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**[06/26/1997 - 06/29/1997]**

# Withdrawal/Redaction Sheet

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Paul Weinstein to Elena Kagan re: VP Families Conference (1 page)	06/26/1997	P6/b(6)

### COLLECTION:

Clinton Presidential Records  
Automated Records Management System [Email]  
OPD ([Kagan])  
OA/Box Number: 250000

### FOLDER TITLE:

[06/26/1997-06/29/1997]

2009-1006-F

bm21

### RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]  
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]  
P3 Release would violate a Federal statute [(a)(3) of the PRA]  
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]  
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]  
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

b(1) National security classified information [(b)(1) of the FOIA]  
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]  
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]  
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]  
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]  
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]  
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]  
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.



**PRESIDENT WILLIAM J. CLINTON**  
**DRUG-FREE COMMUNITIES ACT OF 1997 & TOBACCO SETTLEMENT REVIEW**  
**THE WHITE HOUSE**  
**JUNE 27, 1997**

**Acknowledgments:** General McCaffrey; Vice President Gore; Secretary Shalala; bill sponsors: Reps. Rob Portman, Sander Levin, Charles Rangel and Dennis Hastert; other Members of Congress; Jim Copple, President of Community Anti-Drug Coalitions of America (CADCA); Joe Califano, Director of the Center on Addiction and Substance Abuse at Columbia University.

*[Possible insert if Brady Bill Struck Down]*

*I am here today to sign an important bill that builds on our efforts to protect our young people from the dangers of drugs. But, before I begin, I want to comment on today's Supreme Court ruling on the Brady Bill.*

*The Brady Law has kept 250,000 felons, fugitives, and mentally unstable persons from purchasing handguns. And I will do everything in my power to make sure that we continue to keep handguns out of the hands of criminals.*

*Background checks continue to make good sense. They continue to save lives. And today's ruling need not -- and must not -- mean an end to criminal background checks. Twenty-seven states -- nine more than when the Brady Law first passed -- now conduct criminal background checks as a matter of state law and will continue to do so.*

*The Brady Law was drafted by America's law enforcement community. It was passed due to the efforts of thousands of local police and prosecutors across America. And I am confident that these state and local law enforcement officials will continue to conduct background checks. I have directed Attorney General Reno and Treasury Secretary Rubin to contact police departments across the country today, to make sure they know that Brady background checks can and should continue to be done by local police on a voluntary basis.*

*But we will not stop there. I have also asked the Attorney General and Secretary Rubin to immediately convene a meeting with the nation's law enforcement leaders to review and develop recommendations to ensure that background checks will continue to be conducted. Our goal is clear: no criminal background check, no handgun, anywhere in America. No state should become a safe haven for criminals that want to buy handguns.*

*We know that tremendous progress is being made, all across the country, in the fight against crime. Last year saw the largest drop in violent crime in more than three and a half decades, with murders dropping a stunning 11% in 1996. Our strategy of more police, tougher punishment, and fewer guns in the hands of criminals is making a difference. We cannot let up. For the continued safety of our communities and of all Americans, Brady*

*background checks must continue.*

**I am delighted that we are joined today by many Americans who have committed themselves at the national, state, and community levels to reducing illicit drug use and its destructive consequences. The bill I am about to sign is a tribute to the bipartisan efforts of Congress, which set aside partisan politics to do the right thing for our children and our nation. I want to commend Rob Portman, Charlie Rangel and all others involved for recognizing that drug abuse is not a Democratic problem or a Republican problem -- it is an American problem that can only be solved if we all pull together.**

**The "Drug-Free Communities Act of 1997" which was overwhelmingly passed by both the Senate and the House takes into account some very important truths: First, a decade of progress in the effort to reduce the demand for illegal drugs is threatened by resurgent drug use by our children. Overall drug use is down. But, while casual drug use has plummeted over the past fifteen years, it has doubled among young people in the past five years, and tripled among eighth-graders. This is a real threat to America's future. We must take decisive action now to protect both our children and our nation from the ravages of drug abuse.**

