the problem is immediate. I think that we need the change and we need to get health care to the front end. We need to go the preventive side of it. We are trying to do that in many states with specialty programs. And we have to convince the Congress.

But to sit and to say we are going to ask you to do it in 1994 is one thing. To say we want you to start with us tomorrow morning because these
people need help now, brings to mind the word
"immediate" and that is what the task force came up
with.

Mr. Chairman, I would ask one other question
if I might at the chair as to the parlimentary
situation on an amendment brought up to the plenary
session.

GOVERNOR GARDNER: I got interrupted by
Popeye.

GOVERNOR CAMPBELL: Popeye was great. He
really was.

GOVERNOR GARDNER: Thank you, Adam.

GOVERNOR CAMPBELL: Could you tell us what
the parlimentary situation is on amendment in the
plenary session to a policy that has already been
adopted by the task force?

GOVERNOR GARDNER: Can we take a two-thirds
vote of the governors present.

GOVERNOR CAMPBELL: Thank you, sir.

GOVERNOR GARDNER: I would now call on the
four following order of speakers: Wilkinson,
Governor Walters, Governor Roberts, Governor Casey.

MR. WILKINSON: Thank you, Mr. Chairman.

I believe my voice is that of the governor
of Florida. He is absolutely correct and I would
say in his assessment of the situation and I would say to the Governor of Maryland that, yes, there is a need for a resolution or an amendment like this to be made because it draws that attention to exactly those objectives that you just so eloquently espoused and to my friend from South Carolina.

I would say that the choice here today as it is set forth is to set a goal of the year 2000 as opposed to some of us who believe that the state is more immediate in nature and there is a greater urgency than that. So the objective here I think is to simply reduce the language to Congress and to the White House and to the others to say that we want this immediacy recognized and that it should be done by 1994 rather than the year 2000.

And finally I would say let's look at what we are considering here. We are saying the governors believe the nation needs to have a system that makes health care affordable and available for all Americans. Who can vote against that amendment? And further that the health care system must have sufficient controls in place to ensure the cost effective delivery of care. And we are simply asking that that be the language be
inserted, and the governor of Florida is, and that
it be enacted by January 1, 1994.

And I would suggest, Mr. Chairman, if we
cannot do it by January 1, 1994, that we will never
be able to do it and I urge its passage.

GOVERNOR GARDNER: Thank you, Governor
Wilkinson.

Governor Walters.

GOVERNOR WALTERS: The amendment is simple.
It is direct. It's a simple expression of the
urgency that we all feel. Our chairman and our
task force has focused our attention. Governor
Lawton Chiles has summoned our consciences. This
is not roads and bridges. It is not a trade issue.
It is not economic development. This is health
care, but it's really lives.

In my state and in your state somewhere this
morning there is a mother tending to a sick child
who is confused about where to go for health care.
This is not a complicated request. It's a
statement of urgency. It is at least as practical
as half of the other things that will pass later
this morning.

I speak in favor of the amendment.

GOVERNOR GARDNER: Thank you, Governor
Walters.

Governor Roberts.

GOVERNOR ROBERTS: Mr. Chairman, I think as we look at this issue we sometimes talk about it in terms of its eating our budget alive over the next few years. If indeed that is our major concern, then 1994 is not fast enough.

But I think there is a broader issue before us and it is the one that I think each of us needs to sit back for a moment and think about.

I doubt that anyone is seated at this table who does not have full insurance coverage. There are people who work as many hours a week as we do who have no health insurance coverage.

I sit and look at my own family and think of eight years, we think from 1991 to the year 2000, I think of what's occurred in my family in eight years. My husband is not here with me, as many of you know, because six weeks ago he had his second bypass surgery. He also has had cancer in that time. He was hit by a truck in a crosswalk. He lost the use of both of his legs from radiation damage and he has had other difficulties. I would have had two grandchildren born in the last two and a half years and one only ten days ago. This one
with full insurance coverage. The last one without any.

Many people who watch us today and wait for our leadership do not have health care coverage, do not have the ability to come to a doctor when they need it. And we are sitting here debating whether 1994 is too soon. The truth is for many people 1994 is too late. This is an amendment that we know will not move mountains, but it will indicate to Congress and the federal administration that we need to move mountains.

Not everyone is as fortunate as we. We have seen members of this organization use the health care they have and use it for very serious illnesses over the last year and a half, certainly over the last few weeks. I think all we are asking by this amendment is to move Congress and the federal administration to understand that what we have should be available to every single American in this country. What I have should be available to everyone and I think it's time we said to Congress and to the federal administration, "You can't wait."

I don't think that is too much to ask on an issue that not only destroys our budget but
destroys our people.

GOVERNOR GARDNER: Thank you, Governor Roberts.

Governor Casey followed by Governor Bangerter by order.

GOVERNOR CASEY: Thank you, Mr. Chairman.

In October of 1987 I had open heart surgery. I was one of those fortunate Americans who had a good health care system. We have eight children. And I thank God everyday that we have a good health care system, a good health care plan to take care of their needs.

And I read the literature that the people most affected, and this is always the case, wars, famines, droughts, recessions, those most affected are the children. And here again, in the case of inadequate health care, those who suffer the most are the children.

Open heart surgery costs $135,000 when you can get it. It saved my life. If someone had said to me in October of 1987, you need open heart surgery, but you don't have health insurance. But we are working on a plan and we are going to begin immediately and by the year 2000 we might have something to help you, I think I would have
responded: Forget it. Save your money. The year 2000 is too late. I need help now.

There are millions of people across this country, people we will never meet, who are anonymous, who have no lobbies, no special interest groups to speak for them who are suffering right now, who are dying right now. Who will dye tomorrow or the next day and the day after that and the day after that because they don't have adequate health care.

This amendment speaks to a commitment. It speaks to political will. It is designed to send a wake-up call to the White House and to the Congress. We are told that this issue is a top priority. Well, the question is, is it really. Is it a front burner issue or is it an incidental issue. Is it something that can wait or is it something that has to be addressed right now.

And if the answer is yes, and I believe it is yes, because you know something, the American people are caring people. They are a compassionate people. And I believe them with every fiber of my being and I think they are ready to respond. I think we sometimes sell our people short. We do it all the time and we are always wrong when we do it.
Let's not continue to do it in the case of health care because they are ready.

Is this a tough issue, expensive issue? Of course it is. Are there competing interest and adverse interests? Of course there are. But you know something? When the President of the United States places the full force of his executive leadership and the power of that office and the power of the people of this country behind an issue, things happen.

We mobilized the entire country for the Desert Storm Operation and all of us were proud of that, weren't we? And it was done in a matter of months. Government responds to deadlines, whether we like it or not.

The President said he wanted a crime bill. Not by the year 2000 but in 100 days. Why? Because that was a priority. That was important to him. That wasn't incidental. It wasn't the essence of what this country needed in his judgment.

This amendment merely says, Mr. President, we want the same commitment where health care is concerned. Mr. Foley and the Congress, we want the same commitment where health care is concerned.
That is all.

It is not enough to begin. It is not enough to begin this race. We have to finish it. We have to get the job done. Beginning is wonderful, but results are what count. And that is really what's involved in this amendment.

Truly in two and a half years, given the complexity and the difficulty of this problem, surely in two and a half years we can come up with a plan working with the states. And I am not advocating some monolithic mandate to the states of this country. I am not saying we turn off the inventive genius in the states of this country. Let them have full rein in putting this plan together. But let us not only begin, but let's get the job done in a time frame that is relevant to the children and families who need this help and need it now.

I urge everyone here today to vote in favor of this amendment.

GOVERNOR GARDNER: Thank you, Governor Casey.

Governor Bangerter.

GOVERNOR BANGERTER: Thank you, Mr. Chairman.
I hesitate to speak on this issue. I have listened with great interest for the past three days to the debate. I have not been a member of the health care task force and I have not abused my seven years as governor my prerogative to speak in this forum.

I do feel, however, that the point is well taken that this is an emergency problem that needs to be dealt with immediately. I don't necessarily speak for or against Governor Chiles' amendment, but I think we ought to remind ourselves of a thing or two when we discuss this issue and any other issue.

We are having an emotionally charged debate with which we all feel great affinity and feeling and don't have to go beyond the confines of our own families to find the kinds of challenges that we saw in the tremendous film that was presented here this morning. We can all do it. I can do it. My immediate family. Not enough insurance, not enough money.

We are going to leave this conference this afternoon and we are all going to go home. And we are going to face our budgets. And we are going to sit down with our people and we are going to hear
the requests that come to us day after day, month after month, year after year, and we are going to stand up and say, yes, we like that, but, no, we don't have the money.

Now the difficulty that I see with this program is not whether it is 1994, not whether it is immediate, but whether or not we are willing to see that something is done. We all know that the current system cannot last. We sit around and we get picked off one at a time by the federal government with programs that they mandate and that we can't afford.

Unfortunately all too often our solution for those problems is to say to the federal government do not give us another mandate as you did last year for three years. By the way, you pick up the cost that the mandate would cost us for the next three years and you pay for it.

Now if we wanted to change subjects and go to the budget and the budget resolution, or I call irresolution, we would all be just as emotionally charged about the inability of the Congress to deal with that issue.

And I think that we ought to be responsible enough as governors who have to balance our budgets
to not ask the Congress and the President to do something we can't do.

I have to tell you I was impressed with Governor Waihee's program. He took some unilateral action. I am impressed with what Governor Roberts is doing. She's doing some good things. We are doing some things with the rest of the uninsurable and the people in our state. We have to do that.

Now if we want to make a policy and if we want to have an impact on the federal government on this issue, I don't think we go to 1994. I think it might be time that we say to the federal government we are no longer going to allow you to dictate to us and recreate a real crisis. And a real crisis if we were to say, no, we will not take your mandates, we will not take your program. And we are willing to stand solid together to force a change not in 1994, not in the year 2000, but today.

What's wrong with the budget resolution process? Basically that it's always a five-year target. We all know that they will never balance the budget as long as they talk about five years. We will never resolve the health care issue if we talk three years or four years or ten years. If we
really want to take some action, it is time for us
to stand together as governors and say no.

    I had to spend an extra million dollars on a
little medically needy program that the
administration bothered me on, but I got in a
lawsuit that I was out of compliance. I didn't
serve one more person, but they took me to court
and I couldn't win. And that is the problem that
we have is that we do not stand together. We allow
ourselves to be picked off.

