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U.S. DEPARTMENT OF AGRICULTURE
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SENT TO: Carol Rocco

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FAX #: 456-2878

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FROM: MARION BERRY, Special Assistant to the President for Agriculture

PHONE #: 202-720-9756

FAX #: 202-720-8819

COMMENTS:

MEMORANDUM FOR CAROL RASCO, DOMESTIC POLICY ADVISOR
FROM: MARION BERRY *M Berry*
SUBJECT: RFG/ETHANOL RULE ROLL OUT

I am enclosing a memo that will outline some of the considerations for the roll out of the rule.

There is substantial potential here politically.

However, EPA needs to be put on notice if the White House is to be involved and maximum potential is to be realized.

The proposed roll out by EPA is June 14th.

THANKS

June 10, 1994

TO: Marion Berry 

FR: Eric Olsen

RF: Ethanol

I have some suggestions/comments on possible ways in which EPA's proposed Renewable Oxygenate Requirement (ethanol) rule is signed as a final rule. If it is possible, I agree with you that a Rose Garden signing with the President present is highly desirable. I believe, however, that the positive impact of this rule for the Administration could be increased greatly if any signing occurs in conjunction with visits by high level Administration officials to various Midwest states. A signing that occurs in Washington without going to the grassroots would, in my opinion, be a waste of a tremendous opportunity for the Administration. To give you an idea of the kind of interest and support in rural areas for this rule, recall that 500 people attended a town meeting in Marshall, MN, with John McClelland of USDA and Dick Wilson of EPA where the proposal was discussed. Wilson was given a standing ovation before he spoke.

The grassroots visits could be made by several different Administration officials to different locations in the same day, or over the course of a day or two by one or two such officials. Secretary Espy is very popular in the Midwest and is an obvious choice. Vice President Gore and EPA Administrator Browner would send a strong message that the two most environmentally identified officials in the Administration support the ethanol rule, which would help deal with some of the concern by the environmental community with the proposal. Given the energy impact of the rule, Secretary O'Leary should also be involved.

This approach would maximize the impact of this rule for the Administration. In addition, it would be very beneficial for the upcoming elections this fall. Many states have just finished their state conventions or primaries, and visits by top Administration officials would be a good way to increase the exposure and support for Democratic candidates.

For example, Minnesota has an open Senate seat, with Senator Durenberger retiring. The Minnesota Democratic-Farmer-Labor (DFL) party endorsed Ann Wynia to run for the seat. Ann is an urban member of the State legislature. A visit by the Administration official on ethanol would be the best possible exposure to rural Minnesota that Ann

could have during this election. I believe that same analysis could apply to Rep. Alan Wheat, who is running for the Senate in Missouri. Rep. Fred Grandy's (R) seat is open in northwest Iowa, and Dave Nagle is running against Rep. Jim Nussle (R-IA). Penny's seat is open in MN, and Minge's race is a toss-up. There may be other races of which I am unaware, but I think my strategy is clear.

I understand that there is some discussion of signing the rule at the Governors Association meeting in Milwaukee. I think this would be a mistake. While I am unsure of all the Midwest states, I know Minnesota and Iowa both have Republican governors who are running for reelection. Why give them the bump from this rule? Rather than signing in Milwaukee, I'd go so far as to suggest considering scheduling the visits on the day of the Governor's meeting.

The message of these visits, which would most likely be some sort of town meeting or rally, would be "Democrats Deliver." This rule provides farm income, creates jobs in rural communities, protects the environment, protects energy security, bridges the gap between rural and urban communities etc. A year ago we delivered flood aid, today we deliver ethanol. If you want more of the same, send more Democrats to Washington.

Let me know what you think.

cc: Kim Schnoor
Fred Slabach
Charlie Rawls
Steve Kinsella
John McClelland

Lindsey Katzer - Marion to speak w/ them

MEMORANDUM FOR CAROL RASCO, DOMESTIC POLICY ADVISOR

FROM: MARION BERRY

SUBJECT: REFORMULATED GASOLINE ETHANOL RULE ANNOUNCEMENT

The announcement of the RFG/ETHANOL rule will be done sometime in the near future by EPA.

The President and Secretary of Agriculture have been supporters of the rule as it is to be done.

This is a very important issue to the agriculture community and the corn growers of the mid-west. It is also perceived as how the President stands on agriculture. He should take full advantage of the announcement as should the environmental interest. The rule will be favorable to all of the above.

I need your reaction to this. The Secretary's staff is most interested in being involved with a roll out effort and have asked for a meeting with you to discuss this.

Thanks

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DEPUTY DIRECTOR

*Brian Burke -
fyi*

January 26, 1994

MEMORANDUM FOR DISTRIBUTION

FROM: ALICE RIVLIN *[Signature]*
SUBJECT: Postponement of Ethanol Meeting

We've decided to postpone the meeting currently scheduled for tomorrow, January 27th at 2:00pm. This will give us time to carry out economic analysis of one proposal we have received. Please contact T.J. Glauthier if you have any other options that should be examined.

We will reschedule the meeting at a later date. It should take place in a week to 10 days.

Distribution:

- Jack Quinn
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