**The middle schooler or high schooler who mistakenly decides to try cocaine, heroin, marijuana, LSD, methamphetamine or any of the so-called designer drugs is playing a very dangerous game. Too many of those who start using drugs when they are young will face a lifelong struggle with addiction. A study by Columbia's Center for Addiction and Substance Abuse has shown, a young person who uses marijuana is 85 times more likely to use cocaine than his peers who don't use marijuana.**

**The second truth embodied in this legislation is that broadly-based community anti-drug coalitions have been instrumental in driving down casual drug use and drug-related violence over the past decade. As I have said before, the era of big government may be over, but the era of big challenges is not. Saving our young people from drug addiction is a big challenge that must be met, not by top-down government intervention, but family by family, neighborhood by neighborhood, community by community. Government has a role to play, but our success ultimately hinges on grassroots action at the local level.**

**The Drug-Free Communities Act of 1997 reflects that reality. More than 4,300 communities in all fifty states and U.S. territories have recognized the seriousness of the drug threat and organized accordingly. Parents who seek to educate their children about the dangers of drugs and teachers, coaches and principals who are fighting to establish safe and drug-free schools and communities -- all rely on these coalitions to put their ideas into action. That is how we will achieve our goal of dramatically reducing the demand for drugs. I am proud that our drug control strategy makes the**

**federal government a partner with local communities in this mission. One of the best ways we can help is by educating our young people about the dangers of drugs and urging them to reject illegal drugs as well as alcohol and tobacco. That is why my balanced budget contains \$175 million for an unprecedented paid advertising campaign that, for the first time, targets anti-drug messages to our young people during prime time.**

**We can reduce the demand for drugs. The Drug-Free Communities Act of 1997 will help more communities form coalitions dedicated to that goal.**

**Before I sign this bill, I want to say a word about another substance abuse problem that threatens our young people -- the problem of teen smoking. Each day, 3,000 young people become regular smokers and 1,000 of them will have their lives cut short as a result. Last week, the tobacco industry and advocates for children's health reached a settlement that seeks to advance our struggle to protect the health of children against the dangers of tobacco.**

**Now, we must take a close look at this settlement to make sure we are doing our best to protect the public health -- particularly our children's health -- to the greatest extent possible. Over the next month, we will undertake a thorough public health review. I have asked Bruce Reed, my Domestic Policy Advisor and Donna Shalala, Secretary of Health and Human Services to engage in extensive consultations with the public health community and others to subject this agreement to the strictest scrutiny. This settlement is an extraordinary opportunity to begin a national debate on how to build on our efforts to reduce smoking -- especially by children. That is what this review is all about.**

**[SIGN LEGISLATION]**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 17:21:53.00

SUBJECT: minor edits

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )

READ:UNKNOWN

TO: Elizabeth Drye ( CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Maria had a few good suggestions for the outreach section. She wanted to change the sentence "We will encourage others to share their views etc." to read "Working with OPL, we will encourage other interest groups (children's advocates, women's organizations, farmers) to share their views etc." At the end of that sentence, we should say "meetings with agency and White House staff".

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Thomas L. Freedman ( CN=Thomas L. Freedman/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 11:11:42.00

SUBJECT: Ideas

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Community prosecutors: A crucial next step in community policing, already in many cities around the country-- moving prosecutors into the community where they can see problems first hand. There may be money in DOJ for encouraging this experimentation or the President could compliment efforts going begun by Eric Holder here in DC, or in Howard County MD., or in Boston.

Wilderness Designations: The President last Earth Day endorsed an idea supported by many previous Administrations (Democrat and Republican) to further protect 17 vital areas in national parks from further development. The legislation is ready to go, awaiting action by the Administration, and the appointment of an NPS director.

American Discovery Trails: A proposal to create a national trail, linking trails across the country, to enable hikers to go across the entire United States. Supported by the National Park Service and relying greatly on on-going efforts by private, volunteer groups.

