IN RE: 1996 ANNUAL MEETING :  
PLENARY SESSION :  
EXECUTIVE COMMITTEE :  

DATE : Sunday, July 14, 1996  
TIME : 12:14 p.m.  
CLIENT : NATIONAL GOVERNOR'S ASSOCIATION  
ADDRESS : Hall of the States  
444 North Capitol Street  
Washington, D.C. 20001-1512  
CELEBRATED AT : El Conquistador Hotel  
Salons 4 and 5, Grand Caribbean Ballroom  
Fajardo, Puerto Rico  

PRESENT WERE:  

Governor Tommy G. Thompson,  
Wisconsin, Chairman  
Governor Bob Miller,  
Nevada, Vice Chairman  
Governor William F. Weld,  
Massachusetts  
Governor David M. Beasley  
South Carolina  
Governor George Allen  
Virginia  
Governor Pedro Rosselló  
Puerto Rico  

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Governor Howard Dean, MD.
Vermont

Governor Don Sundquist,
Tennessee

Governor Kirk Fordice,
Mississippi

Governor John Engler,
Michigan

Governor Bill Graves,
Kansas

Governor Roy Romer,
Colorado

Governor Frank Keating,
Oklahoma

Governor Roy L. Schneider, MD.
Virgin Island

Governor Carl Gutierrez,
Guam

Governor Tony Knowles,
Alaska

Governor Gary E. Johnson
New Mexico

Governor Michael O. Leavitt,
Utah

Governor Gaston Carperton,
West Virginia

Governor Terry E. Branstad,
Iowa

Governor Angus S. King, Jr.,
Maine

Governor Jim Edgar,
Illinois

Governor George V. Voinovich,
Ohio

Governor Paul E. Patton,
Kentucky
Governor Lincoln Almond,
Rhode Island

GUESTS:

    Mrs. Regina Blakely, Correspondent, CBS News
    Mr. Ray Suarez, Host, The Talk of the Nation, National
    Public Radio
    Mr. Richard Bennedetto, USA Today

OTHER APPEARING:

    Mr. Ray Sheppach

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MR. CHAIRMAN:

    Ladies and gentlemen, I would like to call to order the
88th National Governors' Association Meeting, which is going
to be held here in Puerto Rico.

    I would like to welcome all of you to our 88th
Convention, and I would like to thank all the distinguished
guests and all of you to participate and appreciate so much
that you came here for this weekend and for Monday and
Tuesday. I want to specially thank Governor and Mrs.
Rosselló for the outstanding job they've done for to make us
a very special meeting, the one that's, we've been very
welcome that, and that we appreciate so much the hospitality.
I, going to defer for a while of welcoming from Governor
Pedro Rosselló, I just was with him and we went down to s
statehooders and he is down there speaking, and I left to come back and ensure you there's a large enthusiastic crowd there awaiting to see him, so he'll be while before he get's back, and a couple other Governors are still with him.

I'd like to mention today there were also pleased very much as they have a distinguished member of the Japanese House of Counselors, Mr. Kimatake Kuze, and I would appreciate we would give him a big warm welcome from Japan. (applauses)

He's been with us in several other occasions and we're always very pleased to have our Comadachi from Japan with us.

I would also now we call to order the 1996 annual meeting of the National Governors' Association. May I please have a motion for adopting the rules of procedures of this morning, moved by Governor Fordice, seconded by Governor Graves, and in any discussion all those in favor of that signify by saying I.

GOVERNORS:

I.

MR. CHAIRMAN:

I have it, motion is carried. The nominating Committee for the 1996-97 NGA Executive Committee, will be Governor Tony Knowles from Alaska, who will become the Chair, Governor Tom Carper from Delaware, Governor Evan Bayh from Indiana,
Governor Terry Branstad of Iowa and Governor David Beasley of South Carolina, and part of the rules require that any Governor who desires to submit a policy or resolution for adoption at this meeting, will need a three fourth vote to sustained the rule. Please submit any of your proposal at that are going to require, in sustained to the rules to Jim Martin of the NGA Staff, by 5:00 PM tomorrow evening, Monday.

Jim, where are you? Jim Martin is the gentleman right here, so everybody will recognize him, if you want to come in with a resolution or amendment, you have to have three quarters vote that will take up in the plenary session on Tuesday morning.

Other matters accords under our rules, require two thirds, two thirds of the Governors in attendance voting. There are essentially three mayor things of this meeting we're going to be hearing and discussing various sessions as well as informally through the meeting.

The first one that is very important to all of us as Governors, is the follow-up to the National Education Summit. In March of this year, forty-one governors along with forty-eight business leaders convened the National Education Summit in Palisades, New York, and during that historic meeting,
governors and business leaders committed to work together to improve our Nation's Education System through the development and implementation of high quality standards and assessments into the use of technology. Later on the meeting, we're going to be discussing and adopting policy that is talking about creating an organization, more apply referred to as the Educational entity to assist us in this difficult but important work.

I would like to thank Governors Roy Romer, Bob Miller, and Jim Hunt and Terry Brandstad and John Engler for assisting me and calling the National Education Summit, which I think was extremely successful, and those five Governors, along with myself planned, along with the business community, they worked very hard and I appreciate very much all of their hard work for making that Educational Summit successful.

The second big item that we'll be discussing beyond education, is because we're convening our meeting in Puerto Rico, we thought it was very appropriate in time to focus on Latin America and Caribbean trade. While many of us look to Europe and Asia, our biggest trading partners are here in the Americas and Canada, and not only for the present, the opportunities for the future are unlimited and the opportunity
to expand that for states, is very, very important. Projections of future economic growth are all very optimistic for our Western Hemisphere, and we're going to be developing strategies as well as ways to expand those kinds, the Caribbean and Latin American trade in the coming days, and specially tomorrow afternoon when we have a host of excellent speakers.

And finally, on Tuesday we're going to be focusing on ideas that work, and every state capital throughout this year, governors that have problems from expanding health care, the moving people from welfare to work, protecting the safety of our citizens, governors are always asking their staff, what do others states do? To answer that question, we're going to be releasing a series of seven publications that reflect the ideas that work, the best ideas across America, across America done by the laboratories of democracy and those of course are the states that you are the chair of by being the governor.

Each of the governors whose is invited to submit up to two ideas, in each of the seven topic areas, this in the environment, crime and public safety, education reform, infrastructure, job creation, self sufficiency and tax reform.

Now, I think you're going to be very pleased with the
work that was done by governors and by the staff of NGA compiling all of the best ideas. This books illustrate the dynamic and the progressive nature of state government. I have always believed that the states like you, at a laboratory of democracy, and that is what I have emphasized during my term as NGA Chairman. The ideas that work serious are the cap zone of that year long effort. We will be discussing these reports in great detail during the final plenary session on Tuesday. I look forward to our discussion during the business sessions, and the visiting with you what you do in the special events. I encourage you to ask hard questions and share your experiences in crafting new approaches to old problems. I urge you to express your opinions about issues that are raised and to join into discussion. I certainly hope that you find that this meeting in Puerto Rico is going to be an interesting one, entertaining, of one that you're going to come, come away from with good ideas to go back to your state and hopefully implement.

And now I'd like to go to the next door to our business, and that is the changing role of the media in the elections, and one of the most constantly debated issues these days is the way the media and its reporting of the election may be
changing the way these elections are going to be held in the accountability for those elections. According to the non-profit center for media in public affairs, the average candidate should abide on the three major note network this year is seven seconds, that's down from eight seconds in 1992, nine seconds in 1988, and forty-two seconds in 1968. It makes us wonder, as politician and governors, where is Walter Krontigh* when we need him.

In the first three months of this year, the network news cast give GOP candidates a combined total of one hour fifty-one minutes or air time versus ten hours forty-seven minutes to the journalists covering them. Some people may think that is a fair trade off. The popular conception is that too much of what we see on the air waves is commentaries and not hard news. To just extend the barrier themselves, in 1993, a two months study of the Los Angeles Times, the New York Times and the Washington Post, farthered just over half of the page one story for straight news. Forty percent were analytical of interpretive, five percent were features and five percent were special projects. The line between a journalist and a commentator, an entertainer and political strategist, are already blurry and all indications are that they will get
fuzzier still. So, where does this leave us for campaign 96', how much of what we see on the air and read on our daily papers really reflects who the candidates are and what they stand for, and how does this affect the way the borders react.

Here they shed, laid on any subjects, and I hope it is a strong bright light a three exceptionally fine outstanding captiousness who deal with this issues each and every day.

Joining us this afternoon are Regina Blakely, CBS News correspondent, Ray Suarez, Host of The Talk of the Nation, bearing on the National Public Radio and Richard Benedetto with USA Today.

Regina Blakely, curtly as the CBS White House and Capitol Hall correspondent for two-hundred CBS affiliates across the country. She contributes to CBS Weekend, CBS This Morning and to the CBS After the Minute Broadcast. Prior to her Washington assignment, she worked for the CBS Evening News an Forty-Eight Hours. She won her first Emmy for her work on Forty-Eight Hours. She is also an outstanding lawyer and is practice in commercial and securities laws. So, why don't we start out with Regina, and following Regina will be Journalist Ray Suarez, who hosts National Public Radio's Nationwide Call, a news program, Talk of the Nation, he joined NPR after more
than seven years as a reporter with NBC affiliates WMAQ TV in Chicago. Ray has been a Los Angeles correspondent for CNN, worked for ABC Radio Network, CBS Radio and with various American and British news areas for services. He received the 1993-94 Dupont Columbia University over Bataan Award for NBR's coverage of the South African election, and in 1994-95, the Changing of the Guards, the Republican revolution.

Our final panelist is Richard Benedetto, a national political correspondent for USA Today and we are very happy he's here because he covers the National Governors Organization very extensively and we appreciate that very much Richard. Mr. Benedetto deserves a special thanks for agreeing to fill in at the last minute for Walter Shapiro, for because the travel problems because of the reason back surgery cannot be with us today. I thought we'd open up today with Regina Blakely, Regina, thank you so very much.

MRS. REGINA BLAKELY:

Thank you very much Governor Thompson. Well, the three of us, when we walked in here today said that we sort of felt like we were at the Senate hearings on something, only as we were sitting here in this particular format, but we are ready and willing, and actually would welcome your comments as to
what you feel, you see and what you don't see with regards to your campaign coverage. I can assess from a somewhat different perspective and that I have not only covered a governor, I am originally from the state of Arkansas, could then go on to become a president, by I also have not only worked on the network newscast, but also on the affiliate newscast, which because you all are governors, sometimes that is more important to you than what you may see on a network news. So, for example, if you would have turned on the CBS Evening News with Dan Radder and turn out to see what happened at the White House, you would see...if you turn on your local TV facilities in whatever markets you may be in, you would see me at the White House on Capital Hill. I say that because as I said, I can access from a perspective that I see, and discussing some criticisms that I'd like to discuss with you, I think you will see that whereas you may see the coverage Governor Thompson talked about the seven and six seconds sound bites, in fact, from your perspective in your local market could in fact be more than that.

Many of you may think that we sat in our wonderful grand dome of broadcast journalism or printsalisms or radio broadcast, I think they were all so wonderfully perfect that
we don't have any other way to improve, I would love to think that was the case since access is not. We debate issues constantly on how we can improve both at the network in the local levels on our political coverage to make it more meaningful not only the political coverage, but in fact the issue oriented coverage, and to in fact expand on the details of that coverage. I would be instincted to know because I was speaking with one of the governors who will remain unnamed, as to how many of you actually watch for to put the network to use aside if you don't mind taking part in a full, how many of you actually watch your local news casts for your local coverage or your national coverage. A few, very hesitantly there you raise your hand, but it's interesting to know that we like to complaint about those things of which we know very little, and so, therefor I'd like to explain to you some of the criticisms and try to take some of the heat for some of those criticisms, but also give you some perspectives.

I have spoke with some of my colleagues about what I should say to you, and one of them said: "Please tell them don't criticize us for what we do, but for what we fail to do". Because it is those failures that we can point to you that we are trying to encounter, one would be patch journalism
in focusing on the complex, do we, guilty is charged.

There is patch journalism, we saw it in the New Hampshire primaries, one issue would become as huge as you because you would have one reporter asking a question and following the candidate, whoever he might have been at the time, to ask the same question over and over and over again. Did we focus on the complex? Yes. What would I like to see to make that better? More access to the campaign, more access to the candidate, more opportunity to follow-up on stories to where they are not one day stories, through where you move from the complex of the day to the next complex of the day. I want to keep my comments short so we have time for questions later.

The second criticism that I hear from, in particular press secretaries, "you failed to cover our message, you failed to cover our issue" joking is hard at times. "You're too cynical", that, I have to disagree with. I cannot speak from, on the personal level from what some of my colleagues feel or don't feel, but I do feel as if I can say we are sceptical not cynical, we will refuse to take things at faith value, and I believe you would want it that way.

The problem, and I've seen it in some of my coverages at the White House is that an administration either wants or is
forced to begin a story, but then works to stand in the way of its development, and so therefore, that is proceeded as either stone walling or lime. You have to look at it from our perspective, if you were studying in our condition, what would you think? Do we cover the issues, television is somewhat different than my account of parterre with radio and television, because, in Governor Thompson in his opening remark said: Education, Welfare Reform, the Economy, those are thing that are difficult to put on tv, we have to fill the black hole, we can't seek narration up there with nothing to cover it. So, from those perspectives, those types of stories are very difficult to cover, we are very sad about saying it's not a tv story, we're working on it.

As far as the message, you have to let us know what it is, and you know what? If you change it, we're going to report it. And that's what I have to say about the message, I know sooner or though, right now, is somewhat concerned over the fact that the National Press continues to harp on the fact that it does not speak before the NAACP, but the reason it keeps coming up is because when he's asked about it there's a whole other answers to give.

The Clinton administration is concerned about the fact
that over the past week and a half it can talk about school uniforms, truancy and crumbling schools, and when we ask the question as if nothing bet election of political posturing, the answer we receive from the administration is: "if you want to report it that way, report it that way". Give me a reason not to report it that way.

Last way, so I can let everyone else talk, there is a sense that there is less coverage in '96 than in '92. Quickly let me tell you that, from an affiliate point of view, there's actually more, in more local markets there are many affiliates who are now taking over network news time, there are many affiliates who are now given the opportunity to not run the CBS Morning News which run it in only in partial segments, until that time with their local news, that means you, your administration, your issues.

So, there actually, from my perspective, I do more stories, I do more political stories, we do more live stories and there are more outlets for those stories then there have ever been before.

As a closing thought, so that I can move forward, news in this CNA is because of technology, whether you're taking advantage of it or not, your stories are no longer one day
stories. Because of technology, because of satellite technology, because of live shot technology, because you can sit on the governor's mansion and talk about issues that are important to you with your local anchors, and never have to get into that city, means they are more than one day issues.

The whistle stop campaign and the time as slides by now turn into three days stories, that's because of technology, and as the local market started it making it that way. So, let me leave you with those thoughts, I hope you have some questions, specially from the technological point of view on how the local markets are standing and how in fact those Governor Thompson seven seconds sound bites can actually be turned into longer stories from your perspective in another arena that no longer is at the network news, for example, if you come to Washington to talk to the President about Water issues, Governor Keating about the horrible tragedy in Oklahoma City, Governor Allen about flooding along the coastline, those particular sound bites can be send back to your local station whether you make it into the New York Times and the CBS Evening News at all. So, with that I'll close and let my other colleagues speak.

Thank you.
MR. RAY SUAREZ:

It occurs to me that many of you might not be familiar with my program at first hearing my name or the name of the program, but rest of sure I am on in virtually all of your states as I look around the table, many of you had at one time or another graciously granted an interview and if now that you're putting a face to the name, you find you're disappointed with the match, I apologize. Radio helps make stars that live in the imaginations of the people who are listening, I know I'm taller and handsomer in the imagination of many of my listeners. We are entering this election season in a very contradictory situation, the political leadership often feels that the coverage they get is bias to willing to portrait conflict and not willing enough to engage in anything but superficial coverage of the issue. Our readers, viewers and listeners are also dissatisfied, unhappy with the product that they're getting, They think we should be giving them more, and they say that they are not sufficiently informed in many cases when they walk into the booth to punch a whole or pull a lever in a voting machine, and they blame us for that as well, but when we respond and produce longer form programs that go into the greater depth, when newspaper print multipart
series that may cover a week and give many, many column inches to a story, the readership goes down across the week when we put on an hour instead of a few minutes on a story, certainly in television it draws tremendously role ratings when compared with ER or re-runs of the Cosby Show, so we are faced as the business with the contradictory impulses of trying to serve a public that wants us to do what it tells us it would like to see and what it seems to really want. When you tell the public opinion poster that you'd like more indept coverage, and then the broadcaster puts on that indept coverage and is punished for doing so with some of the lowest week night ratings he's had in the year, it's a contrary lesson and one that he's not likely to repeat any time soon.

But we also create some of our own problems. Wednesday morning, I did something I very rarely do and turned on one of the network morning shows, and on it, I was treated to a very, very lengthily discussion of the fact that Collin Powell had announced that he was going to vote for Bob Dole. Excuse me, stop the presses, it was unbelievable, three highly paid, well known american news analysts in a three way split screen dissecting to the point where you are now getting down to splitting the atom, a decision which has only marginal
impassing interest, because I think Collin Powell is declared that he was a republican, that he liked Bob Dole, and why should the fact that he was announcing that he was going to in fact vote for the republican nominee had been a mayor story on the Today Show, it went beyond the boundaries of triviality into an almost thrill of flavor this conversation, but that did not stop it from happening.

Robert Dole also on the Today Show, made some remarks about the relatividictive power of tobacco, who see ever cuplices to before he makes up his mind, and then for days, the news business spun itself so frantically it was going to drill itself into a hole in the ground, and what was interesting was that much more attention was being paid to the stile of form of sending of Dole's remarks than the contents. We weren't talking, my colleagues about what he said, and what was in what he said, but the way that he said it, and this is a very disturbing trend in what is passing for political analysis and coverage.

To give you a contrary example that I think might serve us all a little better, when President Clinton on his Saturday radio address embraced Governor Thompson's welfare reform, the ripples were heard from coast to coast, not because of what's
in Governor Thompson welfare reform, but because of the fact that the President embraced it, and this was dissected and analyzed for its political contents for pre-buddle flavor of what the Clinton campaign was doing, and day after day after day, all the conversation was about why he did that and what he hoped to gain by supporting a republican program and so on, talk of the nation, instead spent an hour talking about its back, what's in Wisconsin Welfare Reform, and I think the public was a little better served by that fact, if you'll excuse me for tooting my own horn for just a second, but I think that might have been a more useful way of talking about Welfare Reform instead of trying to figure out what President Clinton was trying to accomplish by endorsing Governor Thompson's plan twenty four hours before Bob Dole did and get a one new cycle jump on him and all that, we should talk instead about what people on Welfare do in Wisconsin and how they live when they are entering that system.

Inside Washington, which is now my home, a larger and larger number or reporters are involved in a fancy game of musical chairs, whereas you turn on various networks and the number of them is exploding, a UPN, WB, CNN, the three old majors, and on and on and on, it's the same bunch of people
now sitting with a different colored background and different colored company chairs, saying pretty much the same thing to each other throughout Sunday Morning.

It's an incredible thing and it is I think contributing to the criticism with which the listeners, viewers and readers are now looking at our business. There's a widening hasten between the people in the press, many of the people who listen to us and we thus are convinced that we are not aware of the challenges in their lives and do not understand the way their lives work in their hometown and in their jobs and in their mortgage payments and real estate taxes and all the other hurdles they have to jump to make it from New Year's day to New Years Eve. It was into that vacuum that Rosalyn Boe and Oliver North and Gordon Litty and Mario Cuomo and Jim Hightower and on and on and on, is into that vacuum that widening hasten that the people feel that exist between themselves and the news business, that this other form of information has moved, and we made our own bed, and we guess we are now playing in it.

Is it a treat for me because I've been covering governors for a long time and I've never had a chance to really speak to them before. But, as the journalist who discovered critical
campaign for the past twenty five years starting with mayors and city counsellors in my hometown of Utica, New York, through the state legislature that will be celebrated in New York today, through to Washington, and I've covered every presidential campaign since 1980, I've watched the process change quite a bit, and it's a serious journalist to consider himself somewhat on the scaler of the business too, I'm concerned about the changes that I've seen, and I'm concerned about the effects we might be having on a public that is increasingly skeptical of political figures and increasingly skeptical of their government and increasingly cynical about the whole process.

And I wonder what role we media play in that cynicism, play in that cynicism, we don't ask ourselves very often as journalists how we fit into this whole scheme of democratic government, what is our law, what should we be doing, how should we be presenting, is it our role to make the system work as I was taught, better, make the system work better, or is it our job to tear the system down? And often I get the impression that a lot of people who are in our business today think that the first role of a newspaper reporter or a television reporter or a radio reporter covering the political
Now we come to call all of that rather than adversary, advertize, let me call it negative advertizing, so we give the public the impression that there's an awful lot of conflict.
going on, so we sit there and watch a speech and the candidate talked about the issues we served our board bias, and then all of a sudden the candidates attacks his opponent and you see the pen starter to write and the pencil starter to go, so that we often find that the conflict makes the news more than the actual issues for the public is impressed, no, they aren't talking of issues, and of course, the Marco Foundation that through the... sent off a million public affairs did a study about the New Hampshire primary and they found that the media was far worn, they get it into the candidate in the television coverage. I'm concerned about that, how do we get over that, how do we go to an event, happen to be in the event in Cleveland, a couple of weeks ago the governor that you do that, that was the Bob Dole attended, it was the Shawnee and Independence Day, and judging from the coverage I saw on the local papers, they said Bob Dole came to play in this period of Slavian Independence Day, he said that basically the same thing he said to the people of the Post American Community in March, and, no real story, oh yes, it was a pretty good story, I thought it talked about, it came at the time we were looking to American Independence Day, a week before that, and there's a story about a group of people who are proud of being
americans, and who were celebrating their heritage, but nonetheless proud of being americans, and it was a very good event, they had one of their own sons, who was the governor of the state, Governor Voinovich, they had the Bishop there who is a slavinian american, Bishop Piveck, they had the Pastor from Slavinia there who was talking about what a wonderful event this was, because, and I asked him: "what do you think of this event"?.. and he says: "this is a wonderful event, it's so...and we were searching for a word, he says: "it's so american". And that's the kind of story nobody reports.

