

Weekly Compilation of
Presidential
Documents



Monday, May 4, 1992
Volume 28—Number 18
Pages 707-758

See section 1 of
Executive Order 12803
for presidential authori-
zation to sell off
our counties - lock
stock 'n' barrel. This
is part of the regional
government planning which
calls for elimination of
cities, counties + states.
Bernadine Smith

Foreign governments could buy
America, lock, stock, and barrel.
Churches would not be left standing
alone!

Administration of George Bush, 1992 / Apr. 30

733

approach this situation with calm, with tolerance, and with the respect for the rights of all individuals under the Constitution.

The United States Department of Justice will continue its criminal investigation of the police violence case in Los Angeles to ensure that the civil rights laws of our Nation are fully and equally applied. The Department of Justice has been monitoring this case since its inception, and as is customary in these kinds of situations, the Justice Department moved last night to accelerate the investigation that it started several months ago.

I have just met with the Attorney General of the United States to consider the Federal Government's legal course at this point and to review any other forms of assistance that we should provide the State of California and the city of Los Angeles. I also discussed these matters this morning with Governor Wilson and Mayor Tom Bradley and with other senior members of my administration. We are concerned about any question of excessive police violence, and we are equally concerned about excessive public violence.

The murder and destruction in the streets of Los Angeles last night and today must be stopped. Lootings, beatings, and random violence against innocent victims must be condemned. Society cannot tolerate this kind of behavior.

There are some principles of law and of behavior that should be repeated in these circumstances. First, we must maintain a respect for our legal system and a demand for law and order. Second, we have a right to expect a police force that protects our citizens and behaves in a responsible manner. Third, in the American conscience there is no room for bigotry and racism. And fourth, we have responsibilities as citizens of this democracy.

I want everyone to know that the Federal Government will continue to pursue its legal responsibilities in this case.

Thank you very much.

Note: The President spoke at 12:05 p.m. in the Briefing Room at the White House.

Executive Order 12803—
Infrastructure Privatization
April 30, 1992

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that the United States achieves the most beneficial economic use of its resources, it is hereby ordered as follows:

Section 1. Definitions. For purposes of this order: (a) "Privatization" means the disposition or transfer of an infrastructure asset, such as by sale or by long-term lease, from a State or local government to a private party.

(b) "Infrastructure asset" means any asset financed in whole or in part by the Federal Government and needed for the functioning of the economy. Examples of such assets include, but are not limited to: roads, tunnels, bridges, electricity supply facilities, mass transit, rail transportation, airports, ports, waterways, water supply facilities, recycling and wastewater treatment facilities, solid waste disposal facilities, housing, schools, prisons, and hospitals.

(c) "Originally authorized purposes" means the general objectives of the original grant program; however, the term is not intended to include every condition required for a grantee to have obtained the original grant.

(d) "Transfer price" means: (i) the amount paid or to be paid by a private party for an infrastructure asset, if the asset is transferred as a result of competitive bidding; or (ii) the appraised value of an infrastructure asset, as determined by the head of the executive department or agency and the Director of the Office of Management and Budget, if the asset is not transferred as a result of competitive bidding.

(e) "State and local governments" means the government of any State of the United States, the District of Columbia, any commonwealth, territory, or possession of the United States, and any county, municipality, city, town, township, local public authority, school district, special district, intrastate district, regional or interstate governmental entity, council of governments, and any agency

or instrumentality of a local government, and any federally recognized Indian Tribe.

Sec. 2. Fundamental Principles. Executive departments and agencies shall be guided by the following objectives and principles: (a) Adequate and well-maintained infrastructure is critical to economic growth. Consistent with the principles of federalism enumerated in Executive Order No. 12612, and in order to allow the private sector to provide for infrastructure modernization and expansion, State and local governments should have greater freedom to privatize infrastructure assets.

(b) Private enterprise and competitively driven improvements are the foundation of our Nation's economy and economic growth. Federal financing of infrastructure assets should not act as a barrier to the achievement of economic efficiencies through additional private market financing or competitive practices, or both.

(c) State and local governments are in the best position to assess and respond to local needs. State and local governments should, subject to assuring continued compliance with Federal requirements that public use be on reasonable and nondiscriminatory terms, have maximum possible freedom to make decisions concerning the maintenance and disposition of their federally financed infrastructure assets.

(d) User fees are generally more efficient than general taxes as a means to support infrastructure assets. Privatization transactions should be structured so as not to result in unreasonable increases in charges to users.