National Sexual Assault Hotline: Modeled after our very successful domestic violence hotline, this 800 number would guarantee universal access to immediate counseling and referral services for women who are victims of sexual assault. the legislation is a high priority for the NOW LDF and supported by groups like the National Coalition Against Sexual Assault.

Gun scanners: there is new technology developed by DOJ that allows officers to use hand held devices to scan potential criminals for guns. The idea for the research was originally the President's. The New York Times scooped it two months ago. The idea for the event is a demonstration of the technology-- new tools in law enforcement. Here or in Rome, New York where it was developed on a converted military base.

Heart attacks: 350,000 people a year die of heart attacks, the American Heart Association and the Red Cross have proposed a plan they say could save 100,000 a year. The proposal is for a comprehensive war on heart attacks, encouraging training in CPR and the distribution of new defibrillator technology to first responders like police. While we may not endorse the whole plan, we could likely get a consensus for a concerted attack plan by the agencies, including a significant new multi-million dollar study of what is working in the new technology.

Underground Railroad: The National Park Service has a plan to link our historic underground railroad sites to form a coherent, educational memorial for Americans to follow and understand the struggle and cooperation of those fighting and fleeing slavery. The President could announce this new effort.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 12:18:41.00

SUBJECT: urban education initiative

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

CC: William R. Kincaid ( CN=William R. Kincaid/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:

I need some help in better understanding the parameters of the urban education working group I was asked to set up, as part of the race initiative. Specifically:

1. What does it mean to be "part of the race initiative"? what other groups are there/will there be? Do we have any idea what process this will feed into?
2. I'm assuming that the primary task here is to develop and present to the President some policy options for dealing with urban education. Further, I assume that somewhere along the way we will need to think about events to underscore and highlight the issues and initiatives, but that the primary focus and driver should be the policy options. Am I right?
3. Elena and I talked about having at least an outline of policy options by the end of next week. This seems feasible (see below for my first cut). I don't have a sense of a timeline beyond that.
4. Related point: some options are likely to cost money. (e.g., it will be hard to make a big deal out of an urban education initiative unless it contains something for school construction. How does this fit into the budget process, and what are the timeline implications. How do we get a handle on the level of new resources, if any, that might be appropriate?
5. In addition to key people at the Education Department, some NEC representation (Bob Shireman, most likely), and OMB, I think this working group should include Mickey Iberra and Maria Echeveste. Any problems with this? Any additions?
6. Here is my initial cut at an outline of possible initiatives:
  1. What can be done with resources/programs already in place to more effectively support improvement of urban education?
    - greater targeting of resources to urban areas either through regulation or amendments to existing legislation (e.g., focusing discretionary resources for charter schools and community schools on urban schools).
    - increased flexibility in use of formula funds to support local improvement strategies.
    - targeted technical assistance, to help small number of districts use program funds and R&D to strengthen reforms. This should be focused on

reading and math standards, and could be part of ongoing effort to recruit cities for national testing, and help them by providing technical assistance, networking, etc..

## 2. Possible New Initiatives:

-- Systemwide reform: starting with ED's proposed Urban Initiative from last year (which focused on standards, accountability and public school choice). This could be focused more specifically on use of national standards in reading and math

-- School Construction: either our original proposal or some revised, possibly scaled down initiative

-- Access to higher education: If anything new, whatever we come up with in response to Chakkah Fattah proposal

-- Teacher Preparation and Recruitment: HEA Title V Teacher Preparation/Incentives for teaching in urban/underserved areas

-- Failing Schools: Special focus on turning around failing schools in urban areas.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mark Hunker ( CN=Mark Hunker/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:26-JUN-1997 11:37:43.00

SUBJECT: Immigration Meeting

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: MALLEY\_R ( MALLEY\_R @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (NSC)

READ:UNKNOWN

CC: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TEXT:

Where are we on this issue? Maria has asked me about it several times. A meeting was to be set-up and a plan put together. She recently sent a memo that she was cc: on to Jose (DPC) that Rahm received from Howard Berman on the deportation of Central Americans. Please let me know what the status is.