Reporters go to these events and they don't report, we need more balance, we have to tell people not only what the candidates said, what they might have said long, maybe might have contradict himself, but also, candidates often do something right, an we don't want to say it at all because we're afraid that if we do that then somebody will say: "well, you're a softy, or you're in somebody's pocket".

We need to provide a strong balance, we need to provide, go in there with the reporters, the reporters actually is supposed to go in there as a substitute for the public who doesn't go at all of these events. Most people do not see candidates in person in a big election like the state wide
election that you are involved in, and certainly, in a national election, presented your people who see the candidate make a speech from beginning to end in person is very, very, very small, therefore, they depend upon the media. Key stand will them that if that's what they want, and if they have the energy and the time to tune it in, but if they're going to the mass media, they're doing a very, very small press part of what the real story might be, therefore, come to the panacea, as the representative of the people to give them the accurate picture we can, often we don't do that as well as we should.

We are overly concerned with the process, we tell right stories about who hired whom as a poster, who's the strategist, who's in with the strategy, who's out with the strategy, yes, but your citizen doesn't care about that and I believe it has no bearing that I'm, then, and they probably don't read those stories anyway, now, they're not even probably reading a lot of the stories as I found out in talking to a lot of people in Ohio about Whitewater, or about the FBI file.

They have a general impression since we cover so many scandals and we're giving the public this impression that every politician must be doing something wrong, that they turn
off on the scandal stories because they are, they're all doing it, what do I care, you know, and they're not even shock by it any more. We shouldn't look the other way when there's scandal, but at the other hand, we shouldn't make everything sound like a scandal because then you get a nomina effect to public, and that's what's going on right now, people wonder, well why is this person threatened to being hurt by all these stories about the FBI files, by all these stories about the Whitewater; because the public is numbed to that stuff, I think that they've made some judgements that are the basis of what kind of a job you're doing as president, and they've made some other judgements about what all politicians are going to do that, whether it's President Clinton or whether it's Bob Dole, and they're, they're all going to do it.

So we have a lot of criticism from the public that need to to addressed. I'll stop there and I'll be looking forward to your questions.

MR. CHAIRMAN:

First let's give these panelists a big grant of applauds, thank you very much.

APPLAUSES BY PRESENTS

MR. CHAIRMAN:
I'm going to raise the first question in which I would like to have you respond to, recently Bob Woodward, of the Washington Post published the choice, in which he offers his portrait of the republican and democratic presidential contender.

According to one of the reviewers, the key to Woodwards for trial of Bill Clinton and Bob Dole, came down to the high level of access allowed by one and the arms link added to the other, what role does access really play in determining your reporting and why should it such a difference? Regina, step up.

MRS. REGINA BLAKELY:

Oh, thank you very much. Access, I started my remarks by saying I enjoy having more access to a campaign and then I feel that part of the criticism that we get is exactly what Richard was talking about, is that we tend to gloss over what appears to be the obvious, because we don't have a deeper understanding, I know I have had people ask me: "because you are from Arkansas originally, does that help you on your coverage with the President"? And what they're really asking me is, do you get more information, do you get more access? The answer to that is no, what it does do however, and the
reason I open my remarks with that, is that it gives me a deeper background in understanding where he might be going or something, what his priorities might be, for example, when he asked the First Lady to share Health Care Reform, it was not a surprise to me that he would do that, because if you look at his background in Arkansas, you found that when he wanted to make substantial changes in taxing for education, raising tax revenues to change the education system in the State of Arkansas, he turned to her. As in therefore, it was not a surprise to me that he would turn to her for health care.

So, I think if this is the question that you're asking, I think access is important from that point of view, because it gives you a deeper understanding of the individual, not necessarily, the conflict question, and I hate to use the word character, because any more we view character in a different more negative perspective, but it does give you a character inside also.

MR. CHAIRMAN:

Ray.

MR. RAY SUAREZ:

Alright. Access is mother's milk, just as simple as that. If you do my job, it really makes the whole product different
when you can explain what you had to way before you came to a
tough decision rather than simply announce that you made it.
It is good in terms of raw information to be able to say x-y-z
happened, or the state is going to do this, but it really, I
think helps you with the people that you serve, and people in
the case of my program, people who are listening to you in
other parts of the country, to understand what the conflicting
factors were.

There are some decisions that you make in your own states
that don't necessarily make you the most popular people within
its confines, until people get an idea of what it is. And, it
actually doesn't detract from you or the effectiveness of your
message, if you talk to people about why it was hard to make,
and what you to way out before you decided to go one way or
the other. And a lot of that comes from access, the ability of
people like me to give a nuance and thoughtful presentation of
the evolution of a decision, helps people understand why you
made it and understand why you thought it was better for the
state, and I think, you know, if we're all in the, in, of
going about the business of trying to make of America a better
place to live, non of that could really be harmful. I know
that, as I look around the table, Governor Dean, Governor
Carper, Governor Leavitt, when they were working on things like block renting and talking about changes in the relationship between Washington and the state, we're going to work, I think it made a great deal of difference for them to go on the air and say: "here's my government, here's my state, this is what I get, this is what spent it on", it's not just one key political freaks stuff, it helps when people can hear you as managers, as governors saying, okay, these are some of the hard things I have to figure out how to do with my government before we move ahead.

So access, you know, it's wonderful to hear some of your senior staff doing this, in what it's great to hear you.

MR. CHAIRMAN:

Richard.

MR. RICHARD BENEDETTO:

Access has two levels, it depends on what you're doing, if you're covering governors, you're covering a governor on a legislature or in Congress and President, and you need access to the people who are involved because you want to get some inside in the both the issues and the mechanics that the people who are involved in making decisions on those issues are going through.
On the other hand, access is not quite as important in political report in covering a campaign, it shouldn't be for a reporter on the trail, a reporter on the trail should let what's going on out there on the public arena be the, set the parameters for what has to be covered. How can we try to cover the election campaign in the same way that we cover the governors, so we try to get too inside and try to interpret too much into the campaign, and try to tell people what the candidate's strategy is, what it might be, what it might not be, what he has to do to win in California, what he doesn't have to do to win in New Mexico, and so forth, and instead of telling people what is the candidate saying out there, what is the candidate's goal in saying that, how did the other candidate respond, and so forth.

So, I think access is important naturally to the reporter, but it's not the only thing or not the biggest thing in a campaign, it is bigger in the covering of governors, they are two different jobs.

MR. CHAIRMAN:

Thank you very much Richard.

Regina, I want to just ask one question and turn over the Bob Miller for second a question. This year, as I understand
that the mayor networks are cutting considerably the time that is going to be focused on the national conventions. When we're trying to get more people involved in politics and in government and democracy, what's the rationale for your network and all the other ones reducing considerably the amount of coverage that you are going to be giving at the National Conventions?

MRS. REGINA BLAKELY:

I hate to speak on behalf of all the networks, I can tell you what I have heard within just the planning phases, and I would love to say I'm involved in the decision making, but I'm not at that level. I think a lot of it has to do with the fact, there are several components, one of which is money, it costs a lot of money. All the major networks now are owned by corporations who watch the bottom line, we no longer are independently out there to spend money in news divisions like we always used to. They want a budget, and they want you to keep to it, so that's a big component of it.

There's a second component from an editorial point of view this year too, and I think that, where's from my perspective as I said before from a local level, you'll get lots of it. I'll start doing live shots for the East Coast at
5:00 PM at night, and I'll go until 2:00 AM East Coast time covering every market in this country, and there will be markets who want that. But from a network perspective, I also think too that you have to convince people when you want them to take their air time and prime time thats money making time, the people are going to watch it, and right now I not sure that people who make those decisions believe that a Bill Clinton versus a Bob Dole Conventions are going to draw a whole lot of interest.

MR. CHAIRMAN:

Thank you for being so good weekender. Thank you. Bob Miller.

GOVERNOR BOB MILLER:

Recently the center for media and public affairs found that the current coverage of candidates offered by the media deals overwhelmingly with the candidates perceived electability and how they conduct the campaign as supposed to, how they stand on the issues or what they're doing in the campaign, but, when I go out and talk to voters that's untrue, this is true, all my colleagues, the voters want to know about the issues and it relates for them, so, what's wrong and why isn't that the type of questioning that dominates the media
increase during the course of the campaign.

The embarrassing and perhaps true answer is that it's harder to do that other kind of reporting, because the first is based on speculation, gut checks and a very quick skim of the facts as you can assert them, and the you go on that night and, you should run a stopwatch when you're watching network programming, and even your own local news, and you'll find that many of the stories run no longer than a minute and fifteen seconds. Governor Thompson mentioned that a sound bite is only seven seconds long, well, it's happening inside a narrative that runs barely longer than a minute to begin with.

How much detail, how much a thoughtful exposition of the facts can you get into a minute and fifteen seconds? It's really, really tough. I wish we did more of the second kind of coverage that you posit, but there are many people in newsrooms who are convinced that even while the public is telling us that's what they want, that they don't really want it, and that's part of the tug-of-war that's going on in newsrooms right now, but if we do give them that, they won't really watch it.

I think that Ray makes a good point, I think that there's
an impression out there that we have to present all of this as entertainment other than conflict and is for, therefore, weigger up, you know, we get both sides, the hottest redwood from both sides and then, for therefore we cover the debate. And we do it then, it's kind of a catch twenty two, that we reward the person that makes the wildest accusation or uses the wildest phrase, so the candidates and the politicians stay up nights with their staffs trying to think up some good sound bite that they can figure out the next day to get some coverage with, and so that we think that we've covered the issue very well because we presented the most extreme view on one side and the most extreme view on the other side, and then, throwing it out there and said: "the general humor that affected that as the public says, ah, who can believe any of them, this problem can never be solved as an intractable one", and they turn off. But before you guys get a clean bill of health, you gentlemen around the table, you are co-defendants in this process, when we give into our own worst impulses, you help us, many of you produce commercials for which you buy no media time because you know that all your staff has to do is release it to the press and it will run on the evening news that night without you ever having to make a buy to that
commercial in any of the major markets in your state, if you
tell me whether that's knowing how the system works or not.

MRS. REGINA BLAKELY:

And I also think too is for good news, bad news sort of
thing, I mean, we're all dependent upon readership, upon
people listening to us, upon people watching us, it's called
rating, it's called buying newspapers, that too is part of it
and I know we have had several of our local affiliates tried
to have an alternative station for a cable outlet. We're only
going to talk about good news, about family news.

What do they watch? People aren't watching, it's like
using the negative advertizing analogy.

Why do political candidates use negative advertizing?
Because it works, because it works. Is that to say it's good,
is that to say we should continue to do it? Not necessarily,
but you look and you see what's out there as Ray said that
who's playing part on this and the campaigns are playing a
part in it and feeding that to the media.

MR. CHAIRMAN:

Thank you. Tom Carper and Howard Dean and Bill Graves,
see if we can lessen the time and the questions and the
answers, we got a lot of them that want to ask.
GOVERNOR CARPER:

Thanks Richard for being here today, thank you for your candour, I wish I'd find... a little surprising and really welcome, I appreciate very much the comments you made about access and how important net that can be. I'm struckted again with what you just said it was respect to good news and that it doesn't sell like, I know I hear from folks through Delaware who say: "Gosh, it would be nice if there are more good news in this country", and I feel that there's a long for good news, but we just don't often see it on the airways, I think maybe more locally than in perhaps nationally. To a lot of folks it seems to be there's conflict, that's what we focus on the news, if there's mayhem or ethical missteps, that's what we focus on. Even if those ethical missteps, whether they're real, whether they're just...someone's been accused of something, but whether they're really imaginary, we had a session this morning with Governors and spouses where we talked to have some of the imaginary stuff that is going on in different states around the country.

My question is this; I've heard a cause of the behavior of a, personal behavior one of my most beloved presidents, John F. Kennedy, and how he did his...now alleged to have had
relations with women, not his wife, and that they involved
people literally coming into the White House, and the press
was aware of it, never reported it, turned their head the
other way, and gosh, twenty, thirty, thirty five years later,
we find that if you ask most people in our country, we're
going to be thinking the ethical standards of our electoral
features are higher or lower than they were at the time of
John Kennedy or whatever, might us, a lot of people would say
lower.

My question of you; Do you believe, do you believe that
the scruples, the person, code of personal kind of behavior,
the ethical standards that we said is electoral features are
higher, lower the same as those of a generation or two ago?

MR. CHAIRMAN:

Within twenty minutes please answer that.

MR. RICHARD BENEDETTO:

My guess is that it's probably the same, I don't think
there's much, they're any different than they were, I think
it's the way we cover them, I think that we have a tendency to
decide, if we have decided, and then there is it today that
all of those other personal kinds of characteristics are
important to the public, for the public to know, and they can
make their own judgements upon them, I was not a reporter at the time that John Kennedy was President, and I don't know whether the reporters, some reporters who were there in those days say they really didn't know, they had rumors, they heard rumors, but they really didn't know what was going on, and then even if they did know what was going on, the red of this part would had never published it anyway. I mean, standards for that kind of thing have changed, and I think that, should we be really reporting on those kinds of things for presidential candidates today? Probably we should, because I think it's all part of the character question that people have to make a judgement on, some have decided that it might be important, some decided whether that it may not be important, but how deeply do we have to go, that's one I just don't know, but, it's a tough one, but think that most of this stuff is probably relevant to decisions that people have to make about presidents and candidates.

MRS. REGINA BLAKELY:

It seems to me that one of us are jumping him. We had a thing called Watergate, and I think that's what separated a lot of, what I guess you would call old reporting from new reporting standards, and I can't answer your question either.
Do I think character is important? Yes. What are the appropriate character issues? I don't know.

We do talk about them a lot, is it relevant to what this person does in his or her job, those questions believe it, or not are asked.

What I would find interesting to talk about and maybe research, would be, not my age or your age voters and up, but eighteen to twenty-five year old voters who have never taken part in an election, that is the way it was before. In other words, I think if you talk to the younger voter, they have a cynicism that, and a vicious speculation on my part, that we wouldn't have seen when I was their age, because it was, it's all post Watergate, it's all much different.

To do, I think the characteristics are important to answer questions, yes, but we do have a continuing debate on just where you draw the line, and face it, we're on a much different market than we were when President Kennedy was president than ABC, NBC and CBS. Now we have CNN, and please don't take my comments wrong, I'm not lumping CNN with this other particular programs, but, you have talk shows, you have opera, you have American Journal, you have Inside Edition, you have Entertainment Tonight, you have Extra, I can go on, and
on, and on, and on, and these are the programs that pull on those type of issues that you would have never seen on the evening news or on the front page of the New York Times, so it's a different world.

MR. RAY SUAREZ:

Is the moral fiber of people who seek tired office today different than it was then? Probably not, I mean, people are people, and the kind of people who seek to be leaders of big institutions, are a different brand of people from people who seek not to lead anything. And, one thing that I think has changed, is that today's political elected persons, is formally hem dinned by law than he or she was thirty or more years ago, about how they raised the money for their campaigns, and know that we're looking at million dollars congressional campaigns and state campaigns in the larger states for governors or United States Senators that cost more than ten million dollars, I think the, many of you would probably agree that the pressure to raise money is onerous and sort of fills the rate or a screen. Besides the job of helping to run your states. Do any of you do things that might not sit well with you in a gut check? I don't know. Is it more common than it was thirty years ago? I don't' know, but I do
know, that the need to raise money in such prodigious amounts, create a situation that makes the people uncomfortable, because they feel that money, the interests, have higher access to your ear than they ever would.

When I have walked on the mall, and just talk to people a reporter about whether they can go see their member of Congress or their United States Senator, they are convinced, sometimes incorrectly, that they absolutely cannot, because they didn't give a big contribution, because they're not a known person inside that district, because they don't represent a corporate interest.

Money, I think is a far more potent part of the ethic's problem that this sexual stuff.

MR. CHAIRMAN:

Thank you so very much. Governor Dean, and then Bill Graves.

GOVERNOR DEAN:

I have a question of the last comment that I'd like you to respond to, and I want to set it up for you, but I'll ask in the out sentence is that, you know what your own role is. Let me set it up for you.

I recently had a big arguments with a big paper in my
state over an add, the editorial, I went up and, so other we
had an hour and a half discussion, and one of the things they
asked me was... I asked them was, how do you see your role?
And he said: "We like to be positive, opinion makers, you
know, in our state", whereupon I tried to point out the
editorial may have made some opinions, but it certainly wasn't
positive.

Now, I'll grant you that we do sit around at our offices
figuring out how we're going to get it on the Evening News and
in what context, and how we're going stint, okay, so I'll take
ownership of being part of the problem. But let me ask you to
respond to your part of the problem, which you already
outlined. First is that you are not elected, and you don't
know what your role is. Is your role reporting, or is it
leadership? If it's reporting, perhaps you might do more
actual reporting rather than interpretation, perhaps you might
have reported the Slavinia Independence day, the way that it
could have been reported, but it really isn't just reporting,
because that's not what you do.

The problem is it isn't leadership either, because if you
make an editorial decision that you, because you aren't going
to make enough money, decide not to put the convention in
prime time, I think that deprives you of some responsibility that you have. This is not simply about giving the american public what they want, it's giving the american public what they need, and I've been to a lot political conventions, and I would never argue if I were an executive for NBC, that we ought the whole thing on the air, believe me, having had to sit through a few of them. But I think there are... it is really important to put the conventions on in some of the prime time, and I'd do it as a road blot so every body has to watch it, that's part of living, your responsibilities as a citizen, and though, even if it is all hot air and bladder, that whatever people may think about it.

The other problem I've got is the news. And this is not about politics. I know a fair number of people in my state who won't let their kids watch the news, because they know that the first thing up is going to be a horrendous rape and murder with all the graphic details, perhaps warned by --this may be offensive to some viewers--. Why do you guys have to put that stuff on? That's not what most people grew up in America. Maybe it should be in the last four minutes, maybe it should be in the middle, some place, but it seems to me that you are using the free airways in order to change
America's perception about itself, without any self analysis about what's responsible, there is all market driven and what people want. And I'm just going to submit to you, that if any politician ran for office saying --I'm going to get people what they want, not what they need-- you properly so would run us at our office and wouldn't belong there, and I think you've got that same responsibility as well.

MRS. REGINA BLAKELY:

Once that you talk more about TV, I'll... go ahead.

GOVERNOR DEAN:

It is most possible... this is big with the papers.

MRS. REGINA BLAKELY:

Fine, yes, I understand...

GOVERNOR DEAN:

I don't want to let anybody off the hook here.

MRS. REGINA BLAKELY:

I think you've got a three, a least three points that I caught, one of which is, let me say from the beginning as far as networks are concerned, those debates do go on. And within our journalistic profession, for example, Radio, Television, and News Directors Association, that yearly meets, we have exactly those discussions.
We will have people, specially in local markets, who will set and say: "I cannot believe that you would put that on the air". A lot of it has to do with ratings, a lot of it has to do with a news director's particular point of view, and just as there are different points of view, using the political arena, there are different points of views on how you present the news.

I take your criticisms, and I think they are definitely legitimate, and those are, but please, please know that those issues are debated.

As far as the conventions, I do believe that it has been the decision, and I cannot speak, that, that final decisions have been made, but as far as the conventions are, there will be prime time of television coverage, it won't be as much as maybe of what we've seen in the past, but the main speeches will indeed be covered.

Actually, I think it would be much better if you didn't see all of us with those little crazy headphones on, standing down in the middle of the convention, where you can't hear us anyway, talking incessantly, as we have been quainted out here on our analysis. Let, let, let the voter watch the speech and make his or her own decision. Good idea? Maybe. Reporting
what's my job, I'm not an editorialist, I don't write editorials, I don't make commentaries, and every single day, and I cannot speak for everyone, but I can tell you this, every single day I write a script, which I do every single day, before I start the process, and by the time I'm the process with the fact that's edited and it's shipped out to every affiliate in this country, I do ask myself, was I fair or unfair? Either side. And I can tell you one thing, when I was a reporter in Arkansas, one of the best compliments I ever got, was when Governor Clinton an his primary opponent, both called me on the same day and said: "I can't believe you said that about me" Both sides said the same thing, so therefore, I knew I was trying to be balanced.

Those discussions do... I think there's a legitimant criticism, and those discussions do go on.

GOVERNOR DEAN:

Thank you Regina. Ray.

MR. RAY SUAREZ:

I think you're right that we don't have to take the down side, and, so we're not leaders to that degree. When we make an editorial decision, certainly in the broadcast side of the business, where it takes even a less tangible form than
reached in the paper, it's sort written on the air, and sometimes anchors, a good friend of mine is an anchor, who has pulled the earpiece out of his head at the end of the Evening News, and said: "Well, it on its way to Pluto", because we feel that, you know, the way if it just keep going on into space and don't really have any consequence.

I think it's interesting, that at the same time as many people in the country are calling for the diffunding of public broadcasting, one network made a partnership with public broadcasting to cover the conventions so they wouldn't have to during prime time, and MPR would be doing more live coverage of the conventions that any radio network. You know, I'll let you make of that what you will, but there...I think those are conflicting impulses, to not want to pay for the thing, but to be glad it's there.

A lot of who drive the news business today, is as need to compete with other forms of news and entertainment, and, therefore, to the degree that we try to entertainers with the news business, we fail in a very important function, and that is to be somewhat different than that, and I think that we make the mistake of thinking that we have to present our news show or our newspaper in the way that, in the way that some of
the entertainment programs do it, and therefore we cheap in it a lot, and therefore, the public doesn't take it seriously, it doesn't, it doesn't come in and say --this is a...this is what I want to hear, this is what I want to see-. If we overemphasize prime news, are we really giving an accurate picture of what's going on in that commune, is it really mayhem or not, to the degree that some time you go and watch a local news TV broadcast, you get the idea that you couldn't go out on the streets, it wouldn't be safe to walk out in the streets. And that's whether it would be a small commune or larger one, I think that we, to the degree that we try to be entertaining with the news, is how bad we... it affects how we do our job, and I think that, we should keep that in mind all the time, but we've got to be different.