    I am not going to make a formal motion and I
am not speaking for or against 94, but 94 won't
solve our problems. I am going to be gone in a
year from my job in '94 and that is not going to
make any difference in my administration, but it
will to the guy that follows me.

    I say that if we really want to get serious
about some of these federal state issues, we better
start sitting down and getting a little bit tough
and say, no, you are not going to do it to us one
at a time. We are going to stand together. And if
you want Medicaid program to be funded on that
level on that basis, you better pick up the tab
because we can't play in your game anymore. We
have got to have the intent that we have to go home
and balance our budget.

So emotionalism, the need is there. We are all charged with this issue. But let's be careful that we do not say to the Congress to do something that we would not be willing to do ourselves if we were sitting there.

Thank you.

GOVERNOR GARDNER: Thank you.

Governor Bayh, Governor Florio and Governor Thompson.

GOVERNOR BAYH: Thank you, Mr. Chairman.

I would like to first compliment you and the task force. I know I speak for all of us in expressing our gratitude. I will be brief.

My thoughts go back this morning to my first plenary session and first summer session I attended about two years ago. At that particular time some discussion was given to the whole issue of federal mandates and certainly the resolution signed by all 50 governors, as I recall every democrat, every republican, every state assigned to this resolution asking for as I recall a one-year moritorium on additional federal mandates. I was excited about that. I thought it would certainly involve the 50 governors joining together to petition the federal
government for a little relief in this area and that certainly we would get some respect and some consideration from our federal colleagues in Washington.

It wasn't but five months later that they responded to that resolution by enacting the largest Medicaid mandate in the history of the United States of America. And since that time all of us have felt our budget is pitched in education, in infrastructure development and all of the other important areas of which we must yield. Which leads me to the following two points I would like to make.

First I think that it is very, very important that we stand up for some vitality in the federal system. Governor Campbell spoke to that. It seems to be the states' rights these days, Mr. Chairman, consist of the states bearing more and more of the burden with less and less assistance from Washington. In an area of unquestion, the federal and national reports of health care, that simply will not do any longer because we cannot shoulder all of the burden ourselves and yet meet our important obligations in the other areas.

So for that reason, I favor the amendment
that the Governor Chiles has proposed this morning, but I think there is even a more significant issue at stake here this morning, that is the vitality and effectiveness of this organization.

Certainly passing Governor Chiles' amendment will not guarantee success anymore than the resolution adopted two years ago, as guaranteed a success at that point in time. But I think it is incumbent upon all of us to try, particularly in this area. We seem to get a lot of symbolism in politics these days. I think it is incumbent upon us to try to get some teeth in this measure, some accountability in this measure. Without that I am afraid that I will recall the words of William Shakespeare in one of his plays wrote about a similar debate that was Great Sound and Fury that signified nothing. And if that turns out to be the case, unfortunately Governor Schaefer will be correct and this will simply be one more study piled upon many others. But this is too important to let that happen.

I will vote yes on this amendment. We need to keep trying.

GOVERNOR GARDNER: Governor Florio.

GOVERNOR FLORIO: Thank you, Mr. Chairman.
Let me express my strong support for this amendment. Having had some experience in Washington, the failure to impose a deadline will be that the executive branch and the legislative branch will do nothing. Failure to do nothing deserves the status quo that we have just spent three days lamenting, having the impact and the consequences that we saw in the video that was portrayed.

I think it is also important to dispose of one strong man that seldom have tried to present as an excuse to not to take action at the federal level. And that is somehow there's an interpretation that is being advocated that is a federal monolithic health care straightjacket that is going to preclude the states from taking the leadership roles that I think we all want them to take.

I would suggest that no one who is even semi-serious about this problem and how to resolve it wants to move in that direction. Rather what we want is a national framework as early as possible to provide to all of us the rules and the guidelines within which we will celebrate and work with the diversity that we have in our states. The
failure to provide that as early as possible will mean that we will be stuck with the situation that I have been hearing this whole argument against in the last few days.

Health care, health care financing administration traditionally has been the source of arbitrary actions. Waivers that should be granted aren't granted, delays in arbitrary deprecious actions that cause us to have problems because the people of this nation have problems, actions which preclude us moving in the direction we all talk about in wanting to resolve these problems.

I will offer to you no better example than the situation we have been all unhappy with in the last few days. OMB administrative agencies is in the process of changing the rules in the middle of the game or in Medicaid financing that will cause great hardships to our people.

If we want to avoid that type of arbitrary action, we have to have this national framework within which we can all operate. This proposal is the only way that we are going to get there sooner rather than later.

GOVERNOR GARDNER: Thank you.
Governor Thompson.
GOVERNOR THOMPSON: Thank you very much, Mr. Chairman.
Let me compliment you, the state on hosting this and your leadership of the past year. It has been excellent.

I bring in the subject in front of the conference of governors I think is in the discussion of emotionalism and has been one that was badly needed. I think this discussion has been excellent. And if I really want, by passing this amendment we would get action, I would support it.

I look at the amendment and I look at the report. And I see the report had originally decided the year 2000. Governor Chiles was taken out. It was too far, too long in the distance. We have an immediate problem. Look around this table I see every governor shaking their head in agreement. There isn't a state, there's isn't a town, city, county, who doesn't have budgetary problems dealing with health care and medical needs.

Wisconsin is no different. We have taken it upon ourselves in our own state to pass the most comprehensive medical assistance and Medicare provisions of any state. We are number one. We
offer more for the variables than any other state because we want to give our people in Wisconsin the best that we possibly can afford as Governor Casey has indicated.

Then I look at what Governor Bayh has said. I found out that past year the reason that I can't give more and do more for education infrastructure and health care in Wisconsin is because of Congress, SOPRA and OPRA and continuing resolutions. Hundred million dollars it took out of my budget and I'm no different than South Carolina. Wouldn't it have been nice to take that hundred million dollars and devise a medical program for the people of Wisconsin that would have given immediate care. Not in 1994, not the year 2000, but right now, in 1991.

And I couldn't do that. And you know why I couldn't do that? Because Congress passed SOPRA and OPRA and said we know better and we want that money for our programs and this is an on-funded mandate for you, Wisconsin, South Carolina, California, Indiana, Florida.

So then I look at this and listen to the debate. I said, well, if January 1st, 1994 is magic, are we going to really be able to hit that
date? Then I recall the President of the United States coming in front of Congress and a moment of elation. We just conquered the Middle East. We just succeeded. Never seen a president get so many standing ovations.

Everybody in the United States was witnessing what this President said. He said let's see if we can address some of the needs of our society by passing a comprehensive crime bill and a comprehensive transportation bill within 100 days. A hundred days have come and gone. We are no sooner closer to passing those bills than we were when the President made the announcement.

Sure, there is some action on the transportation bill. So do dates work? No, they don't work. If the Congress wants to take it up, they will take it up. If they don't want to take it up, they don't.

But passing the resolution, by putting the date in there, sure we can feel good and go home and issue a press release and say, yes, we did something. But if we are really serious, if we as governors really want to do something, and in this area I think we do, Governor Gardener, and I compliment you on your leadership of this issue. I
GOVERNOR CARLSON: Well, Mr. Chairman, in the interest of time of this issue I will be brief.

The issue I wanted to raise was the issue of mandates. And we are being told here today the federal government will not put us in a straightjacket. We are told to build you some sort of an overall theoretical approach that allows us to maintain and maximize our ability to be flexible and creative. If you truly believe that, I have some stock in a plutonium uranium mine in the artic and I would like to sell.

We have never once seen the federal government do anything other than act as if states are in a straightjacket. Just three days ago we in this room and we literally condemnedicare. We said it -- or Medicaid. We said it was a program that was out of control. We said it was a program that was mismanaged. We said it was program that was so bad we had to start from the nning.

And now we come back today and say to those is that have already taken the initiatives, is like Wisconsin, we like to think that we are the cutting edge. Telling states that want to creative, that want to exercise some creativity,
don't bother, you're no longer the laboratory of democracy. You're no longer the citadels of creativity. We are going to kick this problem to the federal government. So that between now and 1994 we can say to our people it is not our problem. It is now the federal government's problem, knowing full well that their paralysis will overtake the problem and cause us and our people ultimately to continue to suffer under the current system.

GOVERNOR GARDNER: Thank you, Governor Carlson.

Governor Mickelson.

MR. MICKELSON: Mr. Chairman, I will be very brief.

You know since we have taken advantage of some parliamentary rules, perhaps addressed other issues than just the amendment, I wanted to take ten seconds and make sure that at least it is my belief that we would make a big mistake if the public is listening to this debate would think that it's a success or failure to vote on this motion was on an arbitrary date, which it isn't.

I think I am very proud of your leadership, Mr. Chairman, and this organization for the very
aggressive attitude we have taken. Governor Carlson of Minnesota, Senator Burkas and I hosted a rural health in the beginning in Eagle Falls, South Dakota because it was a very important for us and I know others of you that we talked about not only financial access, which is very much a health care issue, but also geographic access. It is not all money; it is also the flexibility that we have talked about.

The report that we are voting on here this morning is -- I am very pleased with what the task force did in addressing the need for mid level practitioners, emergency medical care, flexibility, other kinds of things that address the geographic access. Frankly, it could be taken care of much sooner than January 1 of 1994.

And the second point that I want to make is that I came here last Saturday as most of you sitting around this table. We listened to the same debate last Saturday. It was my understanding, and maybe I am the only one that is confused, but it was my understanding that when we left that meeting on Saturday and when we came back on Sunday it was the general consensus of this group that we should use the word "immediate" rather than 2000 or rather
than a specific date.
And I am reading the proposed amendment and also the policy and the policy definitely says "immediate." And to me I am much more comfortable with that than a date that we may or may not be, but I vote that we do this immediately.

GOVERNOR GARDNER: Thank you, Governor Mickelson.

GOVERNOR NELSON: Thank you, Mr. Chairman.

I too would like to compliment the committee for an excellent report. I think that what we are talking about may seem largely symbolic, the difference between now and 19 or the year 2000. But I think it is important that the symbolism of this discussion to send the right message as well. And that the year 1994 really represents now, the year 2000 represents a time when perhaps no one around this table will be in his seat today. Or may also stand for when we get around to it.