----- Forwarded by Mark Hunker/WHO/EOP on 06/26/97 11:28 AM -----

Mark Hunker  
05/29/97 09:45:22 AM  
Record Type: Record

To: malley\_r @ a1 @ cd @ lngtwy  
cc:  
Subject: Immigration Meeting

I work with Maria Echaveste and need to get a list of the people who attend the NSC/DPC immigration meeting last week? I also attended the meeting. My EOP address is 2 FL WW.

Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kim B. Widdess ( CN=Kim B. Widdess/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:26-JUN-1997 11:03:55.00

SUBJECT: Women's Group - Update on PCPF issue

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Robin Leeds ( CN=Robin Leeds/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Susan A. Brophy ( CN=Susan A. Brophy/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Minyon Moore ( CN=Minyon Moore/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Susan M. Liss ( CN=Susan M. Liss/O=OVP @ OVP [ UNKNOWN ] )

READ:UNKNOWN

TO: Ellen M. Lovell ( CN=Ellen M. Lovell/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Cheryl M. Carter ( CN=Cheryl M. Carter/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Lynn G. Cutler ( CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Lucia F. Gilliland ( CN=Lucia F. Gilliland/O=OVP @ OVP [ UNKNOWN ] )

READ:UNKNOWN

TO: Ann F. Lewis ( CN=Ann F. Lewis/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Nicole R. Rabner ( CN=Nicole R. Rabner/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Marjorie Tarmey ( CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Katharine Button ( CN=Katharine Button/OU=WHO/O=EOP [ WHO ] )

READ:UNKNOWN

CC: Jennifer L. Klein ( CN=Jennifer L. Klein/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: June G. Turner ( CN=June G. Turner/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Suzanne Dale ( CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

CC: Kevin S. Moran ( CN=Kevin S. Moran/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

Kim B. Widdess ( CN=Kim B. Widdess/OU=WHO/O=EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

The press office indicated that Bob Nash is currently working on a response to the Jake Steinfeld/Flo Jo issue regarding the President's Council on Physical Fitness. They will presumably have a response prior to the 2pm briefing by McCurry in NYC, and I will get back to you with that response.

Thank you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 11:22:12.00

SUBJECT: Crime Events for the Summer

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Leanne A. Shimabukuro ( CN=Leanne A. Shimabukuro/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Elena:

Here's mine and Shima's quickie ideas for the summer:

1. Youth Gun Interdiction. Soon after July, the Treasury Department will be ready to release a one-year report on the 17-city gun tracing initiative announced by the President last year. For the first time, these cities will have an unprecedented amount of information about the guns used to commit crimes in their communities. Some of the report's general findings include:

-- 4 out of 10 crime guns recovered by police are from youth (17 and under) or juveniles (18 to 24);

-- more than half of all crime guns are semiautomatic pistols, and more than 70 percent are handguns, generally;

-- at least a quarter of the crime guns that police recover from juvenile and youth come from legitimate retail sales and are rapidly diverted to the black market; and

-- while thousands of guns are available, crime guns are constrained to a relatively small number of makes and models in each city.

We should release this report (in of the 17 cities, if possible) and announce an expansion of the youth gun interdiction/tracing initiative to another 10 cities. We are currently working with OMB to find funds for this purpose, and we may be able to authorize the use of additional funds for state and local law enforcement in the juvenile crime bill. Moreover, this event could be used to keep pushing Congress to pass the President's juvenile crime legislation.

2. COPS Report. The Justice Department's COPS office has been working on a report that shows how the President's cops program has helped reduce crime in about 10 cities. It's a snapshot in time of how the COPS program is working, and is intended to help give the Administration credit for continued drops in the crime rate. We could release this report in August at NAPO's (National Association of Police Organizations) annual convention (August 8 - 13).