MRS. REGINA BLAKELY:

And another today that's going on, to follow-up on that, is because we can go live now, virtually anywhere at any time. I mean, there are very few black holes in the world where we can't get a burnt-out, and get it to you, you know, there have been times the burnt, the satellite, talking... we can almost get any news out, anywhere, any time, and sometimes, as of course fountage, you have to stop and you have to think,-
okay, I've just been on a plane, I really am not red into the situation, but they're wanting me to go live right now. What do I say? And that's when it's our responsibility, specially in broadcast journalism, to stop and say, --I can't do it right now--.

We will sacrifice that live shot forward information. They don't like it, but, we can do it, and I mean, in the Rodney King, the horrible riots in California, and the second Rodney King trial that followed that up, I can remember being asked this question, I won't say what affiliate it came from. Will the city of L.A. burn like it did the first time? Let's go large to Regina Blakely running in downtown L.A., just how bad is it? What does that tell you? Lots of things. Preconceived notion that the city's going to burn down again first of all, second of all, that things are bad when in fact they weren't, and my reply was, or I'm not downtown on the Federal Courthouse and all is peaceful here. So this instantaneous life factor that you deal with in the political point of view, you know, it's a good bad thing. It's good, because you get your message out (snaps fingers) just like that, the reporters on your front lawn (snap fingers) just like that, the governor said this about that, (snaps fingers)
just like that, to guess what, your opponent says that you have to respond a lot quicker than what used to.

MR. CHAIRMAN:

Bill Graves gots the last question, Bill.

GOVERNOR GRAVES:

Ray, I was real interested in your opening comments about sort of the schizophrenical electorate and how you try to figure out what your role is, one of my favorite yoguisms was the one about if people don't want to go out to the ball park, you can't stop them, you know... If people don't want to be informed, you can't stop them. You guys are kind of carved out a unique niche, I mean. What is your role, to tell them what they need to know or what they want to know?

To assume that they need to know farmore than they want to know, and just keep giving it to them and if they want it they'll take it, if they don't want it they'll turn us off, there are, I hope, that if you do it right, that you can make almost any story interesting. Several months before a million people were murdered in Rwanda, we did one hour on the coming problems in Rwanda, now, certainly that wasn't on anybodies's front page, and our own executive producer said: "Rwanda, where's Rwanda"? And sometimes you do things like that and
you know, I mean, I know people waiting in traffic in Kansas City, or about to leave their house in Chicago, or, you know, having it on the background as they're doing their work in the kitchen in Charlotte, they probably said: "Rwanda"? And turned it off. But I feel that it was important to do that, and for those who hung on for an hour, six months later they thought, hey, I know a little bit about that already, and as in deciding whether it was an appropriate thing for America, through the UN to respond, in deciding whether, you know, the United States has a role in every big tragedy in the world, these were people who already felt like they had been spotted five points.

So, we just put it out there, if they wanted they'd take it, if not, we'll try to catch him another day, but, I'm a firm believer that the spectrum of things in this world that are interesting is far wider than any of us that are willing to think, so, just keep pushing, pushing the arms on that spectrum, and, you know, maybe some days we'll catch people saying: "you know, I'm glad I hung in there for an hour even though I thought at first this was something that I didn't want to hear, but, I couldn't reach the button on the radio, but thank, thank heaven for that."
MR. CHAIRMAN:

Thank you so very much, we really appreciate it and we hope that everybody was well informed, thank you so very much.

(APPLAUSES)

MR. CHAIRMAN:

Now, we come to that part of our agenda where I think it's a wonderful gesture on the part of the National Governors Organization that we get a chance to award commendations to distinguished people and organizations that have done things to improve the quality of life of citizens back in our respective states.

The National Governors' Association distinguished service awards program, which was established in 1976 by this Organization. As a way for us as governors, to bring national recognition to their states most valuable civil servants as well as private citizens. And particularly the focus the attention on the commitment of state administrators and the importance of the contributions that private citizens make to state governments and the arks.

I want to thank all the governors who submitted nominations for these awards this year, all the nominees I believe were outstanding. In addition, I would like to thank
David Becktle, Manager of Government Affairs for Jobs and Controls, who shared the selection committee as well as the other members of the committee, affect the time out of their busy schedule to go over the applicants and find out who were going to be the winners. Awards will be presented in the state official, the private citizen and the arts categories. As I announce in each award, would they... award whenever they please come forward with their governor if the governor is present.

The first one in the state official category, the first winner, from Alaska, is Willis F. Kirpatrick, who's the director of Banking Securities and Corporations for the Alaskan Department of Commerce and Economic Development. Mr. Kirpatrick has served several of Alaska's governors as director of this department for more than fifteen years. His careful decisions concerning the state's financial future, have consistently helped protect Alaskan residents and businesses. Governor Knowles has stated that two of Willis' greatest qualities are his positive attitude and affable personality. The importance of such trades in a leader cannot be underestimated.

(APLAUSSES)
GOVERNOR TONY KNOWLES:

Thank you Governor Thompson, as I might make this one comment, certainly Alaska is very proud of Willis Kirpatrick, and I'd like to thank the NGA for really giving the opportunity to recognize public service.

When I called Willis, and I told him that we were going to nominate him, Willis said: "You know, this goes against every rule in terms of banking and securities of corporations that I was ever told", he said: "I was told never should my name be recognized or mentioned if I was doing my job right", well, today we've really blown your cover, and, but I would like to say, that because of your integrity and attitude, that you have given at a time when public service is really under questioned and screwed me and not always in the most favorable like, you really make us proud, thank you Willis.

(APPLAUSE)

MR. CHAIRMAN:

Next, from California is Eloise Anderson, director of the California Department of Social Service, and under Eloise Anderson's administration, several innovated programs were implemented to improve and reform Social Service delivery, Child Welfare Services in the Welfare System. This year, she
was selected by the Speaker of the United States House of Representatives, to serve on the National Advisory Board and Welfare Indicators. While under colleagues opinion, underscores the value of place that her knowledge injudgement. Governor Wilson has said that Eloise has made strides in welfare reform throughout the State of California and the Nation, where there's strong spirits of commune activism and long standing commitment to improve the lives of children and families. I would like to personally add that Eloise received her training from me in Wisconsin before Pete Wilson stole her away, and I'm trying to find a way to get her back, but I am delighted that she is here. Thank you so very much.

(APPLAUSES)

MR. CHAIRMAN:

Next from Maryland, is Colonel David B. Mitchell, which is Superintendency of the Maryland State Police, in a short ten year Colonel Mitchell has improved in the integrity and fairness of the Maryland State Police, while aggressively battling crime. He has implemented department wide sexual harassments and diversity training to all sworn and civilian employees, has initiated a performance base promotional standard and the spearhead of the Nation's first statewide
community police and academy to train law enforcement officers along community and government leaders, so that they can work together in solving problems unique to their communities. Governor Glendening describes him as a shining example of how effective state government can and must be.

(APPLAUSES)

MR. CHAIRMAN:

Now, we will recognize the award winners on the Private Citizens category. These individuals voluntarily give their special talents and resources to serve their states. First from Delaware, is Robert A. Kasey Junior, owner of Creative Grandparenting, Inc. Now, can we get a story and Regina, and CBS on this one. Alright. Driven by his desire to become a better grandparent, Mr. Kasey formed Creative Grandparenting, Inc. which serves all generations. This non profit organization with national and local membership, seeks to inspire, enable, and empower grandparents of other caring adults to enrich their development at young people in ways that benefit their families and communities. He also has implemented several other innovated programs, including Creative Meningoring, Community Grandparenting and a summary of respect.
Governor Carper has stated that Robert Kasey, is a very enthusiastic and inspiring leader, who is always considered of others and he's an outstanding living example of his philosophy and innovative concept.

(APPLAUSE)

MR. CHAIRMAN:

Next from Utah, is Pamela J. Atkinson, who's the Vice-President of Intermountain Health Care. Almost every homeless person who stays in Salt Lake City long enough, knows Pamela Atkinson. Accordin to a front page magazine article about her titled "Saint Pamela" championing in the cause of the less fortunate is her life's work. As vice-president at mission, services for Intermountain Health Care, she helps slow income, underprivileged people obtain critical health care services. And, Ms. Atkinson was instrumental in bringing about a legal settlement to insure the safety and well being of foster children throughout the state.

Governor Leavitt has said that Pamela has made a positive impact on the lives of thousands of people from Utah by giving her time, love, energy resources, she is an exceptional humanitarian.

(APPLAUSE)
MR. CHAIRMAN:

Now I would like to present the NGA award for distinguished Services to the Arts, in the Artistic Support Category. But first I'd like to thank the members of the Arts Review Panel and my wife Sue Ann Thompson for sharing the panel this year. Sue Ann, would you please join me in presenting the next award.

The Artistic Support Award goes to George M. Irwin, an arts patron and collector from Illinois. Mr. Irwin has been an advocate for excellence in the arts for nearly fifty years. His record of service and leadership reflect his love of the arts. He's been a board member, trustee and founder of more than fortyone art organizations at the local, state, and national levels.

Governor Edgar has stated that Mr. Irwin has been an ambassador for the arts in Illinois, by enhancing an understanding and appreciation for the fine arts through his efforts in both the public and private sectors. His ability, commitment and life long devotion to the arts, have brought both Mr. Irwin and the State of Illinois national distinction.

(APPLAUSES)
Mr. Chairman:

Unfortunately, two of our award winners could not be with us today, but I'd like to briefly recognize their outstanding contribution and thank them for their efforts.

In the Private Citizen Category, I'd like to commend Minnesota's award winner John Brandl, Professor of Public Affairs of the University of Minnesota, and a former State Legislator, for his outstanding volunteer efforts along with Congressman Vin Weber, on a report called "Agenda for Reform": Competition, Community, Concentration, which lays out the dimensions of the potential budget shortfalls facing the state for years to come and present an agenda for Minnesota to prevent those difficulties. Governor Carlson describes him as one who justifies life by being of service, and he sees public service whether as an elected official, a professor, or as a private volunteer as a very high calling.

And finally, on the Artistic Productions Category, I'd like to recognize the contributions of Donald Hall, New Hampshire's Poet Laureate. I now am calling Governor Merrill to join me at the podium, to accept this award on Mr. Hall's behalf, and make some brief remarks.
GOVERNOR STEPHEN MERRILL:

Thank you very much. Donald Hall has published over forty volumes of literary criticism poetry and fiction, and is on a book tour today. He asked me to thank you all very much, but I want to do a little bit more than that. I was watching Bill Moyers, who did a special on two poets. The entire program was devoted to Donald Hall and his wife Jane Keneon, who Mr. Moyers said, well, perhaps the most dynamic writers of poetry in America, and they happened to be married. I was started to find out they were not only married, they were living in New Hampshire, so I hunted them up and became very friendly with them. They are a remarkable couple, and as life so often has it, I think one of the reasons that Mr. Moyers went to find them in their farm in New Hampshire, was that Donald Hall was suffering from cancer, and he wanted to be sure to capture the greatness of this man before he died. Well, as life would also have it, a year later, Jane Keneon died. Of then, undiagnosed cancer, and Donald Hall lives on and is still writing. But both of them became the Poet Laureate of New Hampshire, and upon Jane Keneon's death, I asked Donald Hall if he would once again serve as Poet.
Laureate.

I conclude my remarks simply by saying this: "In the arts, there is a great feeling of community, there is a texture, it adds a richness. Men and women are doing great things in all of your states, be sure to find them. Thank you very much.

(APPLAUSES)

MR. CHAIRMAN:

We have a new award this year, and I'm very happy to be able to present it, and I'll like to make a very special presentation to His Excellency, the Ambassador Helmut Turic, of Austria. Mr. Ambassador, will you and your lovely wife join me at the podium?

(APPLAUSES)

MR. CHAIRMAN:

Why we give a special award and why it's so important to give it to this individual. Since the beginning of his term year in the United States, and hopefully you will pick this up on the news. We are giving you all kinds of copy now for you to go back and fill up for the whole week, good news. Since the beginning of his term year in the United States, Ambassador Turic, has stressed to be an ambassador of Austria
to the United States, for him, means not only being the Ambassador to Washington, but to all fifty states of the Union. His strong commitment to this principle was reasonably highlighted when he visited all fifty states. His trip that's passed made to Oklahoma accomplished this mission. His longstanding relationship with the United States began when he first came to this country as an exchange student in 1957.

He maintains an outstanding diplomatic career, not only in promoting Austria, but also in strengthening the United States-Austrian economic cooperation. And if you haven't met him personally, he will invite you all to Austria. And if you don't answer immediately, he will follow up with and a telephone call later. And he is always promoting exchange programs in areas such as education and vocational training. He's a dear friend of the National Governors' Association, he recognizes the power of governors in the states. He has participated in many of our meetings.

Mr. Ambassador, I'd like to present you with this commemorative plaque in recognition of your tireless effort, along with your wife to visit all of the fifty states.

(APPLAUSES)
AMBASSADOR HELMUT TURIC:

Mr. Chairman, I humbly accept this high award on behalf of the government and the people of Austria, and I hope to see you all in Austria very soon. Thank you very much.

(APPLAUSE)

MR. CHAIRMAN:

Thank you so very much, and now we go to the Executive Committee, but by prior to going to the Executive Committee, would the panel like to give us a thirty seconds analysis of the November election? Thirty seconds is all you've got.

MR. RAY SUAREZ:

Well, I'd have to complaint about how we don't get enough time to do things and how superficial they can be when we don't give the enough time, I think it's going to be a fascinating election.

(APPLAUSE)

MR. CHAIRMAN:

Regina.

MRS. REGINA BLAKELY:

I hope and expect it to be a fascinating election.

MR. CHAIRMAN:

Same for me.
MR. RICHARD BENEDETTO:

I you can believe the pulse, you're looking at the pulse now, obviously, President Clinton has a solid lead, and if you talk to a lot of real people, and, you know, around the country, you'll find that that pretty much varies out in their discussion. We have a new fact that's coming into the race, the parole, land, factor, whether it will be a decisive one or whether it will have much of effect, we really don't know yet, we've got a lot of territory to cover yet to bet your mortgage that this point would not be a good idea.

MR. CHAIRMAN:

Thank you very much Richard, Regina and Ray, we appreciate it very much.

At this time, we will conduct a business of the NGA's Executive Committee. All governors are invited to participate in our meeting and discussion. You understand that only members of the Executive Committee may vote at this time, you all get a chance to vote on our decisions on Tuesday morning during the plenary session. I would like to ask you, somebody of you make a motion to approve the minutes of the May 21 Executive Committee, moved by John Engler and seconded by Governor Bob Miller. There was one type or one million
instead of billion, and john Engler pointed that out, please
correct that Ray. Any further discussion here and then, all
those in favor except the minutes of the May 21 Executive
Committee will signify by saying "I".

GOVERNORS:

I

MR. CHAIRMAN:

Pose signify it for saying I, "I's" have it, motion is
granted.

Now, I'd like to call upon lead governors to summarize
NGA's priorities to legislative issues, and I'm going to start
off with an update on Welfare and Medicaid Reforms. I know all
of you are very interested in this and the likelihood now is
that Congress will pass in the Presidential signing, three
standing Welfare Reform Bill, and that is certainly increased
significantly in the past few days. Republican leadership in
Congress has decided they will split Medicaid and the Welfare
Package, and send Welfare to the President alone. Bob Dole
has also sent a letter to the President urging him to sign a
real Welfare Reform Bill. Congress is trying now to move the
bill on fast-track, they hope to have a bill on the
President's desk before the Congressional recess in early
August. Both the House and Senate may take up the bill on the floor as early as this coming Wednesday, the Senate will be operating under rules for consideration of reconciliation, which means that there can be no filibuster. No debate in amendments will also be limited. The House will consider the bill under a close rule, which will limit debates and amendments as well. The Bill that will be brought to the House and Senate Floor does reflect right now by partisan, NGA Welfare Reform policy in many ways. It creates Welfare as a transitional program, a time limited cash assistance leading to work and self sufficiency. It provides guaranteed and predictable funding in the form of a block rent to stage and allow substantial flexibility for governors to design their own programs.

It also includes the additional four billion dollars in Child Care Funding that governors requested for a total of almost fourteen billion dollars in mandatory Child Care Funding to the states, and we owe a great deal of gratitude to Governors Engler and Carper in accomplishing that. It provides the contingency fund for states during economic downturn, and funds up to two billion dollars level requested by this organization.
The grants restrict the Child Support Program particularly in the areas of interstate cases. There are areas in the bill however that are troublesome to governors. In particular, Congress made several changes during the markup, the strength in the work requirements, this may hinder state flexibility as well as increased costs. This modifications increase the hours of work required by recipients, increase the work participation rate, and reduce the amount of job search allowed. Also, there's a problem, as I see it, in maintenance of efforts as well as the transferability of money from one program to another. CBO has estimated it could cost states an additional twelve billion dollars in additional work program cost for states to meet the work requirements. This is a gap we will try to narrow by restoring greater flexibility to states in the area of work. We think we have a chance to get that done. Other changes adopted in the Senate's Finance Committee, went further than HR-4 on the House skill in opposing some additional penalties, as well as new requirements on states. We will continue to work with Congress to reach a reasonable compromise on all of these components. While NGA will try to have some amendments adopted on the Senate Floor, our greatest opportunity to make
changes will be during the House-Senate Conference of the bill.

Congressman Clay Shaw, Chairman of the House Human Resources Sub-committee, was spearhead of Welfare Reform in the House, has pledged to me and to other members of this Executive Committee, to continue to work with us to achieve a bill that we all can support. Like all of you, I am very disappointed that we will not be able to achieve Medicaid Reform this year. He will recall that both Welfare Reform and Medicaid Reform were considered dead after the President's veto last year. However, the governors, and a by-part of some bases, renewed life into the efforts last February when we reached a by-part of some agreements on Welfare Reform. The Welfare Reform Bill is inactive this year, that reflects they are by-parts and recommendations, then we will have accomplished a great deal. I'm sorry about Medicaid, I'll tell you the six of us that were locked up in a room for over a hundred hours, during several weeks, know how hard we worked to reach by-part of some agreements, we thought we did, hopefully next year after the elections, that we will be able to get back together and continue to work on a by-part of some agreement on Medicaid.
At this time... Are there any questions on either one of those subjects, Medicaid or Welfare, to the Executive Committee?

Alright. The next one we will go to is Governor Voinovich who would like to give us an update on the Safe Drinking Water Act, which is very important to our states. Governor Voinovich.

GOVERNOR GEORGE VOINOVICH:

Chairman, last June, following the passage of the unfunded mandates legislation, the State-Local Government Coalition got together and determined that the next issue or priority that they would set for passage by Congress would be the Reform for the Safe Drinking Water Act. And working with Governor Nelson and the State-Local Government Coalition, we were able to get the Safe Drinking Water Act passed in the Senate unanimously, and by voice votes just recently by the House of Representative.

I'd like to comment that the relationship that we have developed with the other State and Local Organizations has been a very, very fruitful organization in terms of getting legislation passed, and it's one that I think we should continue to try and maintain as an organization. The Safe
Drinking Water Act, I think is a perfect example of an arbitrary environmental statute in diametral reform. The very essence of the laws requirements is that the EPA promulgate twenty-five new contaminants every three years that communities must test for regardless of whether or not they actually occur in the region of drinking water.

For example, in my state, we have found forty-three synthetic organic chemicals, mainly pesticides, that EPA require water systems to test for, but there are only nine of these, and where they say we've got to test for forty three, only nine of them are actually used in the State of Ohio.

Now, we believe that the current program is broken, Congress obviously agrees with it, it's in Conference Committee, and later on I'm going to ask this organization to pass a resolution, urge in Congress to pass this legislation before August the 1st. If they don't do that, then we will loose about $725,000.000.00 from the Drinking Water, a revolving loan fund that they appropriated last year. I'd like to thank Tom Curtis, of the staff, who has really done an outstanding job in helping us get this legislation passed.

MR. CHAIRMAN:

Thank you so very much, I would like to thank you
Governor Voinovich for what you've done on this area as well as other things, going to Washington, being involved in spearheading the effort to get it passed. It's very important for us to get something done, this section of the Congress before the adjourn, and of course they're going to adjourn I believe the first week in August for thirty days, so I hope that we can get it done, and I want to thank you and congratulate you for your hard work.

You want to bring up your resolution now George?

GOVERNOR GEORGE VOINOVICH:

That'll be fine. I moved the adoption of the resolution. And what is the resolution? The resolution is a resolution urging Congress to pass this legislation before August the 1st.

MR. CHAIRMAN:

It's a tremendous impact in all of our states, and we should pass it, it should be a strong resolution asking Congress to act on it, it's a by-part of something and it has had by-parter in support in Congress and you've done a wonderful job George on it.

GOVERNOR GEORGE VOINOVICH:

And have the by-parters from second.
MR. CHAIRMAN:

And get a by-parter for second. Any further discussion on the resolution? Hearing then all those in favor of passing the resolution asking Congress to act on the Safe Drinking Water Act before August 1st, signify it by saying "I".

GOVERNORS:

I, I, I...

MR. CHAIRMAN:

Pose signify it by saying "I", "I's" have it, motion is granted.

Now, I would like to call on Governor Carper to give us an update on Work Force Issues, another important issue to us as governors.