The year 2000 means that we are all gone, very few will be here. Even if I have a second term, I will be gone. Congress will be gone or turned over to some extent. The administration will be gone.
The year 1994 does in fact mean now. It means while many of us who entered this office in this last session will still be here. It means that the administration if it is re-elected will still be here, will be responsible. It means that Congress will be accountable and they will have to face it now.

We have heard the impassioned pleas of this video to begin now, right now, not when we get around to it. We know that the American people want it now, right now, not when we get around it. And we know that we must begin now, right now, not when we get around to it.

That is why I am going to vote for the Chiles amendment. I think that in fact it does send the message right now.

GOVERNOR GARDNER: Governor Stevens.

GOVERNOR STEVENS: Well, I will also be brief, Mr. Chairman.

I, too, commend you and the task for the excellent work that you have performed in bringing this resolution to the NGA.

To follow up what Governor Nelson just said, I agree with him. It should begin right now. And that is precisely what the resolution says:
Congress and the President shall immediately begin working with the governors to achieve this system.

Now we heard the speaker here the other day, Speaker Foley. And Speaker Foley has as much compassion and concern for this issue as anyone in this room. I am concerned that those that may disagree with what I think is a redundant date, would be cast as wanting to wait to the year 2000. There is no one that wants to wait until the year 2000 to resolve this issue and I think that is a false impression that is being cast when I think everyone in this room wants to begin immediately to resolve the problem.

The date January 1, 1994 -- and I have got great respect for Governor Chiles -- but it has been said by others in this room it really doesn't mean anything but symbolism. The point we are all trying to reach is that we begin immediately and seriously to work with the Congress, to work among ourselves and to work with the President to resolve this issue.

And, therefore, I think the debate really is somewhat immaterial when we talk about any date, whether it is January 1, 1994 or '93 or '95. But let's please not mistake the issue as being either
in favor of 1994 or the year 2000.

I am in favor of beginning immediately. I think all of us are. I think we should get on with it and not just get hung up on a date two and a half years down the line.

GOVERNOR GARDNER: Thank you.

Governor Castle and we will end the conversation with Governor Ashcroft.

GOVERNOR CASTLE: Mr. Chairman, I don't think anything I could possibly say could ever influence any votes in this room at this point. I have no illusion about that. But I did want to just put all in perspective from the point of view of Washington's involvement with this from the beginning.

When we started this entire health care policy, we realized it would take some time to really get a satisfactory conclusion. And it was suggested and eventually adopted for the date 2000. I have been bothered by that date from the very beginning because it just seemed too far away. Some of the others point out it's beyond our terms. It's just a very troubling date to some degree.

I thought the introduction of the original amendment that Governor Chiles introduced brought a
new element. It brought the resolution to the problem that I had because we took the date 2000 out and we inserted the word "immediately" into the policy. For that reason, I plead that we have done what all of us feel. That this has been in the seven years I have been as governor this is the best debate I think I have seen over a span of a couple days and then again today in terms of feelings of the governors.

I don't doubt for a minute that all governors in this room and all governors who could not be here today believe that we need to do something about health care immediately. I don't doubt for a minute that you are all doing something about health care already or you're taking the steps in your various states. I am not sure if any of the dates are of particular importance. I think the important thing is to move ahead. The intensity of the debate shows that we are moving ahead. And I think what has happened here today is very good.

I would just ask for one thing. As I said I am not going to try to influence votes on the amendment. I think that is pretty well cast. I just hope that everybody regards to how this bill
will vote for the policy because I think the policy
as written, regardless of whether the date is in
there or not, is of vital importance to all of us
and something we should go ahead with before this
day ends.

GOVERNOR GARDNER: Governor Ashcroft and
then we will go to Governor Chiles because he made
the amendment and close and then ask you to move
for a vote for the amendment on this issue.

GOVERNOR ASHCROFT: Mr. Chairman, I think it
is important to understand that the task force
worked very effectively to balance a number of
concerns in this report to provide that the policy
ultimately adopted by the federal government would
be informed by, influenced by and improved by an
awareness of things that were happening at the
state level. And I believe that was an important
part of the consensus building ingredients in the
report and I don't want to jeopardize that capacity
of the ultimate objective here to be achieve by
virtue of a mandatory date to develop this report.

There's some things that have been said that
I think can be clarified. First of all, the report
that is before us does not contain any reference to
the year 2000. There has been reference made by
about half the speakers who have spoken saying
castigating the year 2000. I hope to live to see
the year 2000 and I hope it's a good year, but it
is not mentioned in the report.

What the report says now is that we should
begin immediately to address this problem. I
believe that is the view that is shared by every
single Governor. The amendment that has been
proposed by the Governor Chiles of Florida does not
make reference to the beginning date. It
references the end date. It says that we shall
conclude the project.

Now I think the nature of the need we face
does require us to begin immediately. But you
don't really have that as the sole consideration
that would dictate when we should try and finish
this. I think the quality of what we get should
have some influence on how we finish this. That is
why the process ought to be allowed to work.

And I really liked what Governor Stephens
said about Montana. I was a little alarmed to hear
individuals suggesting that Speaker Foley was not a
compassionate speaker. They were concerned because
he had thought this might take longer than two and
a half years. My own sense of thinking is from my
understanding of the speaker, and he and I have a

great number of political differences, that he's a

compassionate person, fully aware.

I think if we arrogate ourselves in the

position of saying we know a whole lot more about

this problem than the Speaker of the House does, I

think we fooled ourselves immeasurably. It may

sound good in terms of rhetoric to sit here in his

absence. It would suggest that he doesn't have an

awareness of this issue. He does, but I think he

has a realistic understanding that the issue, if it

is to be solved in a compressed time frame, is

likely to be solved the way other expansions of

health care have.

What has been the response of our

organization to the way we have -- the Congress has

approached expansions of health care to date. The

way they have done it is to ask us without even

opening our mouth to ram it down our throats. That

is hard not only on our esophagus but our teeth

because we don't have our mouths open at the same

time.

I think what we need to understand is all of

us, I believe, have a clear understanding that we

should begin immediately. But to say when we
should end this process, I think begs a little bit responsibility. My judgment is we should end this process doing it well. And it may not make a whole lot more sense to say that we want to end this process at a specific date and especially when the experts who are there say it is unlikely to be done by that date and it would be that the men that fly back to the east coast end after two hours. You may be able to make the demand and you may be able to land the plane, but you may be landing in the Colorado Rockies instead of where you want to go.

I think it is important for us as governors to indicate that we want a good program, that the federal program should be informed by the experimentation and experience of the states and a number of you have done good things. I am interested in the federal program and you ought to be interested in it as well.

So this resolution as it stands unamended makes no reference to the year 2000. In fairness, this reference says we should begin immediately. This reference then puts all of us on record as saying that we understand the urgency.

I think responsibly we ought to ask that w begin immediately and we ought to demand that we do
things that make progress, but I don't think we
should rule out the potential of having the federal
program informed by the state and invite a disaster
of merely having more mandates issued by the state
or things that are not considered as carefully as
they ought to be considered.

And, Mr. Chairman, I believe that the task
force work as amended in the task force and as
amended in the executive committee providing for an
immediate beginning is the most reasonable,
compassionate and likely to be -- likely to result
in good policy position that this association can
adopt.

And I would ask that before you close the
debate on this issue that you recognize Carroll
Campbell from South Carolina.

GOVERNOR GARDNER: Governor Campbell.

GOVERNOR CAMPBELL: Mr. Chairman, I
would like to offer an amendment to the amendment.
From a parliamentary standpoint I understand that
that is correct.

After the word "system" in lieu of the
pending amendment as follows: "In order to begin
the process to bring relief as soon as possible,
the National Governors Association should seek a
joint meeting with the leadership of the Congress and the President at the earliest possible time."

GOVERNOR GARDNER: Would you start over and go a little slower, please

GOVERNOR CAMPBELL: Am I going a little fast?

GOVERNOR GARDNER: Yes.

GOVERNOR CAMPBELL: After the printed amendment, after the words "system" would appear in the policy, would strike all of the words to be enacted by January 1, 1994 and add the following: "In order to begin the process to bring relief as soon as possible -- and to bring relief as soon as possible -- the National Governors Association should seek a joint meeting with the leadership of the Congress and the President at the earliest possible time to ask for relief from the federal mandates in Medicaid that deny us the ability to address many of our problems and to seek an expedited process for granting waivers in the medical field so that the states may immediately begin to address the problems using innovative ways to improve health care delivery for our citizens.

GOVERNOR GARDNER: Governor Thompson seconds.
GOVERNOR CHILES: Mr. Chairman, I would like to move to table the amendment to the amendment. My feeling is that it really is not really responsive to the date we are talking about, the mandates here. And we are dealing with that so I would like to motion to second.


It is not debatable. It's a simple majority.

All in favor of tabling the amendment to the amendment raise their hands.

MR. CAMPBELL: Roll call. I request a roll call.

GOVERNOR GARDNER: Okay. All right.

It takes ten governors to have a roll call. Are there ten governors who wish to have a role call?

One, two, three, four -- is your hand is up? -- five, six, seven -- we have a roll call.

This is a roll call on the motion to table. GOVERNOR CASEY: This is a roll call to table the amendment to the amendment; is that correct?

GOVERNOR GARDNER: Roll call to the table.

GENTLEMAN: Governor Casey?
GOVERNOR CASEY: Aye.

GENTLEMAN: Governor Campbell?

GOVERNOR CAMPBELL: No.

GENTLEMAN: Governor Hunt?

GOVERNOR HUNT: No.

GENTLEMAN: Governor Engler?

GOVERNOR ENGLER: No.

GENTLEMAN: Governor Thompson?

GOVERNOR THOMPSON: No.

GENTLEMAN: Governor Carlson?

GOVERNOR CARLSON: No.

GENTLEMAN: Governor Finney?

GOVERNOR FINNEY: Yes.

GENTLEMAN: Governor Miller?

GOVERNOR MILLER: Yes.

GENTLEMAN: Governor Romer?

GOVERNOR ROMER: Yes.

GENTLEMAN: Governor Mickelson?

GOVERNOR MICKELSON: No.

GENTLEMAN: Governor Sullivan?

GOVERNOR SULLIVAN: Aye.

GENTLEMAN: Governor Walters?