3. Brady Response. Assuming the Supreme Court strikes down the portion of the Brady Bill requiring state and local enforcement to conduct

background checks, we could schedule an event (about 2 weeks from now) with state and local law enforcement to announce their recommendations to ensure that "no background check, no handgun" remains the policy in the 27 Brady states. Potentially, we could have the chief law enforcement officers of the 27 Brady states with their plans for continued Brady background checks -- as well as announce a Brady legislative fix to support them in their efforts.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 14:24:12.00

SUBJECT: Meeting re: FLSA and anti-displacement

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

I've left off HUD, Treasury, and CEA from the list of people I've given Laura to invite to the meeting tomorrow on FLSA and anti-displacement provisions, since the conference bill does not include tax and housing issues. I've included HHS and Labor, DPC, NEC, Leg Affairs, Intergovernmental). Does that sound right to you?



## **Question and Answer on Tobacco Settlement Proposal Review Process**

June 27, 1997 -- draft --

**Q: Can you explain in more detail how the Administration's review is proceeding?**

A: Bruce Reed, the President's Domestic Policy Advisor, and HHS Secretary Shalala, are leading the review. They have established four groups made up of fairly senior White House staff and staff from a number of federal departments including HHS, Justice, Labor, EPA, and Treasury. There is a regulatory group, a program and budget group, a legal group, and an industry performance and accountability group. These groups will subject the proposed agreement to the strictest scrutiny, focusing particularly on its affect on the public health and stopping children from smoking, as the President requested.

Mr. Reed and Secretary Shalala will also be seeking the advice of leaders in the public health community, including the major public health organizations, Drs Koop and Kessler, and the community-level tobacco control advocates.

(more detailed descriptions of groups below)

**Q: Will you be consulting with Congress?**

A: We will also be consulting extensively with Congressional leaders, including the Chairs and Ranking Members of the relevant Committees, and many other members of Congress who care a great deal about tobacco-related matters. The President is obviously aware of the important role Congress will play. To advance the public health, Congress would need to conduct a thorough debate of the issues and translate the agreement into detailed legislation.

**Q: Can you say anymore about the President's reaction to the settlement now that he has had a week to study it?**

A: First, he is looking at this in the context of the significant accomplishments his administration has already achieved in the fight to reduce death and illness caused by tobacco. He views the proposed settlement as an opportunity to advance the public health even further. He believes we should make the most of this historic chance to do everything we can to protect our children and our country from the dangers of tobacco. He expects it will take us some time to make a serious, informed judgment on the terms of this settlement, but he is delighted that the actions of his administration and the steadfast efforts of the attorneys general have permanently changed the tobacco landscape.

**Q: Can you tell us whether the President has any comment on the sharp criticisms of**

**the proposal made by Drs. Koop and Kessler and the members of their advisory committee?**

A: The President has said from the very beginning that he intends to consider very closely the views of the public health community, including Drs. Koop and Kessler, before rendering and judgment on the proposed settlement. The President shares some of the same questions. As the President noted last weekend, in light of the important role FDA jurisdiction played in advancing this issue, he was concerned by the changes in FDA jurisdiction that were contained in the proposed settlement. Drs. Koop and Kessler have voiced their concerns about this and other issues, and we will certainly be looking closely at their committee's report.

**Q. President Clinton has said the review will be done in 30 days. Are you going to meet that deadline?**

A. We are certainly trying to work within that time frame, but we will be sure to conduct a careful and thorough analysis.

**Q. Who will lead the HHS team?**

A. Secretary Shalala and Deputy Secretary Kevin Thurm.

**Q. Who will lead the DPC team?**

A. Bruce Reed, and Deputy Assistants to the President Elena Kagan and Chris Jennings.

**Q. Have any of the panels met?**

A. All of them have met at least once.

**Q. Why is this taking so long?**

A. This is a critical public health issue and the agreement is complex, so we are going to do an expeditious but careful and thorough review. As the President has said, protecting the public health -- and particularly our children's health -- is our primary concern. We know that nearly 3,000 young people become regular smokers each day, and nearly 1,000 of these children and adolescents will die early from their use of tobacco products. We must ensure the agreement is in the best interest of public health and children's health.