GOVERNOR TOM CARPER:

Thank you Mr. Chairman. All of us gathered in Washington at the end of January and the beginning of February. And we hammered out agreements consensus, unanimous consensus on Welfare Reform. Unanimous consensus on Medicaid. We are hopeful that the Welfare Reform changes will be an accurate hopeful, that the Medicaid changes would reenacted. One other issue that we gave a rather short trip to, at that time was the issue of Work Force Development, because we were sure that
those changes that had been kind of played, actually passed in the House by five to one margin, passed in the Senate by, with only two dissidence votes, and the Conference said that continuing as that until we were actually certain, that their consensus would be found there and the President would be signing legislation to our consultary program, simplifying and giving us a lot more effectvility. That was last... In January, the Conference that was convened last October, and if anything the Conferees and House and Senate are further apart now then they were then, a lot further apart, and then, to gather here today, I'm a matter of optimistic we sent governors two letters I think in the last month, I think both of them were addressed to Senator Kassebaum, who is the prime author of the legislation. It's been encouraged in her and her colleagues to work in it along, and a by-part of something to get this back on track and get it enacted. I suggested to the Chamber this morning over breakfast, that we face prospectably the works of all the world. Less money for these programs and no flexibility. We saw the money was adequate or appropriate in '95, was diminished in '96 and the anticipation was to be diminished further in '97, and if a lot of folks in Washington and around the country have their way,
we're going to end up with less money and the same lack of flexibility that we've always had. Driving the need to some action, we hope they're the right actions, as we've got some states that represent whatever is in around this stable action, has passed legislation that anticipated the kind of change that we all thought were coming from Washington and now it's discouraging that they may not... those changes may not come. There are a couple of things we ought to do in order to guess three of them. One is just to push very hard on Republican leadership in the Congress and on Democratic leadership to get this done.

My understanding is that there are a couple of things the President wants, that we want, and maybe a thing or two that the President wants that we don't want in the bill. And I would just mention that one of each, the President said that he won't sign a bill that takes the word "deletes us, go to work". We as governors support "let's go to work". The President also said that he would like to has mandate about people could use and take the different Work Force Development entities within our state, I think the administration might be going to back-up the mandate, and those who with a little more flexibility, but we need that. And we have some folks in...
I don't want to make this a political discussion, we've got some folks in the other party who have some concerns that really, if they're addressed in a lighter day with the facts that Senator Kassebaum in its speech, is actually depended to our material, they really don't stand up through the light of day.

So three things, one, push very hard both sides, Executive and Legislative Democratic and Republican down there to get this bill passed.

Second thing that we need to do is to work on the appropriator, the idea of having less money for this program, and no more flexibility is something we have to raise we the appropriator.

Lastly, what would we may want to do within this organization and with their own staff, is to explore the administration, if we do don't get the money that's needed, and if we don't get the flexibility too, legislation is needed, we may ask them to explore, the administration to explore, give us some regular to relief, to regulation, administratively. As much as we have done with respect to Medicaid and to Welfare. That may be, that's not the preferred course, but it may be in end our only option.
Thank you.

MR. CHAIRMAN:

I would just like to add very quickly, that there are over a hundred programs, as Governor Carper has indicated, that are going to be consolidated under the legislation. And it receives strong, strong by-parters and supporters, "that 90% of the people who voted on it in Congress voted for it". And in 1995, the States had 5.2 billion dollars. This year it's been dropped to 4.6 billion dollars, and the Corporation Bill is going to reduce it an additional 50 million dollars, and that means that we're going to have this a hundred and some programs with the plaster of rules and regulations that we have to comply with, with less discretion, less flexibility. And, who's to blame? The people on both side have to blame, and we have to put a great deal of emphasis and pressure as governors. On a by-part of some basis to get this thing through. I think it's a terrible thing that we haven't been able to pass it, and, whatever we can do together collectively to contact our Congressmen and Senators, I think we should do it, because it's going to impact directly on each and everyone of your budgets.

Any other questions? Yes, Governor Engler.
GOVERNOR JOHN ENGLER:

The only thing I observe is that if we're close to getting a Conference report signed that under House scenario and Senate's scenario or various situations, the Conference Report, all of those are significantly better than current law. There is nothing that's a step backwards. They may not go as far as we would like, that may be things left behind it we would like, but clearly, all of them represent a substantial consolidation of generally speaking, of a hundred and fifty different Federal programs down to two or three or four Federal programs and so forth, it will be very important to resist both, I think, from the left and from the right, the different peeress prospectives since this what this ought to be, and that the governors have been the motivating force behind the reforms, and that we need to continue that, because it's likely not to be all that I would want or all that you would want or any other governor might want, but clearly, just to finish this and make it round one of what can be then, another round next year, but to let it pulse short, giving the fiscal reality that you sighted, I would be a serious blow to our states ability to perform in this areas.
MR. CHAIRMAN:

Thank you John. I can impress upon this organization, how important it is to try and get this thing through, so, we're all going to be impacted, so, let's try and contact our various representatives and see what they can do. I'd now would like to call upon the Executive Director, Ray Scheppach, provider for an update, on our fiscal 1997 Federal budget. Ray.

MR. RAY SCHEPPACH:

Now, very quickly Mr. Chairman, the House has now adopted seven of the Appropriations Bills and they're currently working on an additional three to hopefully report out over the next couple of weeks. The Senate is now trying to take up two a week between now and the August recess. The Conference Committees will therefore take place in September, although there's an increasing probability that this will all get turned into a continuing resolution that would probably go through March of next year. It looks like in terms of the numbers that a status-quo appropriation levels pretty much in agreement which what you're currently operating on for this fiscal year will be what's adopted in most areas.
As was mentioned, the Medicaid has now been dropped, but I think the Medicare reconsideration portion has been dropped and it is all likely that the tax portion, so what we really have now basically pending is the Welfare Bill in perhaps the continuing resolution for the appropriation.

MR. CHAIRMAN:

Now we go to the policies which have been submitted by the Executive Committee, and we have to take action on these. The First one is Manage Care and Health Care Reform, and I'd like to call on Governor Howard Dean, from Vermont, to discuss the amendments to this policy. Howard.

GOVERNOR HOWARD DEAN:

Chairman, I moved this policy, there is one issue in the policy which is of some... of concern, and that is the piece in the last final paragraph, which we are not offering an amendment to right now, but probably will try to work with the number of governors between now and Tuesday to operate, to suspend the rules in the final sessions before we adopt them. But, otherwise I'd move this policy.

MR. CHAIRMAN:

Do you remember the designs of standards being offered by Governor Roy Romer and yourself?
GOVERNOR HOWARD DEAN:

Yes, and we will be holding off a the minutes, so that we can... No, actually Mr. Chairman, the amendment has to do with the last paragraph which discusses... the amendment will actually affect the entire last paragraph which we run as in wording problems with, we will...

MR. CHAIRMAN:

Let's see if we work it out over...

GOVERNOR DEAN:

That's right, we'll work it out between now and Tuesday, so, what we will probably want to change some of the language in the last paragraph next Tuesday, I mean, this coming... the final session. So, having said that, I just warn everybody that there will be some words missing there, I moved the policy.

MR. CHAIRMAN:

Alright. Move by Howard Dean to adopt this policy, is there a second?

Seconded by Governor Engler, all in favor of this policy, signify it by saying "I".

GOVERNORS:

I.
MR. CHAIRMAN:

Pose signify by saying A, "I's" have it.

Second implement in the Policy Statement of the National Education Summit. I want to mention this policy is going to be addressed and discussed further, at the governors only session this afternoon. So, I would hope that we could restrain ourselves on the amendments until we get into the governor's only meeting where I believe we will have some spirited discussion on this occasional entity. Governor Romer, would you like to make some comments about this proposal?

GOVERNOR ROY ROMER:

I think we're going to discuss it later, I think it's a continuation of the policy meeting, it's a good document, I think we need to discuss some questions that Governor Allen has about it, and I think we ought to be on down the road.

You need a motion?

MR. CHAIRMAN:

Yes, I do.

GOVERNOR ROY ROMER:

I move that we put it on or adopt it, whatever the appropriate motion is.
MR. CHAIRMAN:

Move the resolution as adopted?

GOVERNOR ROY ROMER:

I move we adopt the resolution as appears in votes.

MR. CHAIRMAN:

Seconded by John Engler, any further discussion here and now, and all those in favor of this motion signify by saying "I".

GOVERNOR:

I.

MR. CHAIRMAN:

Pose signified by saying A, "I's" have it, motion is granted.

The third one is The Effect of the Seminole Decision, on the Indian Gaming Regulatory Act, and, I would like to quickly come on that policy, as all of us know, there is a Supreme Court decision, and while the Secretary of the United States Department of Interior considers whether he can by-pass state authority in the areas of establishing Class III gambling on indian land, we have send a strong message as governors to Secretary Babit first, that IGRA remains in effect and continues to be the only mechanism through which indian tribes
may legally operate Class III Gaming. Second, that there is no authority provided IGRA, that would empower the Secretary to create a process through which he may by-pass states and provide a remedy for tribes in cases where a state asserts the 11th Amendment depends to suit. And finally, governors reasserted that clarification of the scope of gaming, is at the rod of the complex arising between states and tribes over IGRA implementation.

And as you all know, the Supreme Court endorsed the states armistice, the states armistice and it's decisions recognizing states defence, the suit under 11th Amendment of the United Constitution. I believe that the result of this case ought to be the tribes come to the table with a compact proposal, that does not demand the operation of gambling activities that are otherwise prohibited by state laws. It would be unthinkable for the Secretary to use a decision that so strongly confirm state authority as justification for interstate gambling laws, regulations or procedures. And governors have emphasized their continuous commitment to work with the Secretary and Congress, resolve the difficult issue of right in on of IGRA implementation.

Let made it clear that this solution was not going to
come at the expense of states sovereignty. I want to also mention this proposal is previously adopted as inner on policy, and no further Executive Committee action is necessary today, we more than likely will do that on Tuesday.

Next, Renewal of the Most Favorite Nation Status for the People's Republic of China, I'm now calling Governor Engler for remarks about this policy, and I also want to remind that this proposal is also previously approved as inner on policy and no further action by the Executive Committee is necessary.

GOVERNOR ENGLER:

I'll be real brief in... because it is already interpolicy, and we don't need to act on it today, we simply allow that National Governors' Association to support the present leisure of Congress on this issue, of continuing to have normalized trade relations with China, references in the number of the different specific factors relative to US-China trade, and commits and endorses efforts to reduce copyright imprintsments or limit piracy to make sure that the trading relationship is a fair one, but it recognizes that normalized trading relationship is in the economic instance of the United States, and indeed, of certainly of China, but also that to strengthen and continue trading relations, it also would work
in the interest of human rights, and so, it's a position that has been sustained actually by the House of Representatives when they refuse to override this decision to continue to normalize trading relations and, I continue to speak English to write a message, and he has suggested that for state relations, that phrase be changed, you know, that really reflect the status to normalize trade relations that doesn't mean any favor that's stowed on a nation that violates basic human rights, because it recognizes it, certainly if we have a Most Favored Nation Status for Syria, that we also perhaps continue to have a normalized trade relationship with China.

MR. CHAIRMAN:

Thank you very much Governor Engler.

Finally the Executive Committee recently adopted inner in policy in strong opposition to Federal Reserve Board Regulation E, dealing with electronic benefit transfers. We're talking about Regulation E, it's something that I find very apparent for governors, and that is that the Congress was going to require us under Welfare and Medicaid, to go into electronic transferring of benefits, but at the same time, if there's any fraud or abuse, the states will have to pay for
it. I thought it was really contrary to what the existing law is.

If we pass inner in policy on it, we have been able to be successful in the House Agricultural Appropriation Subcommittee Bill, which prohibits the final issue into Regulation E, we also need now support on the Senate, otherwise, it's going to be another unfunded mandate, a very extensive one placed upon the states.

The policy is going to be coming before the full body through the Human Resources Committee on Tuesday, and I would like to once again, at that time, to reaffirm our opposition to Regulation E.

I now would like to call on the outstanding Vice-Chairman, Governor Bob Miller for the report on the NGA administrative issues including update in NGA final fiscal 1996 budget Approval of Grants and Contracts, as well as a brief remarks on the New Governors Seminar. Governor Bob Miller.

GOVERNOR BOB MILLER:

Under Tab D, the first three pages are devoted to the NGA Financial Statements through May. As of May 31st. NGA has approximately a 1.3 million dollars surplus, almost half of
that relates to the reversal of reserve established for the NGA's deal well indirect cost products.

The established reserve was 600 thousand and the excess for the final settlement would deal well, remaining surplus to do formally the timing differences, we expect to end the year with a very small surplus. Are there any questions on that?

The grants are under pages 4 and 5 under tab D, the first is the Carnegie Corporation Grant for Education, the second is a Robert Wood Johnson Foundation Grant, relating the health. If there are any questions, so, the director will answer those, if not, I make a motion for the approval of the Grant.

MR. CHAIRMAN:

Motion is made by Governor Miller, and seconded by Governor Engler. Any discussion here and now, and all those in those in favor of the motion signify it by saying "I".

GOVERNORS:

I.

MR. CHAIRMAN:

Pose signify it by saying I, "I's" have it, motion is granted.

Governor Miller.
GOVERNOR MILLER:

The Seminar for New Governors that will be held in Atlanta, Georgia, that's kind of a follow-up for the Olympics, and I guess Governor Zell Miller, you know, just still want a total withdraw, so he's going to house us there from November 14th to 16th in the Buckhead District, if you're familiar with Atlanta.

We expect a relatively small class of new governors, and so the that the formats can be very informal, and for those of you that enjoyed today's... and sponsored discussions, with the spouses that Sue Ann put together with excellence, I thought that some of the new governors think we'll have even more of that as this one, and since we're going to have time to interact a lot, we're going to have the Executive Committee Meeting in conjunction with that Seminar to kind of solidate schedules. And fellows accord to bring in the new spouses and governors as well as having as many of you as possible the desire to participate at faculty, and those of you who want at faculty as your schedules develop, please let us know.

November 14 to 16. Thank you.

MR. CHAIRMAN:

Thank you Governor Miller. I'd like to announce now that
we are going to adjourn, and we're going to go to the Governors Only Session, it's going to be in the Pablo Ballroom on the Mirador level, and we're going to have the discussion center on the National Education Summit, and the Governors Priority for NGA. And I also would like to remind you that we're going to try and conclude by, probably 3:15, and at which time the NGA Corporate Fellows are going to come in and we're going to have a discussion with the Corporate Fellows. And so please leave here and go to the ballroom and we'll get started immediately. Thank you so very much for your consideration.

I also would like to announce that we did not get a chance for Governor Rosselló to make the welcoming remarks, we got to much going on this afternoon, but he will get that opportunity either Monday or Tuesday in the Plenary Session, but thank you again Governor Rosselló for your hospitality.

(Whereupon, the Plenary Session was adjourn)
CERTIFICATE OF REPORTER

I, José Espinosa, Court Reporter and member of Espinosa & Espinosa, Inc.,

DO HEREBY CERTIFY: That the foregoing transcript is a full, true and correct record of the Plenary Session which was taken down by me.

In San Juan, Puerto Rico, August 12, 1996.

[Signature]

JOSE ESPINOSA

COURT REPORTER
IN RE: 1996 ANNUAL MEETING :
CLOSING PLENARY SESSION :
EXECUTIVE COMMITTEE :

DATE :Tuesday July 16, 1996
TIME :9:30 a.m.
CLIENT :NATIONAL GOVERNOR'S ASSOCIATION
ADDRESS :Hall of the States
444 North Capitol Street
Washington, D.C. 20001-1512

CELEBRATES AT :El Conquistador Hotel
Salons 4 and 5, Grand Caribbean Ballroom
Fajardo, Puerto Rico

PRESENT WERE:

Governor Tommy Thompson,
Wisconsin, Chairman

Governor Bob Miller,
Nevada, Vice Chairman

Governor David M. Beasley
South Carolina

Governor George Allen
Virginia

Governor Pedro Rosselló
Puerto Rico

Governor Howard Dean, MD.
Vermont

Governor Don Sundquist
Tennessee

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Governor Kirk Fordice
Mississippi

Governor Bill Graves
Kansas

Governor Roy Romer
Colorado

Governor Frank Keating
Oklahoma

Governor Carl Gutierrez
Guam

Governor Tony Knowles
Alaska

Governor Gary E. Johnson
New Mexico

Governor Terry E. Branstad
Iowa

Governor Lawton Chiles
Florida

Governor Jim Edgar
Illinois

Governor George Voinovich
Ohio

Governor Paul E. Patton
Kentucky

Governor Stephen Merrill
New Hampshire

Governor Parris Glendening
Maryland

Governor John Rowland
Connecticut

Governor Tom Carper
Delaware

GUESTS:

Mr. Robert Dole, Former Majority Leader of the U.S.
Senate

Mr. Bill Clinton, President of the United States
MR. CHAIRMAN:

Would the governors please come in. We have the final plenary session to begin. We are going to hear from Senator Dole, former Senator Bob Dole and President Clinton. Later on this morning, we have a lot of policies we have to discuss. We have to, right at the end of the meeting, change Chairmanships to Bob Miller; and we have a lot of things that we've got to get done this morning. So I would appreciate it if everybody would come in as soon as possible.

I would like to call the final Plenary Session to order. I would like to welcome all of our guests to the closing Plenary of the 1996 National Governor's Association annual meeting. Our guests from Japan, and the Ambassador from Austria, and guests from all over the United States, and especially Puerto Rico. We are very pleased that you're in attendance for this final session.

I would like to just begin by thanking all of our hosts, hostesses for...from Puerto Rico, from the Governor on down, Governor Pedro Rosselló and Maga Rosselló, I think, just did an outstanding job for this convention. And I think it would be nice just to show our appreciation, as to give a
big long round of applause to all of those people that put on this conference (Applause). And not only has, as I believe, from my perspective anyway, that our time has been very productive. From a policy standpoint, we have reached agreement on all of our policies, some of it was controversial. We worked together, and good bipartisan fashion, which is the cornerstone of this organization. And we were able to reach consensus on all of the policies, as I understand it. And I want to thank all of you for working so hard to accomplish that.

I also want to thank each of the Governors for their time and energy that they have donated and dedicated to NGA this past year. And I believe together, as partners, we've accomplished a great deal.

First, you all supported me to have an outside consulting firm perform a complete operations review on NGA. I can assure you that everybody was somewhat concerned, especially the staff, and all of you, as governors, made comments. Not all of them I can assure you, were complementary. We heard what you said, we also heard what you wanted to change. At our winter meeting we adopted those changes to make NGA a much stronger organization. One that
all of us as governors, Democrats, Republicans and Independents can be proud of. We now devote more time to private Governor's only sessions at our meetings. We had a special program this past Sunday, which I thought was very interesting and widely accepted. We are more focused on the major lobbying issues, and setting priorities. We spent time yesterday on setting priorities. We will continue to do that through the upcoming year under the leadership of Bob Miller.

We are also now piloting our own NGA Home Page on the Internet. This will allow you as Governors, and your staff to receive policies, letters, and lobbying updates via the Internet to cut down dramatically on the paper sent from NGA to state capitals. You will also have ready access to NGA staff and the director, and be able to find out immediately what you need. They will be able to get you that information almost immediately.

I would encourage all governors and the staff, to take a look at the new Home Page that is set-up on a computer in the hall outside this room. We're moving ahead; we're using technology to make our organization more effective for all of us. And we have re-focused our policy center to provide
more best practices information on states. We are also exploring the idea of setting-up a university for governors throughout America. The first out-put of this newly re-focused center for "best practices", is the Southern Task Force Reports on ideas that work, that have been released at this meeting.

I want to thank each of you for submitting your states "best practices" information. Before you, ladies and gentlemen, are your seven policies, in this ready to be made desk manual, desk set that you can review. This report should pay great dividends to you and your policy staff.

I told the press yesterday that over five hundred innovative ideas, much more than have ever been compiled before, and governors worked very hard to get that done.

The best ideas, you have the background information, you can contact the governors and so on. I also indicated that if they compared our output with new innovative ideas, with what come out of Washington, that what comes out of Washington, could be compiled, I believe, in less than one book, where it takes seven books for governors.

Second, we came together for an Education Summit in March. We had forty one governors in attendance, and forty
nine business executives. We make a commitment to implement
education standards and assessments. We're now following-up
on that initiative and we'll talk about it a little bit later this morning. This was an historic achievement that will pay great dividends in the future for our students and our country, by increasing the kinds of standards and assessments that a lot of people worked very hard on.

Third, several governors spent over one hundred hours negotiating on Medicaid and Welfare. We developed a policy that was adopted unanimously by all governors at the winter meeting. But we were not able to maintain our strong bipartisan commitment, since it is a Presidential election year. We did have a major impact on the two bills working their way through Congress today.

I want to say a special thanks to Governor's Miller, Romer, Chiles, Leavitt, Engler, and Carper for their great efforts.

I want to tell you that not always did we get along. But when we were at our darkest moments and we were losing our tempers, somebody always would come up with a great saying that would break up the group, and we would be able to get back on task.
I think the greatest saying was by Governor Chiles one day, when he looked at Governor Leavitt and Engler and myself, and he says, "Gentlemen, if you keep thinking the same thoughts you've always thought, you will end-up doing the same things you've always done". And it broke us up, and I have used that quote. I've not always given the correct quote to Governor Chiles, but I've used it to my advantage, I can assure you, many times.

I also want to thank Governor Voinovich, for all of his work with the "big seven" state and local government organizations, to get the mandate reform legislation enacted. People said it couldn't be done. Governor Voinovich did it. It's already paying great dividends; and Governor Voinovich may even get the "Safe Drinking Water" legislation passed this year as well. And I want to thank you George for your hard work.

At this point, I want to express my appreciation to the governors who headed-up the "Ideas That Work Task Force"; Governors Rowland and Lowry on "Business and Environment"; Governors Conehan and Sundquist on "Crime and Public Safety"; Governors Whitman and Hunt on "Education"; Governors Caperton and Geringer on "Infrastructure";
Governors Tucker and Fordice on "Job Creation"; Governors Engler and Dean on "Self-Sufficiency"; and Governor Bob Miller on "Tax Reform".