GOVERNOR WALTERS: Yes.

GENTLEMAN: Governor Symington?

GOVERNOR SYMINGTON: No.
GENTLEMAN: Governor Waihee?
GOVERNOR WAIHEE: Aye.

GENTLEMAN: Governor Farrelly?
GOVERNOR FARRELLY: Yes.

GENTLEMAN: Governor Guerrero?
GOVERNOR GUERRERO: No. No, sir.

GENTLEMAN: Governor Coleman?
GOVERNOR COLEMAN: No.

GENTLEMAN: Governor Ada?
GOVERNOR ADA: No.

GENTLEMAN: Governor King?
GOVERNOR KING: Yes.

GENTLEMAN: Governor Bangerter?
GOVERNOR BANGERTER: No.

GENTLEMAN: Governor Andrus?
GOVERNOR ANDRUS: Aye.

GENTLEMAN: Governor Stephens?
GOVERNOR STEPHENS: No.

GENTLEMAN: Governor Nelson?
GOVERNOR NELSON: Aye.

GENTLEMAN: Governor Caperton?

GENTLEMAN: Governor Roberts?
GOVERNOR ROBERTS: Aye.

GENTLEMAN: Governor Wilson?

GOVERNOR WILSON: No.
GENTLEMAN: Governor Chiles?
GOVERNOR CHILES: Aye.
GENTLEMAN: Governor Clinton?
GOVERNOR CLINTON: Yes.
GENTLEMAN: Governor Edgar?
GOVERNOR EDGAR: No.
GENTLEMAN: Governor Bayh?
GOVERNOR BAYH: Yes.
GENTLEMAN: Governor Voinovich?
Governor Wilkinson?
GOVERNOR WILKINSON: Yes.
GENTLEMAN: Governor Schaefer?
GOVERNOR SCHAEFER: Yes.
GENTLEMAN: Governor Florio?
GOVERNOR FLORIO: Yes.
GENTLEMAN: Governor Castle?
GOVERNOR CASTLE: No.
GENTLEMAN: Governor Ashcroft?
GOVERNOR ASHCROFT: No.
GENTLEMAN: Governor Gardner?
GOVERNOR GARDNER: (inaudible)
Table motion passes 18 to 16. Motion to
table.
GOVERNOR CHILES: If I might just briefly.
GOVERNOR GARDNER: Governor Chiles.
GOVERNOR CHILES: Mr. Chairman, I think this has been an excellent debate. I think everybody kind of knows exactly what they want to do.

I just want to say that it seems to me the President set a date for Saddam to get out of Kuwait. He drew a line in the sand and I think if that date had not been set Saddam would still be Kuwait. I think that we are talking now about whether to begin immediately to address this problem addresses it or not.

I could begin immediately to think about my income tax return and I might think about it a long time, but there is a date that says April 15th I have to file that return. And so around the 14th my immediacy becomes a hell of a lot more immediate. And I think we know that a date can do that.

I think it is interesting a lot of people perhaps that are watching this debate without their program might not totally understand, but it seems to me that as I hear the discussion here I hear the democratic governors are ready to put heat on the Congress, which is controlled by the democrats. I don't hear that exactly coming from the other side that they are ready to put heat on the President.
It seems to me that at some stage we have
got to decide, you know, whether we want to speak
to this question or not and I think we all know a
date that makes us speak to the question.

GOVERNOR GARDNER: Thank you, Governor
Chiles, and commend Governor Chiles for the
amendment. He has asked for roll call. It takes
ten governors to have a roll call on the amendment.

We will have a roll call.

GENTLEMAN: Casey?

GOVERNOR CASEY: Aye.

GENTLEMAN: Governor Campbell?

GOVERNOR CAMPBELL: No.

GENTLEMAN: Governor Hunt?

GOVERNOR HUNT: No.

GENTLEMAN: Governor Engler?

GOVERNOR ENGLER: No.

GENTLEMAN: Governor Thompson?

GOVERNOR THOMPSON: No.

GENTLEMAN: Governor Carlson?

GOVERNOR CARLSON: No.

GENTLEMAN: Governor Finney?

GOVERNOR FINNEY: Yes.

GENTLEMAN: Governor Miller?

GOVERNOR MILLER: Yes.
GENTLEMAN: Governor Romer?
GOVERNOR ROMER: Yes.
GENTLEMAN: Governor Mickelson?
GOVERNOR MICKELSON: No.
GENTLEMAN: Governor Sullivan?
GOVERNOR SULLIVAN: Yes.
GENTLEMAN: Governor Walters?
GOVERNOR WALTERS: Yes.
GENTLEMAN: Governor Symington?
GOVERNOR SYMINGTON: No.
GENTLEMAN: Governor Waihee?
GOVERNOR WAIHEE: Yes.
GENTLEMAN: Governor Farrelly?
GOVERNOR FARRELLY: Yes.
GENTLEMAN: Governor Guerrero?
GOVERNOR GUERRERO: No.
GENTLEMAN: Governor Coleman?
GOVERNOR COLEMAN: No.
GENTLEMAN: Governor Ada?
GOVERNOR ADA: No.
GENTLEMAN: Governor King?
GOVERNOR KING: Yes.
GENTLEMAN: Governor Bangerter?
GOVERNOR BANGERTER: No.
GENTLEMAN: Governor Andrus?
GOVERNOR ANDRUS: Yes.

GENTLEMAN: Governor Stephens?

GOVERNOR STEPHENS: No.

GENTLEMAN: Governor Nelson?

GOVERNOR NELSON: Yes.

GENTLEMAN: Governor Roberts?

GOVERNOR ROBERTS: Aye.

GENTLEMAN: Governor Wilson?

GOVERNOR WILSON: No.

GENTLEMAN: Governor Chiles?

GOVERNOR CHILES: Yes.

GENTLEMAN: Governor Clinton?

GOVERNOR CLINTON: Yes.

GENTLEMAN: Governor Edgar?

GOVERNOR EDGAR: No.

GENTLEMAN: Governor Bayh?

GOVERNOR BAYH: Yes.

GENTLEMAN: Governor Voinovich?

GOVERNOR VOINOVICH: No.

GENTLEMAN: Governor Wilkinson?

GOVERNOR WILKINSON: Yes.

GENTLEMAN: Governor Schaefer?

GOVERNOR SCHAEFER: Yes.

GENTLEMAN: Governor Florio?

GOVERNOR FLORIO: Yes.
GENTLEMAN: Governor Castle?
GOVERNOR CASTLE: No.
GENTLEMAN: Governor Ashcroft?
GOVERNOR ASHCROFT: No.
GENTLEMAN: Governor Gardner?
GOVERNOR GARDNER: Yes.
GENTLEMAN: Motion fails 19 to 17.
GOVERNOR GARDNER: Nineteen for, 17 against.

Takes a two-thirds vote to pass.

Amendment failed.

We now move to adopt the entire policy. I call first on Governor Miller.

GOVERNOR MILLER: Mr. Chairman, I would like to add an amendment to second 28.2 which would state that after, "Further the health care system must have sufficient controls in place to ensure the cost-effective delivery of care" and before the words "Congress and the President" that "The National Governors Association will as soon as possible meet with the Congress and the President to begin work as to accomplish the following."

GOVERNOR GARDNER: Governor Romer seconds.

Any discussion?

All in favor say "Aye."

GOVERNORS: Aye.
GOVERNOR GARDNER: Opposed?
Carried.
Thank you, Governor Miller.
Governor Castle, I call on you to make the
motion for the overall policy table.
GOVERNOR CASTLE: As I have indicated before
when I spoke to Governor Gardner, it is my belief
that with or without the date this is an extremely
valuable policy to all of us. And with that in
mind and with the wonderful debate behind us, I
move the adoption of the new health care policy.
GOVERNOR GARDNER: With the seconds and we
had an earlier discussion on this issue we are
prepared to roll.
Governor Schaefer.
GOVERNOR SCHAEFER: After listening to the
governor from Florida and Governor Bayh, I wonder
if all members of Congress know how important this
is. I asked this question earlier today and there
was not an answer, but every member of Congress
gets a copy of our health statement, every member
of Congress is told that we have some problems.

So I just make a suggestion, I am going to
do it to my people, and that is we write to each
member of Congress, each member of Congress, not
just the leadership, and ask them if they understand that there is an emergency in health care and that action must be taken immediately for the welfare of the people and that we oppose to mandate and ask them if this is a priority with them. This to me would give an indication on whether everyone in the Congress understands the plight.

We are all talking to ourselves or convincing ourselves. Why are we convincing ourselves that we have a very serious problem. I think that motion by Governor (unintelligible) was an excellent one because everyone had an opportunity to go over it. But I would like to see whether all members of Congress really get these reports and knows there is a problem with all of our states.

That is my only a suggest.

GOVERNOR GARDNER: Thank you, Governor Schaefer. I intend to personally write individually each member of my delegation and talk personally --

GOVERNOR SCHAEFER: That is what I mean. Under the banner of the National Governors Association that the association write each one,
each and every one under the banner of the association sending them a copy of this and asking them: Do you understand there's an emergency and do you understand that mandates are bad for us and we would like to get your opinion.

GOVERNOR GARDNER: You have my word that will occur.

Governor Wilson?

GOVERNOR WILSON: Mr. Chairman, I had not intended to participate because I thought most of what I felt had been very well expressed by the speakers. But I have changed my mind after what I think was practically somewhat unfortunate. I suspect this organization does better when it doesn't engage in straight partisan votes.

I think it would be unfortunate if you left the impression that there is a partisan division with respect to the eagerness to address the problem.

What I do think is that as good as this report is, and I commend you, sir, I think with due thanks to the leadership, simply handing them a report and sending it to Congress, I assure you -- and I learned a little more quickly than my friend. He spent 18 years; I quit after eight to come where
the action is. I will just tell you that I think
that as good as the policy is we cannot count on it
being read or heeded.

What is necessary is what we had thought to
do at the conclusion of the February meeting in
Washington. We were going to undertake an
extensive personal lobbying program. Now the
precise process of that we could argue about.
Governor Campbell just a moment ago used language
to the effect that we begin immediately to seek a
meeting with Congress and with the President to ask
for relief from federal mandates and for a process
of expediting waivers.