Sec. 3. Privatization Initiative. To the extent permitted by law, the head of each executive department and agency shall undertake the following actions: (a) Review those procedures affecting the management and disposition of federally financed infrastructure assets owned by State and local governments and modify those procedures to encourage appropriate privatization of such assets consistent with this order;

(b) Assist State and local governments in their efforts to advance the objectives of this order; and

(c) Approve State and local governments' requests to privatize infrastructure assets, consistent with the criteria in section 4 of

this order and, where necessary, grant exceptions to the disposition requirements of the "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" common rule, or other relevant rules or regulations, for infrastructure assets; provided that the transfer price shall be distributed, as paid, in the following manner: (i) State and local governments shall first recoup in full the unadjusted dollar amount of their portion of total project costs (including any transaction and fix-up costs they incur) associated with the infrastructure asset involved; (ii) if proceeds remain, then the Federal Government shall recoup in full the amount of Federal grant awards associated with the infrastructure asset, less the applicable share of accumulated depreciation on such asset (calculated using the Internal Revenue Service accelerated depreciation schedule for the categories of assets in question); and (iii) finally, the State and local governments shall keep any remaining proceeds.

Sec. 4. Criteria. To the extent permitted by law, the head of an executive department or agency shall approve a request in accordance with section 3(c) of this order only if the grantee: (a) Agrees to use the proceeds described in section 3(c)(iii) of this order only for investment in additional infrastructure assets (after public notice of the proposed investment), or for debt or tax reduction; and

(b) Demonstrates that a market mechanism, legally enforceable agreement, or regulatory mechanism will ensure that: (i) the infrastructure asset or assets will continue to be used for their originally authorized purposes, as long as needed for those purposes, even if the purchaser becomes insolvent or is otherwise hindered from fulfilling the originally authorized purposes; and (ii) user charges will be consistent with any current Federal conditions that protect users and the public by limiting the charges.

Sec. 5. Government-wide Coordination and Review. In implementing Executive Order Nos. 12291 and 12498 and OMB Circular No. A-19, the Office of Management and Budget, to the extent permitted by law and consistent with the provisions of those authorities, shall take action to ensure that

the policies of the executive departments and agencies are consistent with the principles, criteria, and requirements of this order. The Office of Management and Budget shall review the results of implementing this order and report thereon to the President 1 year after the date of this order.

Sec. 6. Preservation of Existing Authority. Nothing in this order is in any way intended to limit any existing authority of the heads of executive departments and agencies to approve privatization proposals that are otherwise consistent with law.

Sec. 7. Judicial Review. This order is intended only to improve the internal management of the executive branch, and is not intended to create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

George Bush

The White House,
April 30, 1992.

[Filed with the Office of the Federal Register,
4:17 p.m., April 30, 1992]

Note: This Executive order was published in the Federal Register on May 4.

**Message to the Congress
Transmitting the District of
Columbia Budget and Supplemental
Appropriations Request
April 30, 1992**

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the District of Columbia Government's 1993 budget request and 1992 budget supplemental request.

The District of Columbia Government has submitted two alternative 1993 budget requests. The *first alternative* is for \$3,311 million in 1993 and includes a Federal payment of \$656 million, the amount authorized and requested by the D.C. Mayor and City Coun-

cil. The *second alternative* is for \$3,286 million and includes a Federal payment of \$631 million, which is the amount contained in the 1993 Federal budget. My transmittal of this District budget, as required by law, does not represent an endorsement of the contents.

As the Congress considers the District's 1993 budget, I urge continuation of the policy enacted in the District's appropriations laws for fiscal years 1989-1992 of prohibiting the use of both Federal and local funds for abortions, except when the life of the mother would be endangered if the fetus were carried to term.

George Bush

The White House,
April 30, 1992.

**Statement by Press Secretary
Fitzwater on the President's Meeting
With President Richard von
Weizsäcker of Germany
April 30, 1992**

The President met for approximately one hour with President Richard von Weizsäcker of Germany, who is in the U.S. on a state visit. The discussion focused on the nature of the new partnership between the U.S. and united Germany. The President stressed our intention to maintain a strong presence in Europe, along with the importance of NATO and the North Atlantic Cooperation Council. He also reiterated our support for reforms and controlling nuclear weapons in Russia and the other republics. President Bush said it was important to reach an agreement on GATT soon and that he looked forward to addressing these and other issues at the upcoming G-7 meeting in Munich.

**Nomination of Robert L. Barry To Be
United States Ambassador to
Indonesia
April 30, 1992**

The President today announced his intention to nominate Robert L. Barry, of New