I now would like to ask a few of these governors to briefly discuss their Task Force Reports. And the first one I'm going to call upon, Governor Dean. Governor Dean, are you ready to report on your Task Force on Self-Sufficiency—The Self-Sufficiency Task Force Report. But I would hope very much, as Governor Dean is coming back to his desk, that all of you as governors would take this desk-set, put it in your office, and refer to it, because there are some great ideas in there, that really do work, in states across America; and you can utilize them, you can take the ideas, take them as your own, and be able to, I think, very sufficiently improve the quality of government in all of your states. With that, I would like to ask Governor Dean to report on the "Self-Sufficiency Task Force Report". Governor Dean.

GOVERNOR DEAN:

Thank you Mr. Chairman. This would not be the NGA if it were not some last-minute on health care policy. We were just--Governor Sundquist and Governor Romer and I were just
getting those straightened out before that policy comes up. So I apologize for not being at the ready when you called me.

First of all Tommy, I want to thank you for your terrific leadership. This has been an excellent year where we can look at, "Best Practices", look at "Management Practices", and I think that most of the NGA governors that I've spoken with at this meeting and others, value the NGA because we learn so much from each other. What one state does is often applicable to something—a problem that I have; and I can appreciate and use that solution in our state. So, very much in a spirit of that, I want to thank you for your leadership and your excellent year as Chair of NGA.

What we have done essentially, is look at how we can reform our Welfare and Work-force Programs, so that individuals can become self-sufficient. As many people know, the biggest problem with the Welfare System in this country, is that it teaches people to depend on others without contributing anything to the system themselves. In Vermont, we have a Welfare Reform Program. There's about forty states now due under waiver, which requires work in exchange for
Welfare. But also does lead people down the road to self-sufficiency by things such as job training, supporting families, which is extraordinarily important; and adequate health care and child care, and so forth. Many states have improved their situation dramatically. There's only—an example, our Welfare case-load has dropped by nine percent; other states have an even higher drop. Our income for our Welfare recipients has increased dramatically, because we've gotten rid of the hundred-hour rule, and that has helped folks go to work, who ordinarily found that Welfare is a better way of making a living than going to work.

There has been a great, there's a great deal of information in here about what other states have done. I'd commend that to the governors for their involvement. And thank you again Tommy, for allowing us to share some of the things we've learned in Michigan and Vermont and other places, in terms of trying to make families more self-sufficient.

MR. CHAIRMAN:

Thank you very much Howard. And Howard said it best when he said, "You know, this meeting, like all governors meetings that we attend, we're always able to learn from one
another". And there hasn't been a governors organization meeting that I have attended in the last ten years that I've been Governor, that I have not taken away from that meeting, some idea, or some program that I've learned from another Governor, and I've taken it back to my home-state, and have tried to implement it. Some successful, others not quite as successful. But it's always been a learning process, and one in which we can--always will be able to continue to build on. And that's what I wanted to accomplish with these pamphlets, and programs of "Best Ideas", and I think that you'll find them very helpful. And there's some great ideas in here that you can take, and they're all at your finger tips; and they're all compiled now, over five hundred new programs and ideas that states have adopted in their states. And we've taken the best ideas and put them together, and you'll be able to utilize them back in your home-state, and take credit for them.

Now I would like to call upon Governor John Rowland, who is going to give you some remarks about the Business and Environment Task Force Report. John.

GOVERNOR ROWLAND:

Thank you very much Mr. Chairman. Let me also say, as
one of the new governors, I think I could probably represent the viewpoints of the newer governors here this year. We thank you for making our jobs so much easier. Rather than going through the painful task of trial and error, we can take advantage of the things that have worked, and things that have not worked in other states. So for newer governors, this product that's been produced during this past year is a tremendous resource for us, and we sincerely appreciate it.

Governor Raleigh and I headed-up the "Business and Environment Task Force", and I would just like to take a few quick seconds and touch on some of the conclusions that we came upon.

First, let me say that we had a lot of great proposals, and participation by the other governors was extraordinary, and we appreciate that. The profiles that we put together from all the states really came down to six different categories: Number one, redeveloping "brown fields"; number two, reducing red-tape; number three, integrating economic development; number four, preserving natural resources; number five, preventing pollution; and number six, providing limited amnesty. I wont go into all
the categories. I'll merely say that what we've really come into is kind of a good news, bad news scenario.

The bad news is, that for the last hundred years, we've created, through the industrial revolution, and through the contamination of many of our areas, the problem, we've created on our own.

The other part of the bad news is that, we still feel at the state level, that we're not getting the satisfaction and the flexibility from the federal government that we'd like to have to resolve the issues at the state level.

The good news however, is that the technologies that have been developed are incredible. The engineering professionals, some of the same groups, organizations, corporations and businesses that have created the problems in the last several decades, now are on the cutting-edge of creating the solutions. So, the new technologies and the engineering concepts that have been developed, have been rather extraordinary, and that will help us move ahead.

The other good news scenario is, the partnerships that have been created. Never before have we seen such cooperation between our environmental officials and state government and local government, and of course, the private
sector. So we see the problems that have been created; we've found a whole host of ideas that we think will continue to work. I want to thank the governors that participated and ask them all to take some time to go through this, because these solutions are very expensive to all of our states; and we continue to call on the federal government to give us the flexibility that we need to resolve the problems and to allow us to use the most creative, most effective, most efficient proposals that we can possibly find. And so I think that you will see and hear more from our Task Force over the next couple of years. Thank you very much Mr. Chairman.

MR. CHAIRMAN:

Thank you John, and thank you for your hard work and your leadership. I now would like to call upon Kurt Fordice who was the Chair of the Task Force on "Job Creation", a subject that's very near and dear to his heart, and one that he's done very well in implementing in Mississippi. Kurt.

GOVERNOR FORDICE:

Thank you Mr. Chairman, and thank you for your leadership. You sure know how to pick people for the job, because as you said, that is my favorite subject, and I
appreciate you assigning me to it. I appreciate you being Chairman of the National Governor's Association. I've enjoyed immensely working with you.

The beginning of the book, the introduction, says that, "job creation cuts across the very breadth of government functions, and indeed it does. It's completely linked with education, we all know that. But, as I've said a hundred times in my own state, education has such an inertia to it that you can't wait on your improvements in education to occur to go ahead and do economic development and job creation. They have to go hand-in-hand. But they can't be separated.

The infrastructure system is totally connected with job creation; and as we move ahead, and in our state, very rapidly with economic development, sometimes we get into the position where the development is actually exceeding the infrastructure that's needed to keep it going. The tax system is involved in job creation.

The first essential, I believe, is to recognize that the only way to create jobs is additional private Capital invested. Sometimes we like to fool ourselves that government creates jobs. I think government can only take.
It taxes and it takes away. But somehow, we've got to create a business-friendly climate that will encourage private capital invested in each of our states so that jobs can be created. And this book called, "Job Creation", this section is just a wealth of ideas. If you fail to utilize this book, you do so at your own peril, because there are ideas to be stolen in there. We've stolen directly from Kentucky.

Now the Rural Economic Development scheme that Kentucky has, and I'm not sure, Paul, that anybody that you and I have at this moment, it's very, very effective. And in order to compete, we felt like we had to plagiarize that, and that's what this book is all about, the recognition of existing industry, which is very important in our state. We want to retain the jobs that we've got; and we have programs for recognizing those good people that are already in the state. And particularly when we go overseas on trade missions, we make it a point to visit with and express our appreciation at the home offices of those foreign companies that have invested in our state. There's a lot in here about the very important subject of incentives that we've had much debate about in NGA, and whether you like incentives or not, they're out there. And if you're going to get your share of
jobs, then you've got to be up to snuff on the incentives that are being used by the competition. Enterprise zones and all of the ideas for making it more attractive to invest in one area than another is an extremely important subject that's included in here. Because there's an immobility of the work force; although our state is doing extremely well overall.

We still have the endemic unemployment in the Mississippi Delta that's been there, really, since the mechanization of agriculture. And all the brilliant minds that have been focused on that haven't been able to solve it. And there are some good ideas in here for how to concentrate into a particular area through enterprise zones. Grants to colleges and universities to enhance the particular companies that might be the best at creating jobs.

All of these things are aids to business, to be business-friendly instead of business unfriendly. Military re-use, with the build-down that's going on, there are all kinds of military facilities that can be brought into economic development and job creation and of course, international trade. We all know that the companies that
export, have generally higher paying jobs, and therefore, we should encourage them in every way. And on a foreign mission you're interested in how are you going to export more, and also attracting foreign investors. Its all in the book.

I would commend it to your reading; and if you don't, somebody's going to get ahead of you on some of these ideas. Thank you Mr. Chairman.

MR. CHAIRMAN:

Thank you Kurt. I appreciate that and all your hard work and all the governors. Now when you ask your staff to find out what other states are doing, NGA will have the answer—you can have the answer right at your finger tips. And NGA under the leadership of Governor Bob Miller, in the future will also continue to update and make further additions to this particular pamphlet on each one of those subject areas. The reports can be copied; they can be plagiarized, and they can be adapted by each governor, and this is something that this organization has with the enthusiastic support of the originating governors.

Every governor that's got ideas in there is asking you to take them and use them and adapt them to your particular state. Five hundred ideas that are already working to build
a better America. And each of your are to be congratulated for your leadership in implementing these ideas. Copy away, and please take the time to refer to these documents. They've got a wealth of information and knowledge for your use. We will not wait for Washington's okay. We seek their partnership and a lot more trust. Most governors and many others believe it is the governors that who are leading the nation today in improving domestic programs. All of us, I know, believe that, and I think we're correct in believing that.

I deeply appreciate the bipartisan commitment of the governors to bring about NGA legislative priorities. And I am confident we will succeed. We now begin, ladies and gentlemen, that portion of the program, with the adoption of proposed policy positions. These policies were originally sent to each governor on June 28th, and this package reflects those policies, with amendments which were made by the executive committee, and the standing committees had their meetings yesterday. They require a two-thirds vote, of those present and voting. We will take the policies in alphabetical order by committee, with the executive committee last. And will the committee Chairs please call
for the vote, either individually or on blanks on the proposals of each committee; and I would also ask each of those Chairman to move the adoption of their policy positions after they get done explaining them.

I'd like to first call upon Governor Steve Merrill who is Chair of the Committee On Economic Development in Commerce. And I would appreciate if Steve, if you would summarize the resolutions that came in front of your committee and the actions taken thereon.

GOVERNOR MERRILL:

Mr. Chairman, I would be happy to do that, and I want to echo Governor Fordice's comments about your leadership. It has been outstanding and its been a pleasure to work with all of you. As the Chairman of the Committee on Economic Development in Commerce, we met yesterday. We discussed the transportation issues with the Chair of the House Transportation Sub-Committee and the ranking member of the House Transportation Sub-Committee. We then discussed competition in telecommunications, which has effected all of our states, and is perhaps, the most rapidly changing developing and dynamic concept in our states in terms of technology, and perhaps, in terms of our states themselves,
because it will interrelate with Welfare Reform, Education Reform, Long Distance Learning, and the Chair of the Federal Communications Commission, Reed Hunt came and attended our session.

We also talked about efforts of privatization, and Governor Rowland articulated some of the changes that he has made; and Governor Miller indicated some of the changes that they have made in Nevada as well.

We approved a joint statement along with the Human Resources Committee on improving state telecommunications linkages that were sponsored by Governor Terry Branstad. And Mr. Chairman, I would ask that Governor Branstad be recognized to describe his statement to this group.

MR. CHAIRMAN:

Governor Terry Branstad is now recognized.

GOVERNOR BRANSTAD:

Thank you Governor Thompson. And I want to thank both Governor Merrill and Governor Carper for their support in approving this statement. Actually, it was approved by both of those committees that they Chaired.

I just want to take a moment to invite you to join me in trying to improve the linkages among our states in the
area of telecommunications.

Today, telecommunications offers new opportunities for us to share information like "Best Practices", and to coordinate our efforts on programs that require regional or national cooperation. It is my hope that during the coming year we can work together to realize more of the potential of this technology to improve our practices and learn from each other. There's one program that I would especially like to make you all aware of.

The National Guard is in the midst of developing a distributive training technology program. Their goal is to link National Guard Armories around the country to—and as a linking, these National Guard Armories around the country, to lower costs and increase the quality of the training programs.

The state of Iowa has already been able to do this as kind of a pilot project, and it's a very exciting thing having all of the National Guard Armories hooked-up to the fiber optics network. Because you will be asked to play a role in the development of this as the Commander-and-Chief of the National Guard in your state, the National Guard system in your state could be used to permit better access
to public services in rural communities.

I think this is especially helpful to governors of large states with many rural communities. As it is developed, it might also provide a cost-effective means of linking your telecommunications services together, or linking them to programs in other states.

I intend to work with members of the Committee on Economic Development, and the Committee on Human Resources to explore options for better linkages. We'll meet with the representatives of the National Guard and other groups, public and private, concerned with fostering more effective telecommunication links among the states. We'll focus on reviewing needs and developing strategies for effective partnerships, which would encourage cooperative use of telecommunications. If you'd like to be part of this effort, I would ask you to either contact me or my staff, or the committee chairs, or staff of either of the two committees.

And Governor Merrill, thank you for giving me this opportunity to share with all the governors the exciting opportunities that are available in cooperation with the National Guard in telecommunications.
MR. CHAIRMAN:

Thank you very much Governor Branstad. Thank you for your leadership and telecommunications. You have done an outstanding job in Iowa, and you continue to do so in this Association. I thank you for it. And Steve, thank you so very much for your report. Now will you make a motion on it, or do you have some further things?

GOVERNOR MERRILL:

I will do that Mr. Chairman. The Committee on Economic Development in Commerce wishes the National Governor's Association to recognize its priorities. There are in transportation and interconnecting our states with bridges and highways, in telecommunications and interconnecting our states in the most dynamic area that occurs in our states, and in privatization. Sharing those points of view on how we can bring the private sector into state government and make it even more effective; therefore, we have developed a policy on air transportation --pardon me-- We've developed a resolution on surface transportation financing; we've developed a policy on telecommunications, amending our concerns about adequate radio spectrum capacity; for public safety agencies; we have a new policy on privatization and a
policy on employment security.

Mr. Chairman, the Committee adopted all of these policies by unanimous vote, and therefore, I move their adoption by this body, in mass.

MR. CHAIRMAN:

A motion has been made by Governor Merrill to adopt all of those resolutions en mass. The motion has been made. Is there a second? Seconded by Governor Allen.

Any further discussion of those subjects, either by Governor Merrill or Governor Branstad? Carrying on, all those in favor of that motion, signify by saying "I".

GOVERNORS:

I.

MR. CHAIRMAN:

Posed signify by saying "I". "I" have it, motion is granted. Governor Merrill, we're going to miss you a great deal after your decision not to run again. I was wondering, maybe, before I turn to Governor Carper, you might want to just discuss quickly with the body, the discussion you had yesterday with the FCC Chairman who came in front of you and indicated that there's a feeling from him anyway, that he would like to give more power and authority back to the
states, which was very gratifying to me, and I know to you as well. You've worked very hard on this and I'm grateful for that.

GOVERNOR MERRILL:

It's my pleasure Mr. Chairman. I must say to you that the Chairman of the FCC, has traveled out of Washington D.C. very rarely in the last couple of years, because under the new Telecommunications Act, which is the first time in 62 years that we have upgraded our telecommunications industry in this country; and the regulations which profoundly change it, and will build for a different future, and entirely different future for our nation as a result of this bill. He has been attempting to meet the deadlines and the guidelines established by the legislation, and they are enormous, and they are of great concern to the states. Both in this public comments and in his private comments to me after our committee meeting, Chairman Hunt indicated that he truly wanted the states to take a leadership role in establishing the telecommunications boundaries of the future. He does not want this to be a Washington-lead initiative.

And therefore, as you return to your states, I would encourage you to get the telecommunications folks on your
staffs involved with the FCC decision making, because we are in a critical period of time. There will be decisions made in the next two months that will effect your state for the next two decades. And you want to be out in front in terms of the Telecommunications Industry, because there are dynamic changes.

One of the very quick examples, he found a telecommunications up-link between three parts of a university system that was costing nine thousand dollars a quarter; and for all of the universities it was costing them a total of ninety thousand dollars a year. The actual costs of producing that product was about five dollars, because all of the infrastructure was already in place. They were simply charging a user fee for the upgrade of the telecommunications. That has got to stop, and all of you can be leaders in your states, because this is going to be state driven, rather than Washington D.C. driven. Thank you Mr. Chairman.

MR. CHAIRMAN:

Thank you for your report Governor Merrill. I appreciate that very much. And now I would like to go to Governor Tom Carper for the Committee on Human Resources.
And Governor Carper is also going to report about the discussions they had on the work force bill yesterday, and some of the comments and some of the lobbying that he has already done on our behalf in Washington. Tom, thank you very much for your leadership.

GOVERNOR CARPER:

Thank you very much Mr. Chairman. Let me just say, it's been a joy to have worked with you as our Chair for this last year. And I cannot imagine a more difficult challenging time to have served as Chair. But you have, and you have served us all well, Democrats and Republicans alike. And from the little state of Delaware, we salute you and thank you for the great job that you've done.

MR. CHAIRMAN:

Coming from you Tom, I really appreciate that, because you and I really didn't like each other, and I--

GOVERNOR CARPER:

Well, how about now?

MR. CHAIRMAN:

I really like you now Tom. That's what the NGA does, it helps develop friendships.
GOVERNOR CARPER:

You notice he didn't even say, "Don't kiss me in public"? My inclination is to take a minute or so and just mention the policies that we worked on in Human Resources Committee. And if its appropriate, to ask that they be moved "on block".

MR. CHAIRMAN:

Sure.

GOVERNOR CARPER:

We have one resolution that Governor Rosselló worked on yesterday and authored, --actually two days ago, on forming a United Fund against drug abuse and drug related crimes. We have fifteen policies here from a focus on Elementary and Secondary Education, Head-Start, a comprehensive program for reducing violent crime; a governor's role in achieving national education goals.

Crime and delinquency prevention programs and principles; combating and controlling substance abuse and illegal drug trafficking; criminal justice information systems, national strategy in prison crowding problems; missing and exploited children; principals for the reform of services for children, youth and families; prevention of
teenage pregnancy; exemption of state and local electronic benefit transfer systems from Regulation E. And I might just mention on that one, that one deserves some discussion.

As many of us know, the Federal Reserve Board is prepared to implement, I think next March, a regulation that would put us at significant financial risk, if we're using electronic benefit transfers for...for example for handling "Cash Assistance Payment", Food Stamps, and other Federal payments. These moneys, even if they're totally Federal funds, to the extent that there's fraudulent use of...we'll say a magnetic strip card that we might be using for Food Stamps, we could stand to face costs to our states collectively of close to a billion dollars, even though the entire amount of money that's being transacted through the use of electronic benefit transfer is Federal money.

We are strongly urging the Congress here to circumvent the implementation of that regulation to the extent that they don't and the regulation is imposed upon us. I think what we're going to see is a real chilling effect on the use of electronic benefit transfers in use of all fifty states. So that's probably with respect to these policy recommendations, that may be the most important and timely one.
Among the other three policy recommendations that we have here is one dealing with Employment Security System Policy; another dealing with forming a united front—and as I said earlier, against drug abuse, and drug-related crimes. We've got that one here twice, so that's I think, beginning to go up to the top again, as it should; and finally the resolution that I mentioned earlier, that Governor Rosselló had worked on. If its appropriate—would it be appropriate for me now to move these policies and resolutions "en-block"?

MR. CHAIRMAN:

It certainly would, Governor Carper.

GOVERNOR CARPER:

I so move.

MR. CHAIRMAN:

Thank you very much. Governor Carper has moved all of these resolutions "en mass" to be voted on as one. A motion has been made, is there a second? Second made by Governor Graves of Kansas. I would just like to thank you Tom for the great leadership you've done on the committee, but also to thank you on "Regulation E", that's very important. As I understand it, we do have that taken care of in Washington
on the Agriculture Bill. But we don’t necessarily have it completed on the Welfare Bill yet, is that correct?

GOVERNOR CARPER:

I believe that’s correct.

MR. CHAIRMAN:

All those—any further discussions or questions to Governor Carper? Carrying on, all those in favor of that motion signify by saying "I", posed signify by saying "I". "I" have it, the motion is granted.

Now I'm going to call upon Governor Carper to give us all an update on a subject that very near and dear to all of us, and very important, hopefully to get passed before Congress adjourns, and that's on the "Work force Bill".

GOVERNOR CARPER:

We had some discussions, as you may recall, at the Governor’s only session; and at that time, we discussed the fact while we weren’t sure that Medicaid reforms were enacted, we’re hopeful that they were...we weren’t positive that Welfare Reform Initiatives would be enacted. We were very hopeful that that would occur.

Last, when we met in Washington this past January and February, we were absolutely sure that the Congress would
act to consolidate over one hundred categorical grant programs that are used for job-training called "Work force Development", put them into a couple of "block grants" to give us a great deal more flexibility to use those moneys in order to prepare people for making the transition to work, gainful employment.

The House and Senate have enacted last October, and the Senate, I think, by only two dissenting votes; and the House by a five to one margin. Very similar legislation on "Work force Development" consolidating all these programs and enhancing our flexibility appreciably. The bills have language in conference... The conference finally got started well into this year, and as we learned, that yesterday from some of the staff of Senators in Washington, the House Senate Conferees were prepared to meet today to report on a Bill that looks a good deal different than apparently passed the House and Senate last October; one that is sure to draw a Filibuster from the Democrats in the Senate, and one if it were to clear the House and Senate, would in all likelihood be vetoed by the President, because it essentially pulls the plug on school to work, and it does not provide for the kind of implementation that the administration was looking for...
among other things, the use of vouchers in our various states.

I got on the phone last night to Senator Dash who I know, Governor Voinovich, Governor Branstad; I believe Governor Thompson reached out on the telephone to Senator Lot, and maybe to Senator Catsenbaum* (phonetic). I'd be pleased to share with all of you the gist of my conversation with Senator Dash--

MR. CHAIRMAN:

Why don't you do that?