What we all know is the cost of health care
has become largely unaffordable in great measure
because in direction of good intentions have gone
unfunded or at least inadequately funded or at
least have been imposed on us requirements that we
couldn't meet.

I still think that if the work of this task
force, and if your leadership is to be vindicated
in a way for which we all hope, that kind of
process is going to have to go forward.

We didn't act on Governor Campbell's
proposals, his amendment to the Chiles' amendment.
But until we as an organization do so, I think we are raising false expectations for our constituents and frankly for ourselves.

I would hope that we would move forward with some specific plan to get relief from mandates, to get the kind of waivers that Don Schaefer just talked about.

GOVERNOR GARDNER: Thank you, Governor Wilson.

I have talked with Vice Chairman Governor Ashcroft and he has agreed to allow me to continue to work this issue.

I want to thank all of you that attended this meeting for what I thought in my seven years as a governor belonging to this organization was as fine a debate on this issue that I have heard over the three days. It was compassionate, it was articulate, it was factual and I believe that in a sense we have set out to control explosion and we are going to see a chain reaction throughout the states where the action is, as you said, Governor Wilson. And we are going to drive home the point to the Congress and the President of this country that this is an issue in which they have to deal alongside of us because we can't do it alone,
although we can certainly get the process going.

Governor Campbell?

GOVERNOR CAMPBELL: Mr. Chairman, what I want to do is echo the sentiments of the governor of California first in thanking you for your leadership in this issue and for your leadership in this entire conference and over the last year for the National Governors Association.

And to reiterate for what the governor of California said, there is consensus among the governors that this problem must be addressed. It is not partisan. It is not regional. There is consensus that the problem is there.

The question of solutions may differ from state to state, but it is incumbent upon us to seek to pressure in any way we can the Congress of the United States and the President to convince them that a latitude must be given to us. And I believe that the report that we have drafted through the task force and through the committees is an excellent report and you should take great pride in it.

It should be adopted unanimously by the Governors Association and we should in this next year mobilize all the forces that we can to make
the Congress aware of the immediate need of
addressing problems and seek that type of
partnership to find solutions.

GOVERNOR GARDNER: Thank you, Governor
Campbell.

We will now vote.

Everyone in favor of adopting this policy
raise their hand. Thought you could get away with
the voice vote.

Governor Andrus, get your hand up.

It is unanimous. Just one hand would do,
Governor Andrus.

Thank you all very much.

Governor Voinovich.

GOVERNOR VOINOVICH: I would like to know as
a new governor, are you and John going to sit down
and try and get a meeting with the President and
the leadership of Congress?

GOVERNOR GARDNER: John and I will sit
down -- we haven't discussed this so I am talking
to you, John, as I talk to you -- but we will sit
down and discuss a gameplan and pursue -- we will
do it in the spirit of what Governor Schaefer and
others have mentioned -- and we will share with all
of you. But we will move strongly and quickly and
forcibly to take, carry this message as has been suggested.

GOVERNOR VOINOVICH: Because I want to say to you that we did come together on that Medicaid thing in February and nothing happened. And I think that we ought to let the people in Washington know that now they are shoving it down to us, that they have to sit down and talk with us.

And I agree with a lot of other people. We have to get our dander up on some of these issues and let them know that we are not going to take it anymore and that we will work with them as a partner, but we are tired of them going off on their own and just not consulting with us.

GOVERNOR GARDNER: Thank you. Message received and agreed to entirely.

We are now going to shift gears. I am going to call on Governor Romer and Campbell to bring us up to date on what's occurred on the goals matter and the (unintelligible).

GOVERNOR ROMER: I will be very brief on this.

We had a fairly thorough discussion in the governors-only session, but let me just tie this into the last debate.
We cannot afford health care in this nation unless we have a productive work force. We are going to have a report card September 30th. That report card is going to say we have a lot of distance to close.

I would like to highlight this issue by referring to Governor Wilkinson of Kentucky. I spoke with him this morning. He said they are going to put in over a period of years $20 million in better assessments. And I think that the report card that we have is a good first step, but we have got a lot of work yet to do.

Let me use the analogy of a CAT scan. You go to a hospital, you use a CAT scan. You get three answer. One, what is health; two, where am I; and, three, what are we going to do it about. I think that is the same three questions we need to address in education in this country. We need to be more clear about what educational health is, what the standard is.

Secondly, we need to be more accurate about our measurement board.

The third and most important, we have to say collectively what are we going to do about it. I think that is the essence of this report card. I
think that is the essence of Governor Ashcroft's programs in education and I think that will be the agenda of Governor Campbell as he takes over the goals panel.

Governor Campbell?

GOVERNOR CAMPBELL: Thank you very much, Chairman, Governor Romer.

I want everybody to realize that we should look at this report card as an opportunity, an opportunity to take information that we haven't had before and to begin to improve the education system of this country.

There have been some who have said they were afraid that this was just a means of comparison. That is not what it is for. It is to allow us to know where we stand and where we think we need to be going and to challenge us individually as states and particularly as governors to lead the way towards improving education in the country.

We have done away with the wall chart of the Department of Education. We requested it, we opposed it and Laurel Alexander has said there will be no more wall charts in Paris. What this should do, this report, is to spur program reform. That is our intent. We believe that the report will
begin to do that. And we think that it will give you information and indeed be the catalyst that can help you pull together a number of people to improve the educational quality in your own state.

I want to just say in closing that I have enjoyed working with Roy Romer, who chaired this panel over the last year. He's given a great deal of time and energy to it. And we think that we are on the right track.

GOVERNOR GARDNER: Thank you, Governors Romer and Campbell. We met with them in the governors-only session and had an opportunity to do our questions and answers then so we will proceed with the meeting.

We now go to committee reports. We will do it alphabetically, each of the speakers, chairs will move their amendments in a grouping.

I call first on Governor Mickelson who is chair of the Committee in Agriculture and Rural Development.

GOVERNOR MICKELSON: Mr. Chairman, I will be very brief to save time.

The Agricultural and Rural Development Committee had a very lively discussion with the Environment and Energy Committee where we had a
good discussion about the environmental issues and how they concern agriculture, or at least industry in this nation.

I might say secondly that because there is no need for the resolutions to appear in two places, we took part in the Environment and Energy Committee resolution and debate, that the resolutions that came out of it will be presented by that committee.

GOVERNOR GARDNER: Thank you, Governor Mickelson.

Governor Edgar. Governor Edgar chairs the Committee on Economic Development and Technological Innovation.

GOVERNOR EDGAR: Thank you, Mr. Chairman.

The Committee on Economic Development and Technological Innovation amended one resolution yesterday and adopted one resolution and one policy without amendment and those three are the resolution on taxes and finances. It was amended to include language on two bonds which are supported by the Anthony Commission on Public Finance.

Second one is the resolution on federal action, which supports states to reaffirm existing
And, three, the policy on a Uniform Product Liability Code contains the technical updates from existing policy.

Mr. Chairman, I move the adoption of this report.

GOVERNOR GARDNER: Motion second?
Second.
Any discussion?
All in favor say "Aye."
GOVERNORS: Aye.
GOVERNOR GARDNER: Opposed?
Carried.
And I will call on you, Governor Bangerter, Vice Chair, Committee on Energy and Environment.

GOVERNOR BANGERTER: Mr. Chairman, I would like the regular order of business for the Committee on Energy and Environment recommends the adoption of four amendments, the NGA policy and one new policy.

The amendments cover a comprehensive new policy on water resources, measures to deal with the interstate transportation solid and hazardous waste and the management of the exclusive economic zone while the new policy is on geographic mapping.
I would presume that you have all read those, but I would like to point out that significant changes were made by the governors in the committee session with regard and regard to the importation of waste to recommend states be given the authority to propose limited bans on importation in carefully defined circumstances. We will direct our staff to define these circumstances and bring us recommendations in our February meeting.

I also would like to emphasize that we believe that the cooperation is the key, that we have a responsibility to one another to solve these problems on a national level, but most importantly to work together as states.

Now before I place that, Governor Coleman has asked for the opportunity to offer an amendment.

GOVERNOR GARDNER: Governor Coleman.

GOVERNOR COLEMAN: Mr. Chairman, I refer to policy 48.3 on the exclusive economic zone. And this refers to the three specific infra-areas, the Northern Mariana Islands, Guam and American Samoa. Somehow in the process, which has taken out over a year, American Samoa (unintelligible).
Secondly, I move that American Samoa be added (inaudible) to Guam. The economic zone, exclusive and common zone for (inaudible).
And I respect (inaudible) and second.
GOVERNOR GARDNER: Okay.
Governor Bangerter, do you second this amendment?
GOVERNOR BANGERTER: Yes.
GOVERNOR GARDNER: Do you approve the amendment?
GOVERNOR BANGERTER: I approve him bringing it up, but I think this is an issue you could spend a lot of time debating. It relates not only to territories but the circumstances are different for these individuals.
GOVERNOR GARDNER: That is not changing the intent of the policy.
GOVERNOR BANGERTER: It does not change the intent, but it certainly broadens it, what was originally brought to us by Governor Guerrero.
GOVERNOR GARDNER: All it takes is a two-thirds vote to put an amendment on the floor. We will vote on your amendment.
All in favor say "Aye."
GOVERNORS: Aye.
GOVERNOR GARDNER: Opposed?
Pass.
Thank you very much, Governor Coleman.

GOVERNOR BANGERTER: I now move for adoption of the (inaudible) new policy.

GOVERNOR GARDNER: All in favor say "Aye."

GOVERNORS: Aye.

GOVERNOR GARDNER: Opposed?
Carry.

Thank, Governor Bangerter.

GOVERNOR BANGERTER: Mr. Chairman, the Committee on Energy and Environment also recommends the suspension of the rules to allow consideration of policy amendment to electromagnetic fields.

This is an amendment that Governor Sinner proposed and Governor Walters representing him in the committee yesterday when it was adopted and he's promised to explain to anyone who has technical concerns.

GOVERNOR GARDNER: Anybody has any technical questions of Governor Walters?

All in favor. This also takes a two-thirds vote.

All in favor say "Aye."

GOVERNORS: Aye.
GOVERNOR GARDNER: Opposed?
Carried.

GOVERNOR BANGERTER: Mr. Chairman --

GOVERNOR GARDNER: Now the amendment is before us.

Do you have anymore?

GOVERNOR BANGERTER: I move to adopt the amendment.