**Q. How many agencies are involved in the review?**

A. 12 agencies (HHS, DOJ, Treasury, EPA, Interior, VA, DOD, USDA, DOL, GSA, State, and USTR), and 8 White House offices (DPC, NEC, CEA, OVP, Leg Affairs, Counsel, OMB, and OSTP)

**Q. How many people are involved?**

A. TBD

**Q. Can you explain what each of the four groups will cover and which agencies will participate?**

A. The Regulatory Issues group will look at FDA regulation of product content, access, advertising, and labeling, and proposed restrictions on environmental tobacco smoke in public buildings and workplace settings. Participating White House offices are DPC, OMB, OVP, NEC, and OSTP. Participating agencies are HHS, DOJ, DOL, GSA, EPA, and Treasury.

The Program and Budget Issues group will examine proposed uses of settlement funds, including spending on programs to reduce smoking and expand children's health care coverage, smoking cessation programs, and investments in health research, including nicotine research. Participating White House offices are DPC, OMB, NEC, OVP, and OSTP. Participating agencies are HHS, Treasury, DOL, USDA, Interior, VA, and DOD.

The legal Issues group will examine, among other things, issues around liability, enforcement, compliance, and the disposition of industry documents. Participating White House offices are DPC, OVP, NEC, and Counsel. Participating agencies are DOJ, HHS, Treasury, EPA, and Interior.

The Industry group will analyze the economic effects of a settlement, examine the proposed smoking reduction targets, penalties, and incentives, and evaluate the potential international impacts of the settlement. White House offices are DPC, NEC, CEA, OVP, OMB, and OSTP; participating agencies are: HHS, Treasury, DOL, USDA, USTR, State, and DOD.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Thomas L. Freedman ( CN=Thomas L. Freedman/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 10:15:23.00

SUBJECT: oh, one more thing

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

i think kevin in Baer's office just wanted to gett cc'd on your memo to Eli...i'm not sure of the dynamics...

# Withdrawal/Redaction Marker

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Paul Weinstein to Elena Kagan re: VP Families Conference (1 page)	06/26/1997	P6/b(6)

### COLLECTION:

Clinton Presidential Records  
Automated Records Management System [Email]  
OPD ([Kagan])  
OA/Box Number: 250000

### FOLDER TITLE:

[06/26/1997-06/29/1997]

2009-1006-F  
bm21

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#### Presidential Records Act - [44 U.S.C. 2204(a)]

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- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

#### Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kate P. Donovan ( CN=Kate P. Donovan/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME:26-JUN-1997 20:22:44.00

SUBJECT: OMB Legislative Report - June 26, 1997

TO: Carol Thompson-Cole ( CN=Carol Thompson-Cole/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: James P. Christopoulos ( CN=James P. Christopoulos/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Joseph M. Wire ( CN=Joseph M. Wire/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

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READ:UNKNOWN

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READ:UNKNOWN

TO: Eric R. Anderson ( CN=Eric R. Anderson/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: Alecia Ward ( CN=Alecia Ward/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

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TO: Michael W. Williams ( CN=Michael W. Williams/OU=WHO/O=EOP @ EOP [ WHO ] )  
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READ:UNKNOWN

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READ:UNKNOWN

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TO: Bruce K. Sasser ( CN=Bruce K. Sasser/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: SMITH\_BD ( SMITH\_BD @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Robert S. Dotson ( CN=Robert S. Dotson/OU=OMB/O=EOP @ EOP [ OMB ] )  
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READ:UNKNOWN

TO: Toni S. Hustead ( CN=Toni S. Hustead/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry J. Toiv ( CN=Barry J. Toiv/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Julie E. Mason ( CN=Julie E. Mason/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Justine F. Rodriguez ( CN=Justine F. Rodriguez/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: WARREN\_W ( WARREN\_W @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (CEQ)  
READ:UNKNOWN