GOVERNOR CARPER:

--on, and I think its appropriate first to hear from yourself sir, and other governors with respect to your conversation.

I was urging him to call off the vote on Conference Report, and he reminded me that as the Democrats are not in majority now in either the House or the Senate, they're not driving the vote on the Conference Support. He explained to me that the Minority Party has not been involved to any great extent in the work on the Conference Report. And frankly, aren't all that sure what is in it. He indicated that he felt this should have been a "no-brainier" for all
of us. That we should have been able to--and it looked like
that last October, and as far as pulling back and seeing if
we still can't work something out along a bipartisan
approach, which we would like to do in this Association. He
was fully square behind that and would encourage us to do
that. And he has expressed a willingness to meet with a
group of us should be want to come to Washington within the
next week or so.

MR. CHAIRMAN:

I'd like to call on Governor Voinovich. Maybe you
would like to respond with our discussion with Senator Trent
Lot.

GOVERNOR VOINOVICH:

Yesterday, as you know, we were on the phone, as you
know, with Senator Lot, and indicated to him that we had
some grave concerns about the Conference Report, and the
fact that if it came out the way we had understood it was
going to come out, that it would be Filibustered, and if
passed, would be vetoed by the President, and that we would
like to sit down with him and the leaders in the Democratic
Party on a bipartisan basis to see if we couldn't salvage
this legislation that's so very, very important to us. And
he indicated that he wasn't optimistic about it, but that he thought it was worth while sitting down with us to see if something could be worked out.

So I'm recommending that we get a group together, go down, and spend some time with him. And as I mentioned to Governor Carper, that I think we need to do this just to protect ourselves, because these programs are already coming apart in our respective states.

I know Ohio is very much involved in the "Jobs for American Graduates Program", and because of the changes that have occurred and less funding, that we had to come up and find another eight hundred and fifty thousand dollars because of what's happened in the JTPA area.

So I think that we need to convey to them how serious the problem is for us; that we need the flexibility and do the best we can to get him to do something.

MR. CHAIRMAN:

Thank you very much. Did you want to add anything Terry? Yes, Governor Carper.

GOVERNOR CARPER:

My understanding, although I'm not absolutely sure this was established yesterday... Is my understanding
correct, that they anticipated a scheduled meeting of the House/Senate conferees today to report out--to vote on the--

MR. CHAIRMAN:

It's my understanding that they were going to do it at five, at four or five o'clock this afternoon.

MR. CARPER:

My hope was that that would be delayed to the extent that they reported out, it makes our work all the more difficult.

MR. CHAIRMAN:

All the more difficult. Governor Carper, I think it would behoove this organization, and hopefully Chairman elect, Bob, and Vice Chair, George, could be able to pull together a group. Trent Lot was willing, from our conversation, to bring a group of the individuals that are very much involved in this proposal, into a room on a bipartisan basis. And I think its worth the effort, whether the Conference Committee Report is reported out or not, Tom, to go down there and meet with him, and just to see if we can come to some sort of bipartisan agreement.

Here is a classic example where we have individuals on the right, and individuals on the left, trying to disrupt
good legislative policy that's going to impact on us.

You know, they're going to pass something, and we're going to have to implement it with less money and with no flexibility. And Democrats and Republican alike in this organization are going to be hurt. And so anything we can do to move this process forward, I think we should make that effort.

And I'm willing to go with you Governor Carper, and Governor Voinovich, and Governor Miller, if you want to put together a group, and see if we can meet with the leadership next week some time, and see if there's any chance to move this. I think it's important to do so and make the effort.

GOVERNOR CARPER:

The situation we find ourselves in as we as Governors know is, we saw moneys cut, funding cut from ninety five--5.2 billion dollars, to 4.6 billion in '96. We are looking at further cuts in '97; and the worst of all worlds, less money and no more flexibility. Could I direct a question, just a short question to Governor Chiles?

MR. CHAIRMAN:

Governor Carper.
GOVERNOR CARPER:

Governor Chiles, and I might even ask Governor Rowland to--I'm going to ask to put your all Senate and Rep hats on again, if you will. We face a situation where today at five o'clock the House/Senate Conferees my meet to vote out the Conference Report on this Work force Development stuff that is going to be Filibustered in the Senate, probably never get out of the Senate, and the legislation will die, where we end-up with, as I said earlier, less money and no more flexibility in putting together a Work force Development Plan.

My recollection is if a Conference Report is reported out by the Conferees, it gets a whole lot tougher for the Conference to reconvene, and to change what they have done. Am I mistaken or not? Governor Rowland?

MR. CHAIRMAN:

Governor Rowland.

GOVERNOR ROWLAND:

Let me first say, I'm not sure I'd want to put my Congressional hat back on. And I'm sure former Senator Chiles may agree. Tom, you're right, once it gets to that point, as you may know, fewer and fewer people are involved
in the decision-making process. So it really starts to become a leadership issue where its imperative we get to leadership on both sides of the aisle, to get them to interact, because the opportunity to really have input with the Conference Committee members becomes increasingly difficult.

The former Committee members that were involved in drafting legislation are pretty much out of the loop by the time you get to that aspect of it. So I think it becomes imperative that you get to the leadership and get their attention, and work it from that angle.

MR. CHAIRMAN:

Senator Chiles, Governor Chiles,--I'm so sorry--.

GOVERNOR CHILES:

I don't think the Senate has changed. One person can virtually stop anything in the Senate if it comes out. It would take a vote to recommit it I think too. In the meantime, you know, a simple objection and just you know, would tie it up, given the time, closing time that you've got, if somebody wants to conduct almost a one-man filibuster, they can probably stop it. I think, again, I would agree with Governor Rowland that leadership is going
to be awfully important to try to see that this doesn't happen.

MR. CHAIRMAN:

But Governor Chiles, don't you believe it's worth the effort to try?

GOVERNOR CHILES:

Oh, absolutely, absolutely.

MR. CHAIRMAN:

I think a group of us should go there next week and meet with them, even if it's been reported out of the Conference Committee. But I would also like to point out that they were supposed to vote last week on Thursday evening, and they decided against it. So maybe the same wisdom will hold through today, considering that Trent Lot has tried to get a hold of Nancy Castenbaum to her that we wanted to come out and meet with them. Yes, Governor Chiles?

GOVERNOR CHILES:

The best of all things, Mr. Chairman, would be if the differences could be resolved "in conference" you know, because then it kind of comes out with some momentum.

GOVERNOR CARPER:

By the way, Mr. Chairman, when the bills come out of
Conference Committees you know, and go to the full House and the full Senate, my recollection is that it requires a vote by the full House and a full Senate to recommit the bill to Conference with instructions. And that just becomes a far more difficult thing to do, and that's why I'm raising the point.

MR. CHAIRMAN:

Another Congressman wants to be heard... He got promoted to Governor. Governor Sundquist.

GOVERNOR SUNDQUIST:

Thank you Mr. Chairman. It seems that--did either of you ask, either Senator Dash or Senator Lot to hold up the report on the Conference Committee?

GOVERNOR CARPER:

I did.

GOVERNOR SUNDQUIST:

What did he say?

GOVERNOR CARPER:

He says its out of my hands.

GOVERNOR SUNDQUIST:

It seems to me that if you call, Tommy, that it might be worth your calling Senator Lot and asking him to hold-up
the reporting out of the process. Because once its reported out, its very difficult. If it was delayed last week, there's not reason why it couldn't be delayed another week on the basis that you want to come up there next week and visit about it. So I think that, I'd recommend that.

MR. CHAIRMAN:

I think probably Governor Castenbaum--Nancy Castenbaum, who has been doing a wonderful job of leading this effort, would probably be better if she's the one that's --wants to try and get the Conference with they also-- So, I will call her, and maybe if you call Trent, George again, and just tell him that. Thank you. Now we're going on to Natural Resources Committee, and I want to thank Governor Branstad for substituting for the Chairman, who couldn't be here. And thank him for the great work he did in the Committee yesterday. Governor Branstad.

GOVERNOR BRANSTAD:

Thank you very much Governor Thompson.

The Committee on Natural Resources met yesterday, and because neither Governor Symington, nor Governor Nelson could be here, I stepped in. And I just want to say, my friend and neighbor, Governor Nelson has worked very hard
throughout the year in helping build a bipartisan consensus and working with the staff of all the governors on the committee. I'm pleased to say, and some very difficult, contentious issues that was worked out yesterday, and we have four policies and we have two suspensions that I understand will be taken up later.

I'm going to just mention the suspensions and then I will go through the policies, and move the policies. The suspensions involved a resolution on meat and poultry inspection to be considered, and this has to do with state inspections, which must meet equal requirements of the USDA, but unfortunately, because Federal Law prohibits interstate shipment of these products, it's hurting many of our small processors. And this was actually offered by Governor Thompson.

A second policy has to do with crop insurance. As you know, we've seen a major change in Federal Farm Programs that have eliminated a lot of the risk management in the farm program, and instead, left that to the farmer, and crop insurance. This policy is designed to try to perfect and try to improve on the crop insurance programs, so farmers can do a better job protecting themselves against natural
disasters. Those two will come up on suspension.

The four that were worked out yesterday, involved updating and reenacting out policy on water resource management; updating and improving our policy on Endangered Species Act; and also on the issue of global climate change; and finally, a policy to amend our Environmental Self-Audits and to provide for implementation flexibility. I want to thank everybody for their good work on this. And, Mr. Chairman, I would move that these four policies be approved.

MR. CHAIRMAN:

Thank you so very much Governor Branstad. The move by Governor Branstad, seconded by Howard Dean. I would like to thank both governors Branstad and Howard Dean, and the staff and other individuals who worked on these policies. There was some degree of controversy at the beginning of the session, and they worked out their differences and in good bipartisan NGA fashion. And I want to thank all those people involved; they came together and reached an agreement on global warming, on audits and clean air and so on. So you should be commended for the job you did. And I thank you personally.

Any discussion of the policies that are being put
forth by the Natural Resources Committee, by the acting Chair, Terry Branstad? Any further questions, discussions or any comments? Hearing none, all those in favor of that motion, signify by saying "I". Posed, signify by saying "I". The "I" have it. The motion is adopted.

We have three more minutes before Bob Dole is ready to speak, and I'd like to call him before we get the Executive Committee, which we have some discussion on a couple of policies.

I would call upon Governor Voinovich to give us a report on "Mandates". George?

GOVERNOR VOINOYICH:

Mr. Chairman. One of the things that we always wonder about is that we get legislation passed, and is it going to do what we expect it to do. And I'm pleased to report today that the Unfunded Mandates legislation is working out as we had hoped. As you recall, it requires the Congressional Budget Office to give cost estimates with a point of order against new mandates costing over fifty million...agency cost benefit analysis of new regulations that cost over one hundred million. And the CBO is doing an outstanding job.

They've completed a hundred and eighty six cost
estimates that affect state and local governments, and two hundred that affect business on legislation reported by Congressional committees. They have helped us in the area of telecommunications, immigration, cross border, speed limits, Medicaid Born Amendment, Indian Gaming Commission, Occupational and Safety in Health. And the only one where we didn't get help, was on minimum wage.

They did the analysis, but Congress overruled the point of order, and probably did so, because state and local governments did not lobby against the change in the minimum wage. So things are working out very well, and we need to continue to monitor CBO That's the good news.

The bad news is, that ACIR was supposed to come back with a recommendation on other mandates that needed to be undertaken by Congress, in order to relieve us of unnecessary cost and unnecessary red tape, and it appears that that report may not be issued. And I would like to suggest that in the event that the ACIR Report does not come out in terms of those "Unfunded Mandates", that Congress should immediately address that this organization join with the state and local government commission and issue a report from the state and local government commission on
those mandates that we agree need to be addressed by Congress.

MR. CHAIRMAN:

Thank you so very much, Governor Voinovich, for your hard work on that, as well as on the Safe Drinking Water. We're deeply indebted for your persistence and your leadership on both issues. And thank you for your update on mandates.

Now I would like to go to the Executive Committee Report, and Executive Committee Policies. I believe there's going to be an amendment on the Health Policy, by Governor Romer. But before we get to the amendment, I'm going to call upon my wonderful Vice-Chairman, Governor Bob Miller for a motion and for Governor Voinovich to second that; and the Executive Committee is on your pamphlet, and the first one is Governor Miller.

GOVERNOR MILLER:

There are four proposed changes in policy; Managed Care and Health Care Reform, which we will receive the amendment on in a minute, that's on page three of the purple-faced handout. Then implementing the policy statement adopted at
the 1996 National Education Summit, that we discussed extensively in our first governors only session, that's on page five. The effect of the Seminole decision on Agrarian Implementation, and then the Gaming Regulatory Act, that's on page eight; and renewal--we've titled it, "The Most Favored Nations Status", for the Peoples Republic of China. But I believe Governor Branstad brought up its standard trade agreement. We're doing it ourselves, titling that...We've got to re-title it ourselves to be just "Standard Trade Agreement for The Peoples Republic of China. Those are the four submitted, and I recommend that all four be passed.

MR. CHAIRMAN:

Motion by Governor Miller to approve the four policies of the Executive Committee "en mass", and seconded by Governor Voinovich of Ohio. Governor Branstad, I don't know if you heard the editorial comment by Governor Miller. But I think it would behoove you to move on the "Most Favored Nation Status", a more correct statement as to what that policy should really reflect, which is the same kind of tracing policy as all the nations get. Maybe you can think about that while I call on Governor Romer.
GOVERNOR BRANSTAD:

You want me to do that now?

MR. CHAIRMAN:

Well, as soon as I get done with Governor Romer and other matters. I just wanted you to think about that, Governor Branstad. Governor Romer.

GOVERNOR ROMER:

I'd like to offer an amendment to the Health Care Policy, and it is on page four of the --whatever that color is, purple--

MR. CHAIRMAN:

Purple I believe.

GOVERNOR ROMER:

--and let me explain, this is a one-pager that's been passed out. What happened here is that there was a discussion among a number of health care providers and some governors staff about the last paragraph of this policy. And in an attempt to try to find some language that bridged the various opinions, this language was added and I read those two sentences, it says, "Governors acknowledge the legitimate role of state governments to assure access, quality, and consumer protection". You'll notice that
differs from the original, and I think it included state and federal. So that was one of the compromises; the second sentence it says, "At the same time, governors support a legal framework in which health plans can organize delivery systems to improve quality control and costs". You'll obviously notice the compromise language. The first sentence says, "We've got a right to legislate". The second sentence says, "Health Care organizations need to be able to deal with their own contracting".

That is compromise language and the paragraph above is just to add another bullet in the prior page. I offer it in the nature of compromise. I know there are some other governors who had some feelings about this, that didn't quite get included, and I'm sympathetic to that. I have some feelings about it also. But I offer this amendment simply because it was a negotiated compromise by some staff and some health organizations that are at this conference.

MR. CHAIRMAN:

Thank you Governor Romer, your move is--and I believe Governor Sundquist was working on that. Do you want to second that and make a comment Don? Did you want to second the amendment? Do you agree with the amendment?
GOVERNOR SUNDQUIST:

I will second it.

MR. CHAIRMAN:

The amendment was seconded. Any discussion of the amendment put forth by Governor Romer on the Managed Care and Health Policy of the Executive Committee? Governor Dean, did you want--

GOVERNOR DEAN:

No.

MR. CHAIRMAN:

All those in favor of adopting the amendment to that policy on Managed Care and Health Care, which has been articulated by Governor Romer. No discussion. All those in favor of that amendment, signify by saying, "I". Posed signify by saying, "I". The "I" have it, the motion on the amendment is adopted. Governor Romer.

GOVERNOR ROMER:

I want to make and apologize--an apology to Senator Sundquist. I think in the course of this, we did not fully get some of his ideas in this mix at an early enough time. And I just want to say, I'm concerned about that. It's a process question.
MR. CHAIRMAN:

Thank you very much for both of you being such gentlemen about this thing, and working it out in bipartisan fashion. I appreciate that. Thank you Don, and we'll get the changes, hopefully, that you wanted to make in the February meeting.

Terry, did you want to make that amendment that I think would more accurately reflect what we're trying to do in international trade.

GOVERNOR BRANSTAD:

Governor Thompson, thank you very much. The point that I raised yesterday at the time of the presentation was, that when you use the term, "Most favored nations status", the public gets the impression that you're giving some kind of special treatment, when in fact, all that really means is, basically normal trade relations. And so I would move that instead of using the term "most favored nation status", we would use the term, "normal trade relations". Especially as we're talking about trade relations with the Peoples Republic of China, which is the largest nation in the world, and has a growing economy. And I believe that if the public understands that we're talking about normal trade relations,
not some kind of privileged status, that it will facilitate maintaining good relations and increasing our export opportunities in that part of the world.

MR. CHAIRMAN:

Thank you very much Governor Branstad. Governor Branstad makes a motion to substitute normal trading relations for "Most favor nation status" for the Peoples Republic of China, which I think more accurately describes what this organization is all about, and what this organization talked about yesterday with Laura Tyson, and Carla Hills. A second to that motion is seconded by Governor Steve Merrill. Any discussion? Carrying on, all of those in favor of that amendment to the "Most favored nation status" resolution, signify by saying "I". Posed, signify by saying "I". The "I" have it. The motion is granted.

Now I will call upon Governor George Allen who wants to make a statement on the Educational entity. Governor Allen from Virginia.

GOVERNOR ALLEN:

Thank you Mr. Chairman, and fellow governors. On the EC-22, the implementing of the Policy Statement concerning the National Education Entity, I want to thank the Chairman
and the members of the committee for working with me on the many amendments that I had submitted, as well as the help of Governor Sundquist, and Governor Beasley on other amendments to this.

I think there is some concern on the part of those who are following this, as to what this entity will do. And I think it can be a helpful clearing house, and with these amendments it is clear that the objectives will be that, as far as educational standards, they'll be on core academic subjects, the standard should be clear and understandable, and of course, measurable. Many governors, including myself have worked to make sure that we improve our standards of learning in our states, as well as then not just look at how much money is being spent, but whether our children are really these subjects. And I would like to point out certain things, and I think it's important, Mr. Chairman, for the record, that some of--what these amendments do, first it makes sure that this entity will not endorse, develop, or financially support the development of national education standards.

These will be voluntary efforts on the part of the states; the entity will be focused on these core academic
areas and not get off on detours; it will be, of course, evaluated, because its time-limited to the 1998 annual meeting. Also, we will not being certified as to our standards, or the amount of funding expenditures, which was Governor Sundquist's amendment.

And finally, the amendment from Governor Beasley, whereby the policy and implementing all this, whatever the governing committee is called. The requirements that you need a majority of the governors and a majority of the six business leaders, and the six governors. I consider that a matter "Sonian", sort of a check and balance approach. Being from Virginia... from South Carolina.

Now it is referenced here, we're referencing the Planning Committee, and unless there is some objection, and I think it is the interpretation and understanding of the governors, that these parameters or focus, whether its the Planning Committee, or whether the governing committee may be, that these same requirements of the majority of the governors voting, whatever you call it, and a majority of the business leaders, and all the other aspects as far as voluntariness, core academic subjects, objectivity, no national standards, all of that applies to whatever the
organizational structure is at that time. And I think that is the understanding. I just want to make sure, that's for the record, and for those reasons. And thanking Governor Romer, I know this will stun folks, but thank you for working with us, Governor Engler, Governor Thompson, we may have gone a little bit too far.

MR. CHAIRMAN:

Well, we'll find something to argue with in the hallway. But, nevertheless, thank you for accepting.

GOVERNOR ALLEN:

I want to thank Governor Voinovich for standing firm with us on this as well. So with that, I just wanted to make those comments for the record, as it is a sensitive procedure.

MR. CHAIRMAN:

Thank so very much Governor Allen. Thank you for your cooperation, and I would like to thank all the governors who were at the discussion that took place on Sunday afternoon for several hours, and we worked it through, and we came out of there, I think, stronger and better, and I think the entity is better off. And I also would like to report to all the governors that Lou Gerstner called me yesterday from
I.B.M. and he got a report back from Stan Little, and he was very pleased with the amendments and what took place the action, and he said congratulations, and he asked me to extend congratulations to all the governors on his behalf for this educational entity, which has been worked on through the Educational Summit and for several months. With that, all of the resolutions and the Executive Committee have been moved “en mass” and the motion has been made and seconded with the amendments made by Governor Branstad and Governor Romer.

Any further discussion, hearing none, all those in favor of that motion, signify by saying “I”. Posed, signify by pay “I”. The “I” have it, motion is granted. The Executive Committee Resolutions have been adopted. I now would like to--

GOVERNOR DEAN:

Mr. Chairman, I would just like the record to show that--

MR. CHAIRMAN:

Yes, Governor Dean.

GOVERNOR DEAN:

If the record would just show that I voted “no” on the
"Most Favored Nation Status Resolution". Thank you.

MR. CHAIRMAN:

The record will show that Governor Dean voted "No" on the "Most Favored Nation Status" of China.

I now would...Ladies and Gentlemen, it is now my distinct privilege to be able to introduce one of our main speakers here this morning. National leaders have also known and appreciated the vital role of governors in American government, Bob Dole, is one of those leaders. He's always been a strong supporter of states in the federal system, and particularly, the tenth amendment to the Constitution. He's also been a good friend of the National Governor's Association. He has met with us repeatedly at our winter and annual meetings over the years. He has also been available to me with the NGA Executive Committee on a timely basis on critical issues. As Majority Leader of the 104th Congress, he opened that session with an NGA Bill, Senate Bill one. The Unfunded Mandate Reform Act of 1995, he was key to having this important legislation enacted into law.

I personally want to thank him for allowing us as governors, to come into his office and meet with him on many occasions on pending legislation. Bob Dole has firmly
established his leadership, his character and integrity as well as his determination to preserve a strong partnership with the states. We appreciate Bob, your long-term friendship, and we look forward to hearing from you today. Welcome to the 88th National Governor's Association Meeting.