GOVERNOR GARDNER: Move the adoption of the amendment.

Governor Ashcroft?

GOVERNOR ASHCROFT: I hate to be so inquisitive as to want to know what this is about. I don't know anything about this.

Can someone explain what we are going to vote on?

GOVERNOR BANGERTER: I would defer to Governor Walters.

GOVERNOR GARDNER: Governor Walters.

GOVERNOR WALTERS: Governor Sinner proposed simply or proposed a change in policy that has us calling for further study of the health risk and health concerns that have been raised in regards to electromagnetic fields. And he pointed out that there is concern in several states for this and
there is very little data to support whether or not there is any health risk.

If the policy statement provides for essentially a sunsetting of this after three years, as studies indicate that there aren't any problems, but he is simply calling for us to support an effort to collect some additional research data.

GOVERNOR GARDNER: Thank you, Governor Walters.

We are going to hold for a couple of seconds here while we find the amendment in our packet.

GOVERNOR BAYH: Mr. Chairman?

GOVERNOR GARDNER: Who called?

GOVERNOR BAYH: I wanted to explain my vote on the committee's work.

I have compliments to Governor Bangerter and particularly Governor Roberts for their work with the solid waste policy recommendation. We have come a long way.

Yesterday an amendment was included authorizing the limited bans. The time for that was not clear and the year, five-year transition period was included. In the state of Indiana we only have 4.2 years disposal capacity left.

Because of the lack of clarity and the phasing
period, I voted no on the amendment. But there is
a great deal of good work that has been done and I
hope between now and February we can clarify the
immediate period of the limit bans we will be
working on.

GOVERNOR GARDNER: I share your concerns.

Thank you.

This is a suspended amendment. This will
require three quarters vote to pass.

All in favor raise their hand.

Thank you.

Opposed?

Pass.

Do you have any further business, Governor
Bangerter?

Governor Carlson, you're going to report on
the meeting on human resources?

GOVERNOR CARLSON: Mr. Chairman, on behalf
of the chairman and vice chairman of the Committee
on Human Resources, there are three policies for
consideration.

Louder? Okay.

The Committee on Human Resources approved
policy regarding postsecondary education,
employment security and child support. Before
moving the adoption of the policies in a block,
what I would like to do is offer a friendly
amendment that is relatively related to the
postsecondary education policy that was agreed to
in principle by the committee yesterday and drafted
by staff overnight. The amendment is in front of
you.

Basically what that amendment does is it
allows higher education to participate in review of
its own practices so that it too can answer the
question of affordability and accessibility of a
higher education in the future.

Mr. Chairman, if I may, I would like to ask
a unanimous consent to submit that amendment as
part of the overall amendment.

GOVERNOR GARDNER: All in favor say "Aye."
GOVERNORS: Aye.

GOVERNOR GARDNER: Opposed?
Carried.

GOVERNOR CARLSON: Mr. Chairman, I move the
adoption of it.

GOVERNOR GARDNER: All in favor of the
policy presented by Governor Carlson please say
"Aye."

GOVERNORS: Aye.
GOVERNOR GARDNER: Opposed?

Carried.

GOVERNOR ROMER: Mr. Chairman?

GOVERNOR GARDNER: Governor Romer.

GOVERNOR ROMER: This is in reference to human resources.

If any governor wants to sign the last draft letter in front of them on unemployment insurance, I have it and gladly pass it around.

GOVERNOR GARDNER: I will repeat.

Governor Romer has the letter on unemployment insurance. If you wish to join in signing that letter, see him.

Governor Thompson, would you please report to us on the Committee on International Trade and Foreign Relations, please.

GOVERNOR THOMPSON: Thank you very much, Mr. Chairman.

We had a very interesting meeting yesterday and I was very happy that you attended, an excellent session with trade ministers of Canada, Mexico and the United States. They are meeting this very morning too in Seattle to continue their trilateral negotiations. We are very happy to be unable to join them this afternoon, but we have had
piggyback committee meetings.

Anybody who wants to attend, please feel free to do so.

Yesterday the committee considered a total of five policies. Three of them are technical updates and reaffirmations. And I won't go into them further because you have them before you.

The other two pertain to trade agreements and I would like to quickly summarize the changes because they're very important. They were agreed upon in the committee.

I refer you as governors to page seven, Bilateral and Regional Agreements, and briefly the language has been put into the following. It highlights the special U.S.-Canadian relationship by the bilateral trade agreement. It recognizes the recently formed (unintelligible) by the Mexican government and calls upon U.S. government to pursue a range of bilateral issues, either as part of NAFTA or through other parallel bilateral governments.

It specifies in the agreement to provide adequate time for industries and farmers to adjust to the changes. It calls upon the federal government to enhance environmental protection,
something that all of us are concerned about, including standards that enforce them in working in cooperation with Mexico. And it stipulates effective worker training programs should be available. They should be accurately funded at the federal level and they should be coordinated with existing programs at the state level.

And last, the policy was amended in committee in order to recognize the special needs of the territories and urges the federal government to actively seek consultation with each of the territories to determine the impacts and the agreements on their economies.

The second item concerns amendment H-9, the GATT negotiations, which specifically the new language is in the section on government procurement. And last summer our organization agreed that states should consider eliminating preferences in government purchasing. We agreed this should be a voluntary process and that it should be done on a reciprocal basis.

Ambassador Bills has asked each governor -- and I want to state this so that each of you understand this again and I ask that you do this -- to indicate an interest in voluntarily joining the
international procurement codes.

There are two key advantages to this participation. First it has to do with the expanding export opportunities for American companies who want to sell to the local governments in Europe, Canada and Japan. Secondly, by expanding the fullest for state purchased goods, state participation, the code offers greater choice and lower purchase price for the goods that taxpayer dollars will eventually purchase.

Fifteen states have already known preferences in the purchasing departments, another 28 states with only a single item preference depleted a vast amount of the purchasing open as well.

The amendment today, H-9, recognizes that fact. It says the states' majority have open procurement practices, will be able to participate in the international procurement code and encourages them to do so.

Mr. Chairman, I move the governors accept all these changes in the NGA policy.

GOVERNOR GARDNER: Thank you, Governor Thompson.

Second?
All in favor say "Aye."

GOVERNORS: Aye.

GOVERNOR GARDNER: Opposed?

Carried.

Thank you, Governor Thompson.

Governor Miller, Committee on Justice and Public Safety.

GOVERNOR MILLER: Thank you, Mr. Chairman.

Yesterday we met and began our discussion on the focus on child abuse and family violence. The importance of all of us as individual governors recognizing that this is not a family matter but a criminal act I think is emphasized by one statistic that came forth: Every 18 seconds a woman in our country is battered. If that can't drive the issue home, I don't think anything else can. So I encourage all governors to work or correct an issue in their state of this growing problem.

We also met with some of the military leaders of our country and I am sure all of you would like to have had the opportunity we had to express our pride in the recently concluded Desert Storm activity. Those military leaders are of the commanding generals of our guard and reserve units throughout the country and the chairman of those
association.

In response thereto you will see a resolution in highly reduction and strength of the National Guard. This resolution is based on our current National Guard policy, B-11, and addresses the impact of the defense costs new guards make on a governor's ability to manage emergencies, support the war on drugs and to form various commitments in front of you in your golden rod government.

I move for the adoption of this resolution.

I think Governor Waihee seconds.

GOVERNOR GARDNER: Governor Waihee seconds.

Any discussion?

All in favor say "Aye."

GOVERNORS: Aye.

GOVERNOR GARDNER: Oppose?

Carried.

GOVERNOR MILLER: In accordance with the subset policy, the NGA committee wishes to reaffirm and update and delete policy B-1, B-7, -8, -12, -14, -15, -16, -17, -18, -19 and -20.

I move that this action be taken in block.

GOVERNOR GARDNER: Moved and second. All in favor say "Aye."

GOVERNORS: Aye.
GOVERNOR GARDNER: Carried.

Thank you very much, Governor Miller.

GOVERNOR MILLER: Mr. Chairman, I just have two other brief matters.

Governor Schaefer, Thompson and I have been circulating a letter, and our staff has it here, which it is to the President, to Speaker Foley and Majority Leader Mitchell regarding the National Guard policy. I would urge all governors to consider it for signatures.

And also we announced yesterday in that committee that in conjunction with the Department of Justice, what I believe is the nation's first seminar on problems of gangs, will be held in Reno, Nevada from October 7th through the 9th.

I invite the governor and encourage the senate representatives to that.

Thank you.

GOVERNOR GARDNER: Thank you very much.

Governor Wilkinson.

GOVERNOR WILKINSON: Thank you, Mr. Chairman.

The Transportation, Commerce and Communications Committee adopted the following policy changes in the committee session on August
18th.

An amendment to F-1, transportation policy overview; an amendment to F-2, Highway transportation; an amendment to F-4, concerning rail transportation. In addition we reaffirm the two policies for technical updates that we are going to sunset on that day, which is F-5, water transportation, and F-7, the pipeline transportation amendment.

I want to take this opportunity to urge all governors that unlike some of the debate that has happened here this morning, there is a deadline with regard to National Surface Transportation Authorization Act and that deadline is September 30. All of us are working desperately to have a reorganization act passed by the time the currently Authorization Act -- Reauthorization Act that is passed under the current Authorization Act expires.

So let me encourage you to contact me or my staff or NGA for any information you need, but please, please, please get involved and help us get this Reauthorization Act in place by the expiration in the current laws.

Having said that, Mr. Chairman, on behalf of the Transportation, Commerce and Communications
Committee, I move the adoption of these amendments on block.

GOVERNOR GARDNER: So moved.

Second?

Second.

All in favor say "Aye."

GOVERNORS: Aye.

GOVERNOR GARDNER: Carried.

Let me break in for just a moment and remind all of you, ask you to express a feeling of appreciation to Governor Wilkinson for his fine job as a member of this organization.

By constitutional limit his term as governor ends so this is his last meeting with us. And we want you and Martha to know how much we appreciate knowing you, your contributions, your willingness to host the new governors' conference, all that you have done to make this organization a better organization. And you will be remembered by all of us for a long time to come.

We have a gift. If you would come up, I would appreciate it.

It says the "National Governors Association commends Wallace G. Wilkinson, Governor of Kentucky, for outstanding leadership and dedication
to the vision and its guidance of the association established in 1908."