TO: Linda Lance ( CN=Linda Lance/OU=CEQ/O=EOP @ EOP [ CEQ ] )  
READ:UNKNOWN

TO: WARREN\_M ( WARREN\_M @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: Angus S. King ( CN=Angus S. King/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: LEVIN\_P ( LEVIN\_P @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: Peter G. Jacoby ( CN=Peter G. Jacoby/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Richard A. Mertens ( CN=Richard A. Mertens/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: SCHWARTZ\_N ( SCHWARTZ\_N @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: April K. Mellody ( CN=April K. Mellody/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: John A. Gribben ( CN=John A. Gribben/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Janet E. Irwin ( CN=Janet E. Irwin/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Melinda D. Haskins ( CN=Melinda D. Haskins/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Alphonse J. Maldon ( CN=Alphonse J. Maldon/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: DONNELLY\_RE ( DONNELLY\_RE @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: Anita Chellaraj ( CN=Anita Chellaraj/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Daniel C. Tate ( CN=Daniel C. Tate/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Shelley N. Fidler ( CN=Shelley N. Fidler/OU=CEQ/O=EOP @ EOP [ CEQ ] )  
READ:UNKNOWN

TO: REED\_B ( REED\_B @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: Elizabeth M. Toohey ( CN=Elizabeth M. Toohey/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Nancy L. Brandel ( CN=Nancy L. Brandel/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: WALKER\_A ( WALKER\_A @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: MORAN\_K ( MORAN\_K @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: WHITE\_B ( WHITE\_B @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Philip R. Dame ( CN=Philip R. Dame/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Stacey L. Rubin ( CN=Stacey L. Rubin/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: WEINSTEIN\_D ( WEINSTEIN\_D @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: E. Holly Fitter ( CN=E. Holly Fitter/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert J. Pellicci ( CN=Robert J. Pellicci/OU=OMB/O=EOP @ EOP [ OMB ] )

READ:UNKNOWN

TO: COOK\_MY ( COOK\_MY @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: BROWN\_JA ( BROWN\_JA @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Ingrid M. Schroeder ( CN=Ingrid M. Schroeder/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: GIBBONS\_M ( GIBBONS\_M @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: PANERALI\_K ( PANERALI\_K @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: PETERSON\_RK ( PETERSON\_RK @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: James J. Jukes ( CN=James J. Jukes/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Ann M. Cattalini ( CN=Ann M. Cattalini/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Elisa Millsap ( CN=Elisa Millsap/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Michael A. Fitzpatrick ( CN=Michael A. Fitzpatrick/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Bruce W. McConnell ( CN=Bruce W. McConnell/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Lisa M. Kountoupes ( CN=Lisa M. Kountoupes/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Alicia K. Kolaian ( CN=Alicia K. Kolaian/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Susanne D. Lind ( CN=Susanne D. Lind/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Richard P. Emery Jr. ( CN=Richard P. Emery Jr./OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert B. Rideout ( CN=Robert B. Rideout/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: SCHWARTZ\_K ( SCHWARTZ\_K @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Kathleen Peroff ( CN=Kathleen Peroff/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Janet L. Graves ( CN=Janet L. Graves/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: William A. Halter ( CN=William A. Halter/OU=OMB/O=EOP @ EOP [ OMB ] )