MR. BOB DOLE:

Governor Thompson, thank you very much. I wish I could be there with you, but we're getting ready to move out of the Mid West. There are so many people in the room that I've watched on CSPAN that I've turned to over the years for advise and encouragement, and I've worked with many of you from both parties, both sides of the aisle, and no one has more respect for your achievement. You have seized the initiative from the Federal Government, and built a record of accomplishment. And I will be meeting with some of you, I hope later on this week I'll be in Wisconsin and Minnesota and Ohio and Michigan. And I know for a fact that you know, I'm now Citizen Dole. I'm not a member of the legislature, I'm in the private sector. And I have just as much respect for governors as I had then, because you make it happen. America's governors are breaking the Welfare cycle with time-limits and work requirements. You are challenging
educational mediocrity of the school choice and achievement
testing. You are bringing efficiency to Medicaid and
returning sanity and compassion to the maze of child welfare
programs. And you are finding innovative ways to preserve
our water and air without counter productive federal
meddling. And states are now cleaning up twenty times more
contaminated sights than the federal government under "Super
Fund". And I know the focus of this years conference is
Juvenile Crime and Drugs. And these are the big issues of
American life.

The safety of our people, and the character of our
children. They concern not just the wealth of our nation,
but its meaning. They put our energy and ideals to the test.
Juvenile crime is a hurricane just off our shore. And
already we see the leading edge of mindless violence. And
kids that once stole hubcaps now rape and murder, no fear of
punishment, no respect for life, no guilt, and no mercy.

Experts call them "Super predators", and we're told
that each generation is three times as violent as the one
before. Thirty five percent, as everybody there knows,
thirty five percent of all violent crime, is now committed
by criminals under the age of twenty. And I think the
response of our society must be rock-solid resolution—
bipartisan, if you please. We cannot flinch, we cannot
compromise with chaos, and as President I will work for the
states to fight a real war, not just a way of rhetoric
against juvenile crime. And I know this is primarily a state
responsibility, but violent teen predators should be
prosecuted and sentenced as adults. They should not be
automatically released at the age of eighteen or twenty.

The records of violent juvenile criminals should not
be erased when they become adults. They should be made
available to the public on the same terms as adult
offenders. And that record through an instant check should
prevent them from buying a gun for the rest of their lives.

Now these measures are important for what they will
achieve. But they are also important for what they affirm
about our society. We are a nation in which liberty is
ordered by law. We are a nation able to defend its standards
and keep its word. But this cannot be all, we say. Because
each of these killers, just a few years before, was a child
desperately searching for an adult to guide and love them.

We are forced to ask some deeper questions, and I know
you have all done this, because you all understand it as
well or better than I do. How is it that dreams die before life has even begun? How can hearts so young become so hard? What does it say about a country that is afraid of its children. And we know where the explanation starts...In the failure of families has left a moral and spiritual vacuum at the core of children's lives. A moral compass is always a gift to the caring adult. And families transmit values that can defeat violence. In the long run, the best anti crime program is the renewal of family life in America. This means we must transform a Welfare system that undermines marriage, and encourages illegitimacy. This means we must use our bully pulpits to demand a popular culture free from casual brutality; a culture that preserves a safe harbor in childhood; and this means we must applaud and encourage the return of men to their responsibilities as fathers. And this means that we must find creative ways when families fail to reintroduce mentors and models into the lives of young children, coaches, teachers, clergy, big brothers, and big sisters.

Drugs are a companion crisis, fracturing families and contributing to crime. And here the source of frustration is not only the problem itself, but the gains we have
squandered, the ground we have needlessly lost. In the 1980’s a top bipartisan universal anti-drug effort to cut drug use at the lowest level in decades, and it worked.

Yet most of this hard won progress has been reversed in the short span of about three years, because here are the records. They are not my records, they are the records. Since 1992 Marijuana use among thirteen and fourteen years old has soared a hundred and forty five percent; LSD among high school seniors has doubled; overall drug use among youth grows over fifty percent in just 1993 and 1994.

Now on the issue of drugs, progress can never be permanent, because every student reaching the age of tough choices must be taught to say “no”. The battle must be renewed with every academic year. Even thirty six months of mixed messages, as we have seen, can leave children vulnerable to forces that can destroy their future or end their lives in many, many cases. And I don't want to be particularly partisan, but again its a fact. From this administration we have heard both condemnation and legalization, but mostly we have heard silence.

Now we can expect the rippling effects of rising drug abuse. The decline of education and productivity; the rise
proposals, as you know, are so heavily modified that they barely resemble the original. And some states have been so frustrated they have simply withdrawn them. Waivers are still required for programs that have already proven successful in other states. Thirty day approval has proven to be an empty pledge.

Now let me give you an up-to-the-minute example. After several promises to sign a waiver to approve Wisconsin's Work Welfare Reform, the President sort of backed off and back-tracked, because now we hear once again, yesterday, that there will be a delay in its approval. And it just seems to me, and again, I'm just trying to be objective, because there are Democrats and Republic governors who worked on these programs. These delays must end. This is not a debate about ideology.

These reforms are approved in each state by legislators and governors of both parties. They are shining proof of bipartisanship.

I think the problem is one of attitude. The attitude in America must beg for approval from Washington. The attitude that states are just waiting to betray their own people, in what someone referred to as a race to the bottom.
in health costs and crime rates; the spread of teen pregnancies and AIDS. The expansion of poverty and homelessness. Both drugs and juvenile crime contribute to a feeling shared by about seventy percent of Americans, that our nation is on the wrong track; that we are drifting toward danger and decay.

We know our nation has great resources and innovation, charity and renewal. We see it in every state and in every community. We have seen it overcome hazards and hardships in the past. But just when our need is greatest our federal government seems paralyzed by old rules and old thinking and old habits of control. It shows no sense of urgency; it seems content with inertia. And I think our system of federal waivers is a symbol of this problem. And I know that a year ago, because I had the pleasure of speaking also, the President was there, did a good job, made a good speech, and he also promised Welfare waivers from that moment on would be granted in thirty days. But now we have the figures. The average waiver takes about two hundred and ten days; some take over four hundred days. As of last month the administration was sitting on at least twenty eight applications from seventeen states. And some waiver
The stakes are high. Will states have the flexibility to confront dependence and family break-down, and crime; will we encourage major reforms of Education, Welfare and Criminal Justice in the states. And we should not be trying to create a more efficient version of a system that has failed, and that's the point I want to make. If it has failed, you've got to junk it.

As Tommy Thompson mentioned, I carry around this little copy of the tenth amendment, it's not a Democratic amendment or a Republican amendment, it's been around a couple hundred years, its number ten, part of the Bill of Rights, amendment number ten...twenty eight words and it simply states, "That unless the Federal Constitution gives the powers specifically to the Federal Government or denies it to the states of Wisconsin or Nevada, Governor Miller, then it belongs to the states and belongs to the people".

Our founding fathers, who I think had a great deal of wisdom, thought, over two hundred years ago, they were concerned about a concentration of power in the central government. They wanted power to stay in the hands of the states where possible, and in the hands of the people. And so why do we--let's not try to keep on improving a failed
system. Our states deserve freedom, not just waivers. You must be given power, power, not just permission.

Our problems are too urgent for inertia. And Federalism is not only a tradition of our Constitution, it is the source of energy and creativity our nation needs at this moment. And so I would say to the President—we get along fine, we're both on sort of different programs last night, and both had good things to say about each other from a personal standpoint. We don't agree philosophically on many things. But we can still be friends in the sense that we do speak to each other and have worked with each other. And I hope that Congress will pass a tough Welfare Reform Bill. Not just any Welfare Reform Bill. And I challenge the President to finally sign a Welfare Bill and make those waivers a thing of the past. I wish we had the bill that passed the Senate by a vote of 87 to 12 when I was the Majority Leader, 87 to 12. Fifty four I think, fifty three Republicans and thirty some Democrats—bipartisan, a good strong Welfare Reform Bill, but the President vetoed it. So I would again say to the President, he's going to speak, I understand, following my remarks. Give the states the power and authority to chart their own paths from dependence
to hope. And I think there are goals that Republicans and Democrats can share. We must confront the forces of chaos; and we must strengthen the sources of hope, families, communities and neighborhoods. We need a federal government that embraces a diversity of your reforms. We need a federal government that trusts your compassion and your confidence. And let me just pause here if I can, for a second.

I remember Governor Thompson, whose been one of the leaders in Welfare Reform, as many others have in the audience there, speaking to a group of Republicans one day, in my Majority Leaders office. And somehow Republicans are difficulty turning loose, because the government had the controls so long they wanted to keep the entitlement, they wanted to do this, they wanted a maintenance effort which is probably all right, but it was much too high at the time.

I remember what Governor Thompson said to them, in think, in a moment of frustration, he said, "Who do you think I am. I get elected by the same people you do. Nobody is going to go without medical care in the state of Wisconsin. Nobody is going to go without food in Wisconsin; nobody is going to be left out in the state of Wisconsin, as long as I’m Governor of that state, and I think I can speak
for any succeeding government". So I've always felt that governors were closer, closer to the people, they better understood the problems, legislators in both parties are closer to the people, and this is a clear case where I think the tenth amendment ought to apply. We ought to send this back to the states. And I think the federal government understand and encourages a vast a untapped promise and energy and the wisdom of American life, we'll make it work. So I would just say finally, I again, as a private citizen, appreciate your kind invitation.

Thank all of you for what you do on a daily basis to renew this country. And I know this is--we're in the political season, and I know its difficult for some to understand that we can do anything in a nonpartisan or bipartisan way. But I believe there is still time, if we all agree and all have pretty much the same goal. We don't want watered-down Welfare Programs going back to the states that will have to be corrected next year, and the next year, and the next year. We want to give you the opportunity you deserve; we want to give you the opportunity your constituents deserve, that's what its really all about. Its not about Bob Dole, or President Clinton, or governors, its
about the people we serve, and we care, and we are compassionate, and we do reach out to people in both parties. So let's move ahead. Let's put the tenth amendment to work.

In addition to Welfare, let's send Medicaid back to the states. Let's give the governors, the legislators this opportunity, this challenge that I'm certain everyone in that room will be able to meet. Thanks again. Thanks for letting me speak. God Bless America. Hope to see you all soon. (Applause) Thank you very much.

MR. CHAIRMAN:

Thank you very much Bob. We appreciate your comments, we appreciated your willingness and your partnership to work with governors. We're sad that your not with us personally, but we certainly appreciate your taking time out of your busy schedule to be here by the teleconferencing, video conferencing that you are with us today. And as you can tell, your comments were well appreciated.

MR. BOB DOLE:

If there's anybody there interested in running for Vice President, will pick up their resumes? I'll see you soon governor.
MR. CHAIRMAN:

All of a sudden ten governors left the room. I don't know. We no longer have a quorum. I would like to—-we have suspension rules. President Clinton is going to be with us relatively shortly, so please don't leave. I'd like to go to the suspensions. We have suspensions on Farm and Agricultural Policy Meat and Poultry Inspection; and the Safe Drinking Water Act; Violence Against Women, offered by Governor Dean; Welfare Reform, offered by Governors Carper and Governor Engler.

And I'd like to have a motion to suspend the Rules which require three quarters vote. Governor Branstad said moved, seconded by Governor Voinovich, and I would call upon--I believe Governor Dean you wanted to speak on your resolution? Governor Dean.

GOVERNOR DEAN:

Thank you Mr. Chairman. I offer this on behalf of the number of women's, the violence against women projects around the country. Just to talk about my own state, every single one of our female homicide victims in 1993 and 1994, every single one of them died at the hands of partners or family members. Every one of our Vermont network programs
maintains a twenty four hour hotline staff, with on-call volunteer staff positions. This occurs also in many of the other states as well. Services are provided with ninety one percent volunteer work force. That also is very typical of what goes on. What the resolution simply does is, its on page eight of the pink packet, and all the resolution does simply is reaffirm our support for the programs that we have against violence against women; to reaffirm our requests to the federal government to support us in whatever way they can; and reaffirm our support for the Violence Against Women Act. And I appreciate being recognized, and hope that this will be adopted.

MR. CHAIRMAN:

Thank you very much for your hard work on that, Governor Dean. Governor Carper has worked extremely hard with Governor Engler and both of those individuals should be complemented for the job they've done in trying to get Welfare Reform passed, and since both candidate Bob Dole, and I believe President Clinton will be talking about it, I think it's very timely, Governor Carper, if you would give us an update on the Welfare Reform Resolution that you have in front of us. Governor Carper.
GOVERNOR CARPER:

Thank you very much. Mr. Chairman, as we all know, the likelihood of Welfare Reform actually being enacted is I think, enhanced last week with the decision by the Republican leadership in the Congress to separate Welfare Reform and Medicaid. We, Governor Engler and I, have worked with our staffs, and with Susan Glock*(phonetic) and Richard Buck of the NGA, to craft a resolution with respect to Welfare Reform. The thrust of it is, and both Governor Engler and I submit this to you for your consideration.

The trust of this is to reaffirm the policy we adopted as governors on Welfare Reform unanimously in February of this year. Put a special focus on the work participation rates that were contained in HR-4 the Conference Agreement, we encourage the House and Senate to go back to those work participation rates, they were reflected by the way, in the policy that we adopted. One of the governors asked me about maintenance of effort, and if you'll recall, in our original Welfare Reform Proposal of last February, we set a seventy five percent maintenance effort, that is again reaffirmed in this policy. With that in mind, I'll submit this on behalf of Governor Engler and myself.
MR. CHAIRMAN:

Thank you very much Governor Carper, and Governor Engler. Any further discussion? Hearing none. All those in favor of suspension of Rules, which require seventy five percent--three quarters of those voting in attendance. All those in favor, signify by saying "I" Posed, signify by say "I". The "I" have it. The suspension is approved. The resolutions are adopted en mass and I appreciate that.

I'd like to now call upon Governor Carl Gutierrez who wanted to give us a quick comment on Guam.

GOVERNOR GUTIERREZ:

Thank you Mr. Chairman, Governor Thompson. Nothing much except to state to you and Governor Dean, over the last year. Thank you very much for your sincere efforts in trying to move forward the Commonwealth movement for Guam. And I just want to let you know that, you sincere personal efforts is greatly appreciated as well as Governor Dean's over the last year. And I just want to sort of give a warning to all the governors that are here, that when that relationship is forged, of mutual consent with the United States, that you are going to see a signing star out in the western Pacific. Thank you.
MR. CHAIRMAN:

Thank you very much Carl, and thank you very much for always attending these meetings, and being so much involved. We appreciate that. We're going to stand informal for five minutes.

The President will be here in five minutes and we're just going to take a short recess. Governor Branstad.

GOVERNOR BRANSTAD:

Governor Thompson, I know we just voted unanimously to suspend the Rules. But I think we actually ought to have a separate motion on approving the resolutions that are under suspension. It's kind of a Parliamentary technicality.

MR. CHAIRMAN:

Parliamentary procedure, absolutely. All those in favor of approving the resolutions after the suspension of the Rules. All those in favor of approving the resolutions "en mass", signify by saying "I". Posed, signify by saying "I". The "I" have it. Motion is granted. Thank you Governor Branstad.

(Five minute recess called by the Chairman)

(Off record)

(Back on record)
MR. CHAIRMAN:

Please come on back in. The President is very busy and would like, I'm sure is about ready to begin. Would the staff, please, make sure the governors are contacted. We are ready to begin.

We are back in session, and I would like to have every pay close attention. The President of the United States is going to address us. President Clinton has addressed the governors many times before. Every time he has stood tall for a better partnership between the states and the federal government on behalf of all Americans. As President, he has repeatedly sought the advise and the counsel of the governors, and we appreciate it. On specific issues, the President has worked very hard for action, change, and reform on emergency disaster assistance, mandate relief, and regulatory relief, and had governors there when he signed those proposals.

President Clinton is a good friend to state government; he was a former member of this Association and former Chairman of this organization; and he has been a friend of the governors in particular. He has been very close to me because he was my mentor when I came into this
Association, and I have always been impressed by his candor and his leadership. We deeply appreciate your continuing cooperation President, the governors look forward to continuing our work together over the coming months on the state/federal agenda.

I am very proud, as President of this organization this morning, to welcome the President of the United States, President Bill Clinton to address us. Good morning Mr. President.

PRESIDENT CLINTON:

Good morning governors. Thank you. Thank you very much Governor Thompson for your kind words, and for all your good work as Chairman of the NGA over the past year. And thank you also for your work on Reform, especially on reforming Welfare. Not only in the bold plan you have developed in Wisconsin, but also as a leader on behalf of the NGA on Capitol Hill. And to Governor Miller, let me add my congratulations to you, as you take on the responsibility of leading the NGA. Its one of the best jobs I ever had, and I know you will enjoy it as well. I regret very much that I can't be with all of you for this meeting. I had especially looked forward to being with my good friend and my fellow
Democrat, Governor Pedro Rosselló in Puerto Rico. And I hope I can see you there before too long. But I'm glad you're there, and I'm glad you're having a good meeting.

This is the fourth year I have spoken to the NGA as President. And more than ever before, I believe that we are poised together to make real bipartisan progress. And that our nations governors have a critical role to play. I want to thank all of you for the work you have done so far to grow your economies, to help your people to be better educated; and to reform Welfare and fight crime, and to preserve the environment, and move people forward. We have to think a lot about that now.

We all know that just four from now we will enter that long awaited and very much discussed twenty first century. You know as well as any group of Americans, that there are tremendous forces of economic and social change remaking our country. I believe that on balance, this is a positive and hopeful time; an age of enormous possibility; a chance for us to build a country and a world for our children that is stronger and safer, and more full of opportunity than any that has existed before. I believe we can do that if we meet these new challenges with our most enduring values. We have
to offer opportunity to all; we must demand responsibility from all; and we must work hard to come together across all our diversity as a great American community. We'll have to meet these challenges, not by edicts from Washington. But by working together at all levels, by cutting red tape, and working with the private sector; by setting national goals for ourselves by challenging states and localities to find the best way to meet those goals.

Four years ago when I sought the presidency, our nation was drifting with uncertain steps toward this new century. Unemployment was nearly eight percent; job growth was very slow; the deficit was at an all-time high. After twelve years as a governor, I vowed to do what Chief Executive in every state-house in America must do...put in place a comprehensive strategy for economic growth, and follow a path of fiscal responsibility. We cut the deficit, expanded trade, invested in our people, and technology in the future.

The results are in...Our economy has now created over ten million new jobs; 3.7 million Americans have become new homeowners; today we learned again that inflation continues to moderate; real hourly wages have begun to climb for the
first time in a decade; and we have surpassed our goal of cutting the deficit in half. Just this morning we're releasing the mid-session review of the budget. Four years ago the deficit was two hundred and ninety billion, and headed upward; today we are projecting it will be one hundred seventeen billion dollars this year. We've cut the deficit by sixty percent in four years, bringing it to its lowest level in dollar terms, in fifteen years. As a share of our economy, its now at its smallest level since 1981. The smallest percentage of the economy--excuse me, since 1974; and we've got a lot more to do. I'm determined to finish the job and balance the budget in a responsible way; and at the same time, do more to give all Americans the education and training they need to succeed in this new economy. But the fact is, our economy is now the soundest its been in a generation. Unlike the expansion of the 1980's, we can also be pleased that this growth is being felt in all regions of our country. America is growing, and your states are helping it to grow.

We are also making real and bipartisan progress in other areas as well. We've put in place an anti-crime strategy that was tough and smart; putting a hundred
thousand police on the street; toughening penalties; taking

guns off the street by banning nineteen deadly assault

weapons through the "Brady Law". Now not a single hunter has

lost a gun due these bills. But sixty thousand felons,
fugitives and stalkers, have been denied guns. We're
encouraging communities to pull together to give their young
people the values and the discipline they need. That's why
we've been working to give communities the ability to impose
stronger curfews; enforce truancy laws, and require things
like school uniforms. These strategies are being tried in
communities all across our country, and all across our
country, the crime rate is coming down for four years in a
row. We must now bring this same focus to bear on the rising
tide of youth crime in gangs and drugs.

I ask you to work with our administration to tackle
the challenge as well; although the crime rate is going
down, in too many areas in our country, the juvenile crime
rate is going up. But we see, in the areas where its going
down, that there are strategies at work there too. If you
look at the areas where we've moved forward in the economy
and dealing with the crime problem, we've done it not by
clinging to old arrangements, or discarded philosophies, or
political partisan divisions, but by moving forward together, developing new approaches, taking the best ideas from all sides; putting our values of opportunity, responsibility, and community to work.

Now, as all of you know very well, none of our challenges cries out for these approaches more than Welfare. All Americans, without regard to party, know that our Welfare system is broken, that it teaches the wrong values, rewards the wrong choices, hurts those it was meant to help. We also know that no one wants to change the current system in a good way, more than the people who are trapped in it.

Since the time when I served as Co-Chair of the NGA's Welfare Task Force, about a decade ago now, I have been committed to ending Welfare as we know it. I worked with many of your for years to fashion new solutions.

Today, after long years of effort, I believe we are poised for a real breakthrough in Welfare reform. Real Welfare reform requires work; it poses time limits; cracks down on deadbeat parents by enforcing child support; provides child care; and you haven't waited for Congress to act, and we've worked with you to change the face of Welfare. We've cut through red tape, and worked with you to
set-up sixty seven Welfare Reform experiments in forty states, with more to come. We've granted more than twice as many waivers as the previous two administrations combined; and now, seventy five percent of all Welfare recipients are already under new rules.

The New York Times called this, "A quiet revolution in Welfare". Well, I'm proud that there are 1.3 million fewer people on Welfare now than the day I took office; and that child-support collections are up forty percent. But there's more to do.

As you know, the state of Wisconsin has submitted a bold plan to reform Welfare. We are working closely with Governor Thompson's staff, and I'm committed, as I've said before, to getting this done. I'd just like to emphasize, the things about this Wisconsin plan which are compelling to me...The idea that people should be required, immediately, to be ready to go to work. But that in return, they would have health care, and child care guaranteed, and that the Welfare money could be used to pay income supplements or wage supplements to private employers to put these people to work; and that if there is no private employment, these folks will be given community service jobs. That what we
ought to be doing everywhere. If we can create these jobs, we ought to require people to take them.