With it is a pictures of all the governors from 1908.

GOVERNOR WILKINSON: You honor me and I thank you for that.

I must say that probably I am one of a privileged few that have had an opportunity to get to know you collectively as I have gotten to know you over the last four years. And I must tell you that that is an association that has enriched my life. And I shall for all of the rest of my life be grateful to you for that. You are the greatest group of leaders that have ever been assembled and you continue to produce the greatest nation on the face of the earth as a result of it.

And I thank you for the experience and honor of being able to work with you over the last four years.

With that I will simply say thank you, good luck and goodbye.

GOVERNOR GARDNER: Now I would like to call on Governor Ashcroft to address the executive committee recommendation.

GOVERNOR ASHCROFT: Having already embraced
the health care report and task force report, there
are but two basic items which I will move together.

One, the resolution brought to our attention
by Governor Clinton regarding donated funds,
dedicated taxes and intergovernmental transfers and
then updates on public pay and pension plans,
federal tax administration and now the state sales
tax collection were brought to our attention and
passed unanimously in the executive committee at
the motion of Governor Campbell.

I move the adoption of this report at this
time.

GOVERNOR GARDNER: The move seconded by
Governor Edgar.

GOVERNOR EDGAR: Yes. Thank you, Mr.
Chairman. I will be very brief. I hate to take
the time.

One of the resolutions I think is the most
important, an issue I won't take up this session,
was the immediate issue in my state and I suspect
many other states, that is the dedicated fund issue
for Medicaid.

We don't know yet for sure what the
administration will do. We hope they will read
this resolution because what is reported that they will do in my home state of Illinois and I suspect many other states, we will see hospitals and nursing homes have to close their doors. It is going to be a very, very serious problem throughout the nation.

I hope that they will read this resolution. I know they get a lot of resolutions. It is extremely important. But if I also be helpful to them, and I am sure we are all in politics and we like to know how things are viewed, one of the old axioms, how will it play in Peoria. Well, this proposed rule that at least is reported to be coming out of the White House will not play well in Peoria. In fact, the headline in the Peoria paper yesterday said, "Medicaid move could spell disaster." And I just hope before anyone takes action that they will think through what the ramification of that action will be.

In Illinois that ramification could be disaster. And I just hope that they will pay attention to this resolution and reconsider any proposal they might be thinking about putting forward.

Thank you.
GOVERNOR GARDNER: Thank you, Governor Edgar.

Governor Ashcroft has a recommendation before us.

All in favor say "Aye."

GOVERNORS: Aye.

GOVERNOR GARDNER: Opposed.

Carried.

Now we go to another part of our agenda which is kind of a fun part because it's the presentation of the 1991 NGA awards for distinguished service, state government and the arts.

First I want to thank all of you governors who participated in the nominating process, to Sandra Miller and the members of the selection committee.

And also I would like to thank a special friend of mine, Jean Gardner, who chaired the Arts Review Panel for the past two years, and her committed membership.

As the winners are announced, and they are sitting off to my left, if their governors are here would come forward, be honored to help us honor them, I would appreciate that.

We are honoring five states officials and
five citizens who have made extraordinary contributions to state government. We will honor two citizens for outstanding service to the arts. We now begin.

Our first winner in the state official category is Tom Butler, Deputy Director of the Arkansas Department of Health.

Governor Clinton described him as someone who epitomizes the quiet competence and steadfastness of the career public servant and a good person who never forgets the impact that his decision might have on real people.

Those qualities deserve enormous appreciation and respect and are symbolized by this award.

Thank you.

(Award presentation.)

Next is Christine Letts, Secretary of the Indiana Family and Social Services Administration. She is described by Governor Bayh as the sort of public administrator who can change the culture of the organization which she leads and turn government bureaucracy into organizations dedicated to serving their clients. That is a talent truly and deserving of recognition.
Congratulations and please send me your resume.

(Award presentation.)

Third is George Barbour, a Commissioner of the New Jersey Board of Public Utilities.

We are sorry that Mr. Barbour cannot be here today. He is a former member of the New Jersey General Assembly and has served 15 years in his current position. His service to the public during those years included active support for school funding, helping to invert bankruptcy at the New Jersey State Utility and expanding the major water system in the face of serious drought.

Through his lifetime of quiet and creative public service he has earned, not won, but earned this award and we will see that it is sent to him with proper letter.

Fourth is Geno Natalucci-Persichetti, Director of the Ohio Department of Youth Services.

He has provided important leadership in developing programs for juvenile drug offenders in community-based corrections. These are areas in which we clearly need bold and innovative leadership and so it is a special pleasure for all of us to recognize and reward such a leader.
Congratulations.

(Award presentation.)

Our final winner in the state official category is James Klauser, Secretary to the Wisconsin Department of Administration.

While overseeing a state budget of over $12 billion, he has held spending below the rate of inflation. He has also been a leader in the state recycling programs and an effective advocate for retraining and other benefits for workers who lost their job because of a major plant closure.

Congratulations.

(Award presentation.)

Next we honor the most precious resource of all, active citizens who help keep democracy alive and address the values of civil participation to our youth.

First in this category is Asa Whitaker, Jr., Quality Management Coordinator for the Arkansas Eastman Company.

He is described as a gospel preacher for quality management. As an executive on loan to the State of Nebraska -- or Arkansas, he has created a long-term partnership between the public and private sector that has helped to improve
employee involvement and quality management throughout his state.

Congratulations to you, Mr. Whitaker, on your achievements to Governor Clinton for having you in his state.

(Award presentation.)

Second is Mable Allen, who passed away last month at the age of 95.

In 1924 Ms. Allen visited the Preston School of Industry in Ione, California, and was disturbed to find that there were no religious services for the young being incarcerated there. For the next 67 years she nurtured programs to foster the spiritual wellbeing of the young men she had come to know and love.

We are profoundly sorry that she could not be here today and we are profoundly grateful for the lessons that her life teaches all of us.

Thank you.

Third is Richard Chalfant, Plant Manager of Kraft-General Foods in Dover, Delaware.

Mr. Chalfant, who is alive and well but cannot be with us today, has provided example of how the private sector can improve the lives of children by supporting the social services, helping
to fund recreational facilities and helping the
state to address disparities in funding between
rich and poor school districts.

Next: John Chrystal, Chairman of the Iowa
State Savings Bank has devoted more than 30 years
to public service. He has been involved in
improving relations with the Soviet Union since
1959 and has traveled extensively to the USSR and
helped the Soviets to improve their agricultural
productivity and promote trade relations. That
work is now expanded to include Eastern Europe.

Congratulations to a genuine pioneer and a
leader. Pleased to have you here.

(Award presentation.)

George Walker, President of the Delta Wire
Corporation, has worked tirelessly to improve
health care services to the poor in rural
Mississippi. His resume is a testament to his
understanding that human resources and wellbeing
are vital to his state's future. Education, health
care, job training and human services all figure
prominently in his long list of accomplishments.

Congratulations to you both for your wisdom
and for your achievements.

(Award presentation.)
Our awards by finale this morning will be an achievement in the arts.

The winner for artistic production is the Crossroads Theatre Company of New Jersey. This is one of America's best regional theatre companies and it is a national leader promoting African-American culture.

Accepting the award are Mr. Andre Robertson, managing director and Ms. Penelope Langler, the (unintelligible) president.

(Award presentation.)

The award for the art support has been one by Helen Valdez, President of the Mexican Fine Arts Center Museum in Chicago.

She understands the most dynamic force of the arts in America is the interaction between diverse cultural conditions. And she has helped to ensure that the art of Mexico will be a powerful force in shaping our cultural future.

Muchas gracias.

(Award presentation.)

This morning we also wish to honor Dr. Samuel Solomon, who for the past 60 years has studied and written about the role of governors.

Dr. Solomon cannot be with us this morning, but we
honor his contribution to our work to the
understanding of our mission and responsibilities
as governors.

Governor Edgar is accepting this award on
behalf of Dr. Solemon.

(Award presentation.)

I now would like to call on Governor Coleman
to move adoption of the report of the nominating
committee.

Governor Waihee will second the motion.

GOVERNOR COLEMAN: Thank you, Mr. Chairman.

Hello, governors, ladies and gentlemen,
after a very careful consideration the nominating
committee submits the follow nomination for

Governor Bill Clinton, Arkansas; Governor
Michael Castle, Delaware; Governor Terry Branstad,
Iowa; Governor Ray Mabus, Mississippi; Governor
Carroll Campbell, South Carolina; Governor Booth
Gardner, Washington; Governor Mike Sullivan,
Wyoming; Governor Roy Romer, Colorado, Vice
Chairman; Governor John Ashcroft, Missouri,
Chairman.

I ask for unanimous consent for the adoption
of the state administration.
GOVERNOR WAIHEE: Second the motion.

GOVERNOR GARDNER: We ask for unanimous consent of the adoption as presented by Governor Coleman.

All in favor say "Aye."

GOVERNORS: Aye.

GOVERNOR GARDNER: Opposed?

Thank you.

Before I hand the gravel to Governor Ashcroft, I would like to thank all of you for the seriousness and purpose and the hard work you have put into making NGA an effective agent for change and progress.

Chairing this organization has been both satisfying and gratifying and challenging because of your creativity and your support and your commitment for serving the real needs of people.

I would now like to turn the gravel over to Governor Ashcroft and wish you very well on your tenure as NGA chair.

GOVERNOR ASHCROFT: May I take this opportunity, Booth, if you would stand back up a minute, to commend your outstanding leadership, your excellent, dedicated commitment to moving not only this organization but the State of Washington
and indeed the United States of America forward. There is no question in my mind that the debate that surrounded your achievement in the health care reform moved us forward.

I think it would be a mistake indeed if it were to be characterized that this organization was divided in moving forward. There is a monumental achievement in the assembly of this task force report and its unanimous consent and agreement on the importance of the report and its adoption. And I commend you for that and I thank you for that.

First of all, before I do anything else, I would like to give you a leather bound copy of the state action report. This report will be very valuable to the states in considering alternative approaches to increasing access and controlling costs and I am sure it will be an important part of your library in remembrance of what you have done, not only for this organization, but for the country.