I know every governor would agree with me, that for all the good that's come from these waivers, however, we can do a lot more once we pass comprehensive national Welfare Reform. If we pass national Welfare Reform, we can do an even better job of collecting child support across state lines; and if we pass a national Welfare Reform, we can eliminate this waiver process altogether.

For too long the Welfare issue has been mired by partisanship, it's been mired by gridlock. But in recent weeks up here all this seems to be changing. I think we've now reached a real turning-point, a breakthrough for Welfare Reform.

The new leadership of the Senate, along with the leadership of the House of Representatives, now indicated that they want to move forward with bipartisan Welfare Reform, and are dropping their insistence that Welfare be linked to the block granting of Medicaid. They've said that they want to work to pass legislation I can sign, rather than sending me legislation they know that I would reject. As you know, Congress sent me a Welfare Reform Bill last
year that fell short of my principles, as well as those expressed by the NGA in your February Resolution. After my veto on your unanimous resolution, I'm pleased that the Congressional leadership has made several significant improvements that have made this a much better bill, and that is four billion dollars in child care; included a one billion work performance bonus to reward states for moving people from Welfare to work. They removed the spending cap on food stamps so that states don't come up short in tough times. Their original bill made cuts and structural changes that were tough on children: The school lunch block grant, a twenty five percent cut, and SSI for disabled children; cuts in foster care. The current bill drops all these provisions. Congress has taken long strides in the right direction.

Now, as we approach the goal line, we do have a chance to make history and make this bill even better. We can give all our people a chance to move from Welfare to work; to transform our broken Welfare system once and for all.

So, I hope that Congress will continue to improve the bill along the lines that you and I have long advocated. And along the lines of the strong bipartisan bills introduced by Senators John Grow, and John Chaffey, and Representative
John Tanner, and Mike Castle, another former colleague of ours. We must not let this opportunity slip from our grasp as it has too many times before. Let's put politics aside, let's give the American people the best possible Welfare Reform Bill. And let's do it before the August Congressional recess. I'm determined that this bill, that this will be the year, that we finally transform Welfare across America. If Congress doesn't act, we still have to continue that, to make responsibility a way of life, and not an option.

Today, I am taking the steps that I can take as President, to advance the central premise of Welfare Reform; one that is embodies in all the proposed Welfare Bills...That anyone who can go to work, must do so. We'll say to Welfare recipients within two years, "you'll be expected to go to work and earn a paycheck, not draw a Welfare check". Here's how we'll do that: I'm directing the Department of Health and Human Services, to require everyone who takes part in the "Jobs Program" to sign a personal responsibility contract, and commit to going to work within two years. States can then take away the benefits if they fail to live up to that commitment.

Today, twenty eight states already impose work
requirements and time limits. Every one of them under Welfare, granted Welfare waivers granted by our administration. I believe all fifty states should follow that lead. This action will ensure that that happens, even before Welfare Reform legislation passes. Of course, this will take effect only if Congress fails to enact Welfare Reform legislation. I far prefer a bill passed by Congress, and I know you do too. So let's agree, one way or another, we'll make work and responsibility the law of the land. But, we want a good Welfare Reform Bill.

Ten years ago, at an NGA meeting in Hilton Head, South Carolina, I heard testimony from a woman from Little Rock. A woman who had moved from Welfare to work, through our state's Work Program. She told us, "The best thing about work, is not the check. The best thing is, when my boy goes to school, and they ask him, "What does you mom do for a living"? He can give an answer".

Well, today, ten years later, that lady has a job, and she's raised three children. One has a job, and two are in school. By her undying effort, and her unbreakable spirit, she shows us that we can make a difference; that this cycle of Welfare can be broken; that Welfare can be a second
chance, not a way of life. So let me say in closing, that we can meet all our challenges, if we'll work in this way. And if we'll follow the example of the NGA, be bipartisan, cooperative, look for results not abstract rhetoric; not be ashamed to learn from each other, and take our best ideas from each other. And putting our values to work.

That's how we can reform Welfare, and meet our other challenges. If we do that, this country will enter the 21st century stronger and more vibrant than ever before, with the American Dream alive for all our people. Thank you very much.

MR. CHAIRMAN:

Thank you very much Mr. President for being with us. We're sad that you couldn't be with us in person, but we understand. We appreciate very much that you'd take time out of your busy schedule to appear by this video conferencing and being able to give us your views on many subjects. And we certainly want to pledge our support to get through a bipartisan Welfare Reform Bill for the good of all Americans. Thank again, Mr. President.

PRESIDENT CLINTON:

Thank you Governor, and good-bye.
MR. CHAIRMAN:

We have just a few more things to go over. The final things I have, before we have the election and the transfer of Chairmanship, is a discussion of state plans for the follow-up to the 1996 National Education Summit.

I believe that the 1996 National Education Summit energized efforts to improve and implement standards, and also to be able to have assessments, hopefully, adopted in all of our states. This event brought new stake-holders to the issue; focused public discussion; dispelled much of the concerns at high academic standards for all children, was a goal that had fallen outside of the mainstream public consensus and support. And this way, the Summit more than met its goals, and provided a real jump-start to efforts to implement standards, assessments, and new accountable systems.

In addition, the Summit has generated a whole set of activities across the country. More than ten states have announced their own Summit. And last week, the Education Commission of States, focused part of its meeting on the follow-up to the Summit. National and State Business and Education Associations have also held Summit follow-up
meetings to consider what role they can play in helping to achieve the commitments made at the Summit. And the Business Round-table has also begun to develop guidelines for companies as they work to change their hiring practices.

We're making progress, ladies and gentlemen. And each of the states that are holding Summits, are designing them in a way that helps promote the current reform efforts in the state.

I would now like to call on some of the states hosting Summits, and ask them to tell us about their plans. And I'd like to begin with Governor Bob Miller.

GOVERNOR MILLER:

Thanks Tommy. I, as I know you are, am very excited about the prospects of following-up on the Education Summit we had last March in the Palisades at IBM's Headquarters.

When we talk in terms of "standards" and "assessments" and "accountability", I think the average person isn't quite aware of exactly what we mean. I think perhaps, in an over-simplified fashion, it's best described as what do we expect our children to learn; are they in fact, learning it; and what will we do if they are not. And this effort, which is designed to be a resonating grass-roots effort, in local jurisdictions through them through the state, is dependent
upon each of us as governors to move forward from what we learned in Palisades, and not just have that be a conference. In Nevada, we're going to have two Summits which will include the business leadership in conjunction with my partner from the Education Summit, Elaine Wynn, CEO of Mirage--one of the CEO's of the Mirage Resorts. And we intend to also include those involved in the education system, including educators, parents, concerned citizens, etcetera, to try and restructure our emphasis on goals and standards, and on accountability.

We want to take a careful look at following-up what my wife has already done in trying to access what technology we have in our state. She had brought together a coalition of everybody that deals with technology, from the public service television, to the libraries, to the university, to the school districts, to our power company and our phone companies; and in a grant through the Milliken Foundation, we are now accessing what we have, and what we can logically extend to in the next two years. And I think all states have potential for improvement in both technology and in setting the basics for learning. And I would encourage each governor to follow-up individually in their own state within the
course of the next year, to what we initiated last March in Pacific Palisades. Thank you.

MR. CHAIRMAN:

Thank you so very much Bob. I'm so happy that you're moving ahead, as well as many other governors. I now would like to call upon my friend, Lawton Chiles, and I also, while you were out of the room, I complemented you Lawton, twice, and also indicated that when we were having some difficult moments on Medicaid and Welfare, you came up with some wonderful sayings that brought us all back together. Like saying, "If you keep thinking the same thoughts, you're going to end-up doing the same things you've already done".

GOVERNOR CHILES:

Thank you Mr. Chairman. I'm excited to see, to tell you that we are also planning a Summit in Florida. We came back from the Palisades meeting feeling that that would be necessary. I think we went to the meeting thinking that, "Well Florida is doing all the things you're thinking about doing at this meeting. We can go and just say, you know, see who else is maybe further behind than we are". I think we were glad to see what everybody was doing, and to find that many were as far along, or further than Florida. But also,
came back realizing that we needed stronger corporate support, and we needed to have the business community understand, and the private sector understand what we were doing in Florida. And the Summit would give us that kind of opportunity. Working with the business counterpart, that we took up Jack Critchfield from Florida Power.

We are now setting sort of a Governor's Commission that will do some planning, and not only planning, will hold a number of hearings prior to holding a Summit after the first of the year. Our Summit will probably be held sometime in February, again, well before our legislature comes into session. We would hope to lay out some things that would be able to take place.

Also, we will be going into a Constitutional revision in 1998, something we do every ten years in Florida. And we think that what could be planned at the Education Summit could be a prelude to some things that we would be seeking in some Constitutional changes. So we're excited about the prospects. We look forward to continuing to work, and think that what the National Governor's and the business community did at Palisades was a wonderful, wonderful step.

We need to keep following-up on that. We look forward
to that, together with having the assessment team that we are now working how to set up, so that we can, again, learn and share in ideas that are going, and there can be some common thread that we can see what kind of progress the states are making.

MR. CHAIRMAN:

Thank you very much Lawton, for your leadership on this issue, as well as many other issues. I appreciate it, and your friendship as well. I would like to now, just say a few comments before I call upon Governor Knowles for the Nominating Committee.

I would like to take this opportunity to thank all of the governors for being so wonderful to work with this past year. I certainly have appreciated the fact that we came to meetings ready to work, and willing to set aside our partisan, and philosophical and ideological differences. We worked extremely hard, and I think we had a very successful year. I was very pleased this meeting, that I hardly heard any partisan remarks whatsoever. It was always remarks of how we could work together better in the future. And I complement the governors and appreciate their support and their hard work. We've had a wonderful year. A year in which
we came together at the February meeting when Congress was having differences, and the President and so on. They were having difficulties reaching agreement.

The governors came in to Washington D.C., and we expected, because we are governors, to accomplish our task, which was, reach an agreement. We reached agreements on "School to Work", on "Work Force Excellence", on "Medicaid and Welfare". And the skeptics out there said it could not be done. We've made tremendous progress on all of those issues. And I believe it was because we, as governors, being excited to work together in a strong bipartisan effort, which has always been the cornerstone of this organization. And when I, as Chairman, decided that if we would try and have an Educational Summit with the business community, and Lou Gerstner, a lot of people thought that that also would be very difficult to pull-off. And I'm here to report that I think it was very successful.

Lou Gerstner reported yesterday that he still appreciates the tremendous effort, that governors came to Palisades in a bipartisan effort for the betterment of education across America. And it's that kind of spirit that I believe is what makes the National Governor's organization
such a wonderful organization. And when I asked governors to come up with the best ideas that were working in their states, they did it, and they did it with a great deal of diplomacy, and a great deal of earnest, as well as the desire to try and find out the best ideas that they had, that could be then exported to other states. Its that kind of friendship camaraderie that's going to strengthen and make our organization stronger tomorrow and better tomorrow than it is today.

I thank you all for your support. I appreciate it. It was a gratifying year for me. Somewhat sad, as I talked to Roy Romer last night at the Rain forest, because he's had this Chairmanship. He said, "It's sad to give up the post. But it happens each year". And I'm looking forward to working with, I think, and outstanding governor from Nevada, who has given me the greatest support any Chairman could ever have.

Bob Miller has been there time, time again, and has helped out in a strong bipartisan, and constructive way. And I'm deeply in his debt for the work that he has done for this organization. And I'm looking forward to continuing our partnership and work in the future. And I know the
organization is in good hands with Bob and George Voinovich leading it in the coming year.

I would, before I call upon Governor Knowles, like to thank my family, who is here. They support me, and I appreciate that very much. I also would like to certainly, thank Mary Sheehy from my Washington office, because when she was introduced the other day, she got a bigger round of applause than I did. I was wondering why, and they said, "Because she works harder than you do Governor, and she always does it with a much prettier face, and much more charm than I do". And so, Mary, I don't say "thank you" enough to you. And I appreciate that.

And to the NGA staff, Ray Scheppach, as everybody knows, he and I did not always, I would say, get along. In fact, when I asked for an audit, Ray was very suspicious that the reason for the audit was to find enough reason to fire him. And I indicated to him at my first meeting, that that was not the case, that we would work together, and we have. He is an outstanding Executive Director, and I appreciate it. And the staff, I don't think, as governors, we could ever be better served than the staff that we have in the center of the organization. And when I came and met
with the staff the first time, they said it was the first
time that a governor called in the staff and met with them
directly. And their comments were, "You know, we can be
better if governors would only listen to us". And I told
them I would...I pledged that, and we have. They've turned
out to be great friends of mine, great help, great
employees, and I thank you all for the wonderful job you do,
for me, and for all the governors. I appreciate it. Thank
you.

And now I call upon Governor Knowles for the Report of
the Nominating Committee for the 1996-1997 Executive
Committee.

GOVERNOR KNOWLES:

Mr. Chairman, fellow governors, the Nominating
Committee recommends the following governors for the 1996-
1997 NGA Executive Committee: Governor Roy Romer, Colorado;
Governor Lawton Chiles, Florida; Governor Jim Edgar,
Illinois; Governor John Engler, Michigan; Governor Mike
Leavitt, Utah; Governor Howard Dean, Vermont; Governor Tommy
Thompson, Wisconsin; Governor George Voinovich, Ohio, as
Vice Chairman; and Governor Bob Miller, Nevada, as Chairman.
Mr. Chairman, I move the adoption of the Report of the
Nominating Committee.

DEPARTING CHAIRMAN:

Thank you very much Governor Knowles. The Nominating Committee has made a selection, and it moves the nomination of the officers for the up-coming year in the National Governor's organization. A motion has been made, a second is in order. Governor Chiles makes the second. Any discussion? Hearing none, all those in favor of the nominations as submitted by Governor Knowles, signify by saying, "I". Posed, signify by saying, "I". The "I" have it. The motion is granted.

And it is indeed my honor, my privilege to turn over the gavel to a great governor, great friend, and a great individual, Bob Miller.

NEW CHAIRMAN:

I would like to begin by recognizing that it has been a pleasure and a privilege to serve and assist Governor Thompson, to learn from his leadership, and to benefit from his bipartisan tempered approach, which I think, has helped our Association bond to a stronger group than ever before, and accomplish more, perhaps, than any year of the National Governor's Association. And I would like Governor Thompson
to present to you this gavel in commemoration of the outstanding leadership you provided as Chairman during this past year.

GOVERNOR THOMPSON:

Thank you Bob.

MR. CHAIRMAN:

With that kind of accolade, you ought to hold out for a seven-year, ninety eight million dollar contract from the NBA or NGA, I don't know if we could pay that much in the NGA.

I also would like to make a presentation to you, a personal one from Nevada. A couple of days ago, in welcoming me to this potential new role that I have now assumed as Chairman, Governor Thompson graciously gave me some presents. He gave me a half dozen Wisconsin golf balls, which I am sad to say proved to be defective. Neither do they land in the fairway, nor do they drop in the hole. But I have for you, a Las Vegas collapsible putter, and a set of Nevada golf balls, which are hot on the golf courses in Nevada. But you can also use the collapsible putter inside, so that you can practice your game, now that you have so much extra time on your hands. I would add, I do have one
other gift coming.

Governor Thompson was also kind enough to present me a tie, commemorating our trip to Africa, which I'm sure only coincidentally, instead of depicting the Lion that we usually think of in terms of Africa, instead chose to depict the elephant. I too have an elephant, a Tiffany elephant for you. But as we all know, elephants don't travel very well. So I'm going to have to present it to you at a later time. And I want to thank all of you here, my colleagues, for this honor.

This has been an exciting year. It began with an aggressive agenda, working with the United States Congress, and now, as we culminate the year and begin the next, we find ourselves in the throws of a Presidential election. Even before Senator Dole concluded his remarks today, there was a great deal of speculation as to whether or not his running mate might come from the throws of this organization. It fact, I noticed, as did many others, yesterday, on the front page of USA Today, the listing of that speculation, and a paragraph that indicated Senator Dole had called one of the Republican governors, while they were here at the meeting, to talk about this issue. I, and
many of us, have been buzzing around trying to determine to whom that call was made. Some speculated it was made to our good friend from Michigan. And I think that was dispelled when early this morning I learned that he was performing an audit on governor Thompson's phone records here at the hotel. Others wondered if it was our new Vice Chair, from Ohio, who has confided in me that he really likes his new title, especially the "Vice" part; he said its a warm-up for next year. But if indeed the call came to him, it might not have been for that purpose, since yesterday was his birthday, and that might have been just a birthday welcome.

So I thinks it comes upon me to break the news, and the speculation. I'm sure that you have all observed the many cellular phone calls that Roy Romer from Colorado has received during these meetings, and yes, it is true that in fact, Bob Dole has been calling Roy, taking him out of the meetings, asking him something about playing the "Lamb Card". As a new governor seven and a half years ago, I went to my first NGA meeting, along with Governors Bayh and Caperton, who are concluding their service as governors.

Their last meeting is this one. And I was immediately impressed by the sense of bipartisanship and the dedication
that existed to finding common ground. This year, under the leadership of Tommy Thompson, this Association has rededicated itself to bipartisanship. And when the public was treated each night to a television broadcast, after news accounts and further broadcasts of partisan squabbling and fighting in Washington D.C., this Association became a beacon. We demonstrated to the public that the tough issues can be vigorously debated; tempers can fly; but when men and women of good faith dedicate themselves to progress, it can be made, even on the toughest tissues. Tommy brought this group together time, and time again, on tough issues such as Welfare, Medicaid, and the Education Summit. And we did make progress. Yet the work is not finished. We must rededicate this organization to bring Welfare Reform into reality. And while the legislative days in Congress are slipping by fast, Governors Carper and Engler are closely working together, in a bipartisan fashion to keep the pressure to get a bill to President Clinton's desk that he can and will sign. This election year has taken a toll on our efforts in Washington. But our Medicaid efforts should be renewed in the next Congress. A hundred hours was spent in rooms, locked together, six of us working vigorously on this issue. And at
this juncture, I can say that it's a down payment. But its one that we need to build off of, and next year we need to finish that job. It was a year ago at this time, that Lou Gerstner challenged the governors to renew the quest for educational reform. And we are in fact, meeting that challenge.

The governors joined the business community at Palisades, and laid out a highly focused agenda on raising educational standards, raising the bar of expectations.

The analogy frequently used was that, if we were to send our Olympic athletes to Atlanta, as we are about to do, having been trained to jump over a three-foot high jump, our expectations of their achievement would be sorely lacking. And yet, that's the comparative analysis of what we expect of our students, as compared to competitors across the world. We need to focus on that, and create the tools necessary to assess how our students are doing. At that meeting, we established the organizational structure to help get this job done. Today, we've refined it, and formalized it. And this year I am committed to continuing our leadership on education, for there is little that we as governors can do that is as important as being the CEO's of
our respective state's education system.

If you need further proof of that comparative analysis, we heard it yesterday from Ambassador Carl Hills, and Economic Advisor, Doctor Laura Tyson, about our expanding role in the world economy, and how our economy has to become stronger competitively. And if we're going to remain at the front of the pack, to keep our high wages jobs here at home, and continue to expand our economy, our children must get a first class education. The information age and the global economy demand no less from us. Yet we can reform Welfare, see Medicaid to the end, build a world-class education system, but still be found wanting if we do not rededicate ourselves to tackling the crime issue. Our citizens believe that they are not safe in their homes. That in many cities, their streets are not places of commerce, but are battlegrounds for gangs. And school yards resemble prison camps, rather than playgrounds. This is unacceptable. And I believe that it is unacceptable that the legal system in too many cases, is not adequately concerned with the rights of the victims of these crimes. Many years ago, I served as the Chairman of the National District Attorney's Association. And throughout that tenor, and in my role as
Governor, as former Chairman of our Criminal Justice Committee, I have always believed, and continue to, that we need to focus on equity in our criminal justice system to ensure the success that we need to eradicate ourselves of violence in our streets. Fighting crime is always popular in an election year. But we cannot afford to let this fall by the wayside after the last vote is cast. And so I would like to see us dedicated to it throughout the course of the full remaining year.

We must work creatively to find strategies so that American can become a safer and more secure place to live. I am privileged to serve as your Chairman.

I look forward to working with all of you to make next year as productive as last year has been. I am extremely pleased and excited to have the opportunity to work more closely with Governor George Voinovich, who I believe has always exhibited the finest qualities of this Association. He is the person who has time and again, shown that he makes decisions based upon reason, that he is open-minded, and that he has the best interests of all in mind. And so as I had the pleasure of working with Governor Thompson, look forward to having the pleasure of working with Governor
Voinovich next year. And last, let me thank our hosts, Governor Rosselló for an absolutely outstanding conference, and tremendous hospitality. I would tell you that this is the best structured, most enjoyable time I've ever had in Puerto Rico. But my wife reminds me that since we had our honeymoon here twenty three years ago at this location, that this conference falls a little short of her honeymoon. But other than that, it was truly outstanding in everything that you provided. And I conclude by inviting you all next year, to our annual meeting in Las Vegas, at the Mirage Hotel, where, what seems unreal in the desert, is real on the Las Vegas Strip. Thank you. That concludes this annual meeting.

We will have a press conference immediately in an adjacent room. And there will be an Executive Board meeting on the Mirador level immediately thereafter. Thank you all for being here.

(Whereupon, the annual meeting of the NGA was adjourned.)
CERTIFICATE OF REPORTER

I, José Espinosa, Court Reporter and member of Espinosa & Espinosa, Inc.,

DO HEREBY CERTIFY: That the foregoing transcript is a full, true and correct record of the Plenary Session given which was taken down by me.

In San Juan, Puerto Rico, on August 15, 1996.

[Signature]

JOSE ESPINOSA

COURT REPORTER