Secondly, I would like to present to you the traditionary, honorary gravel as a symbol of our appreciation for your leadership in this respect. The plaque on the front of the gravel reads: "Presented to Booth Gardener, Governor of
Washington State -- "Washington State, that is the college, isn't it? -- "for his outstanding leadership as chairman of the National Governor's Association 1990-'91 on the occasion of the 83rd annual meeting, August 20th, 1991."

I am grateful to you and I appreciate your work, commend you and thank you on behalf of the members of the organization.

GOVERNOR GARDNER: Thank you very much.

I just want to take a moment and I told you how much I enjoyed the opportunity to chair, but it was unusual to hold chair and host the NGA at the same time.

And if you enjoyed the meetings, it was because my wife and her committee did such an outstanding job of organization. And I would like her to be recognized in your presence.

GOVERNOR ASHCROFT: I want to thank those of you who remain for your persistence. Persistence is required if we are going to achieve the kind of objectives that we must achieve to serve the people.

This opportunity to work with so many of America's finest public servants that are brought together under the National Governors Association
is an opportunity that I accept with real
gratitude. Gratitude to each of you, gratitude to
the people of my state, gratitude to my family,
Janet and my daughter, Marney, are here with me
today, and gratitude for the job.

Gratitude is the most profound privilege
that any of us ever undertake, the privilege of
shaping the world in which we live. The
opportunity to develop public policy which will
change and brighten the future for those who follow
us is indeed an opportunity which I cherish.

Booth, you have not only been a good friend,
a great leader but tremendous host. Thank you very
much.

Around the globe and here at home these are
challenging times for the exercise of leadership.
Revolutionary change is not mere digits on a
calendar or sweeping us toward a new millennium.

Questions of time have grown painfully
familiar. Can America compete? What is our new
potential? Helping our citizens respond to these
questions is a major calling that we have as
governors. For while politics is called the art of
the possible, leadership is the art of redefining
the possible. As governors we must challenge and
empower each American to envisage, to redefine a future more full of opportunity than ever known before.

The power of such a new vision has been on display in the Soviet Union. Mikhail Gorbachev sparked within his people a substantial new aspiration to freedom, an aspiration that brought action previously thought impossible. And even yesterday's attack by an oppressive cabal eventually will fail to reverse that action.
Brighter possibilities, once defined, can neither be erased from the hearts of those in a nation nor can those possibilities fail to guide their actions.

Redefining America's potential is the opportunity we must embrace. Future of opportunity where each citizen can reach his or her new, whole God-given potential cannot be built within the realm of our present actions and aspirations.

Education has been the foundation of American opportunity and it must be our solid cornerstone as we build a new future of greater opportunity. We recognized that last year when we lifted that cornerstone into place as we joined President Bush in the adoption of national goals
that raised America's educational expectations and
answers to fears that our aspirations are
impossibly high. We must insist that the possible
must be redefined by restructuring education for
greater learning capacity.

This year and for the remainder of this
decade, the National Governors Association is going
to make NGA stand for the National Goals
Achievement. I am establishing three action teams
of governors and national business leaders to
redefine and demonstrate new possibilities in three
critical areas: School readiness, the school years
and life-long learning.

They are not being asked for more study of
the issues. As members of action teams, governors
have agreed to undertake major state level reform
initiatives designed to make progress for one or
more of the national goals. Because this year's
emphasis will be on action rather than on study, we
are asking business leaders to participate directly
as members of our teams, something we have not done
before.

Governor George Voinovich of Ohio will be
chairing the school readiness team, will target
initiatives to motivate and support parents as the
first and best teachers of their children. Efforts were high on the parents' and teachers' program in Missouri, and we will explore other strategies to assure that young children begin school ready to learn.

Governor Mike Sullivan will chair the action team for the school years. That team will focus on the experience of students from kindergarten through high school. We must set higher standards and demand broader achievement from our most successful students and for those who found learning is more difficult.

The challenge crosses all the lines of student achievements are best, must even become better.

Members of the life-long learning team, lead by Governor Thompson of Wisconsin, will undertake initiatives dealing with higher education and/or adult education and training. That is especially crucial to our immediate economic potential and productive capacity of our country.

The essential challenge is the same for every action team in the state. We need to establish systems that elicit high quality results, not just from exceptional students and
institutions, but from ordinary people in ordinary places.

We should give special attention to two particular efforts that are essential to a thorough therapy for change. First, we must raise the expectations and standards of performance that are internalized in our citizens and institutions.

Second, we must develop systems with powerful incentives and we must have incentives for these systems to spur action to meet those higher standards of achievement. Higher standards of achievement and incentives to spur action to achieve. Lifting expectations, redefining in the public mind not only what is possible but what is in fact necessary and imperative is the first prerequisite to success.

'America can't simply -- America can't compete by putting couch potato contentment up against people who are so thirsty for freedom they brave a column of tanks or so hungry for learning they will spend four years in school.

We now face a situation in which American students must succeed in meeting the higher standards required in the next century instead of failing at the outdated standards set for the last
As Kay Whitmore of Eastman Kodak put it: We can raise our standard of performance or lower our standard of living.

Our next step in leading our states to achievement of the national education goals is crucial. Our primary focus for this year should be we must convert our national goals and other state and community achievement goals into clear standards sufficiently specific to permit every student, school, community to internalize them as a gauge of their own performance. This single accomplishment would make this year the most important year in the history of American education.

Now the national education goals panel has part of this work already underway. But we must give it meaning at the local level. We have to assure, for example, that a high school diploma, a college degree and completion of other training certify real standards of ability.

We do students no favor by tossing them out into a competitive marketplace armed with empty credentials. And when students know that is what our schools offer, it is not surprising -- pardon
me -- when students know that is what our schools offer, it is not surprising that most expend so little effort to earn them.

Good students as well as poor ones will turn on the -- pardon me -- will turn off the tube and get into long hours of work and not just prowl the halls of the malls of our country if they know that real study is expected. This should be a year when clear standards replace empty credentials.

In defining new standards must be followed up by restructuring our systems around. The second prevailing strategy of our action teams and states should involve building systems with real incentives: First, high standards; second, real incentives to meet new standards and goals.

We know that our education programs and institutions need to be restructured. Presidents in Lamar Alexander's America 2000 plans to admit new American schools is ambitious and it needs to be.

But they recognize as we do that when it comes to structuring actual classroom activity and learning, it can't be done from Washington or from the Capitols of our states. Local communities, parents, educators know best how to succeed with
their students. And if they are accountable for
results, they deserve the flexibility to design
strategies that they can call their own.

Our job is to structure a framework with
incentives that will motivate communities and
educators to organize for achievement and encourage
students to work hard to succeed.

Let's think first about the students.

Special rewards, graduation requirements, college
admissions, financial aid and job opportunities
should be geared more closely to academic
achievement.

Al Shangler wisely reminded us: Every
mother and father and teacher in Japan, Great
Britain, France, Germany, Holland, can say things
to students that we can't say honestly. They can
say if you don't learn this and if you don't do
this very, very well, you will not be able to go to
college. He said I think we ought to be able to
say that too.

Well, Al is just as direct about job
incentives. He says to employers, be public about
it. Put out posters. Put it on stationery just as
you would say to your equal opportunity employers,
why not say you are an excellent student employer?
Students will work to prove their skills if they
know that we as employers are interested.

We need more incentives for our institutions
and educators as well. There should be rewards for
success and consequences, yes, consequences for
persistent failure to improve.

The merit school program of the America 2000
initiative provides another great example of what
we could do in our own states. It also offers the
prospect that the federal government will be a
strong partner in rewarding real productivity and
results.

As our schools and colleges commit
themselves to the performance that America needs,
they should know that achievement will not only be
recognized but in fact rewarded. We need to focus
on designing and implementing performance
incentives including formulas for college funding
as well as incentives for schools and training
programs.

The need for action is urgent. The world is
racing ahead as our students move toward the
starting gates again this fall. They need to
understand what a new century expects of them.

Their situation has been compared to Alice's
wanderings through Wonderland. She finally asked
the Cheshire cat which way she ought to go. It
replied that that depended most on where she wanted
to be. And Alice said she didn't really know.
About that time the cat suggested by example that
if you don't know what you are doing, you can get
by if you just keep grinning until it is over.

Well, for two long we as governors and
people associated with schools from the parents of
kindergarteners right up to university presidents,
we haven't known what we wanted of American
education or haven't expressed it very clearly.
Our students have been left believing that they get
an education if they just keep grinning until it is
over.

We need to redefine education to give it new
meaning for their lives. A decade of self
examination and extensive experimentation and a
historical national summit have given us goals that
can provide that meaning. We must now build
systems that require an entire nation of students,
not just an exceptional few, but an entire nation,
all those to pursue those goals with a redetermined
sense of energy and perseverance.

Within our states and as an association for
the national goals achievement, we must lead the way. I know that we will and thank you for this opportunity to serve with you. I pray to God rich blessing upon each of you as you endeavor to make the national goals a reality in your states and as we work to elevate the capacity of the students who will be the future of our country.

Do I hear a motion to adjourn this meeting?

All of those agreeing with the move may move.

(The governors' plenary session was concluded at 12:00 p.m.)
CERTIFICATE

STATE OF WASHINGTON)

) ss.

COUNTY OF KING )

I, the undersigned Notary Public in and for the State of Washington, do hereby certify:

That the annexed and foregoing deposition of each witness named herein was taken stenographically before me and reduced to typewriting under my direction;

I further certify that each said witness examined, read, and signed his deposition after the same was transcribed, unless indicated in the record that the parties and each witness waive the signing;

I further certify that all objections made at the time of said examination to my qualifications or the manner of taking each deposition, or to the conduct of any party, have been noted by me upon each said deposition;

I further certify that I am not a relative or employee or attorney or counsel of any of the parties to said action, or a relative or employee of any such attorney or counsel, and that I am not financially interested in the said action or the outcome thereof;

I further certify that each witness before examination was by me duly sworn to testify the truth, the whole truth, and nothing but the truth;

ALEXANDER & AHLBURG 3213 W. Wh eler, #250, Seattle, WA 281-8077
I further certify that the deposition, as transcribed, is a full, true, and correct transcript of the testimony, including questions and answers, and all objections, motions and exceptions of counsel made and taken at the time of the foregoing examination.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this ___________________________day of _____________________________, 1991.

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LISA B. AHLBURG
Notary Public in and for the State of Washington, residing at Seattle.