READ:UNKNOWN

TO: HAAS\_L ( HAAS\_L @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Nancy A. Min ( CN=Nancy A. Min/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Joshua Gotbaum ( CN=Joshua Gotbaum/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: ADAMS\_G ( ADAMS\_G @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Robert G. Damus ( CN=Robert G. Damus/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Charles E. Kieffer ( CN=Charles E. Kieffer/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Jacob J. Lew ( CN=Jacob J. Lew/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Lewis P. Long ( CN=Lewis P. Long/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Melissa N. Benton ( CN=Melissa N. Benton/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Arecia A. Grayton ( CN=Arecia A. Grayton/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Janie L. Jeffers ( CN=Janie L. Jeffers/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Michael Deich ( CN=Michael Deich/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Mathew C. Blum ( CN=Mathew C. Blum/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Laura S. Marcus ( CN=Laura S. Marcus/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Ricardo M. Gonzales ( CN=Ricardo M. Gonzales/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Kathryn B. Stack ( CN=Kathryn B. Stack/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Jake Siewert ( CN=Jake Siewert/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Anne H. Lewis ( CN=Anne H. Lewis/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Melissa Green ( CN=Melissa Green/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Jill M. Pizzuto ( CN=Jill M. Pizzuto/OU=OMB/O=EOP @ EOP [ OMB ] )

READ:UNKNOWN

TO: Andrew M. Schoenbach ( CN=Andrew M. Schoenbach/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Edward A. Brigham ( CN=Edward A. Brigham/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Francis S. Redburn ( CN=Francis S. Redburn/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: David E. Tornquist ( CN=David E. Tornquist/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Richard J. Turman ( CN=Richard J. Turman/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: SMITH\_P ( SMITH\_P @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: Keith J. Fontenot ( CN=Keith J. Fontenot/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Jack D. Fellows ( CN=Jack D. Fellows/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Rodney G. Bent ( CN=Rodney G. Bent/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: David H. Morrison ( CN=David H. Morrison/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Steven D. Aitken ( CN=Steven D. Aitken/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Christopher R. Ulrich ( CN=Christopher R. Ulrich/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

TO: HOGAN\_L ( HOGAN\_L @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: Mary Jo Siclari ( CN=Mary Jo Siclari/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: WILLIAMS\_MA ( WILLIAMS\_MA @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: GOLDBERG\_JS ( GOLDBERG\_JS @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: DENTON\_M ( DENTON\_M @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (CEQ)  
READ:UNKNOWN

TO: ABRAMSON\_K ( ABRAMSON\_K @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: OLIVER\_A ( OLIVER\_A @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)

READ:UNKNOWN

TO: Kate P. Donovan ( CN=Kate P. Donovan/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: SPERLING\_G ( SPERLING\_G @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: Ben A. Freeland ( CN=Ben A. Freeland/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Ananias Blocker III ( CN=Ananias Blocker III/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Mark A. Weatherly ( CN=Mark A. Weatherly/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: MCKIERNAN\_K ( MCKIERNAN\_K @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: James B. Kazel ( CN=James B. Kazel/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert S. Fairweather ( CN=Robert S. Fairweather/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert J. Nassif ( CN=Robert J. Nassif/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Lucia A. Wyman ( CN=Lucia A. Wyman/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Nicholas B. Kirkhorn ( CN=Nicholas B. Kirkhorn/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Phillip Caplan ( CN=Phillip Caplan/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Janet Himler ( CN=Janet Himler/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Douglas B. Sosnik ( CN=Douglas B. Sosnik/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: SILVERMAN\_S ( SILVERMAN\_S @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: GREEN\_M ( GREEN\_M @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: John Podesta ( CN=John Podesta/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Todd Stern ( CN=Todd Stern/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: WALKER\_C ( WALKER\_C @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: Barbara Chow ( CN=Barbara Chow/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Phebe N. Vickers ( CN=Phebe N. Vickers/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: PALMIERI\_J ( PALMIERI\_J @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: WEINSTEIN\_P ( WEINSTEIN\_P @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OPD)  
READ:UNKNOWN

TO: Annette E. Rooney ( CN=Annette E. Rooney/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Alison C. Perkins ( CN=Alison C. Perkins/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Anna M. Briatico ( CN=Anna M. Briatico/OU=OMB/O=EOP @ EOP [ OMB ] )  
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TO: Constance J. Bowers ( CN=Constance J. Bowers/OU=OMB/O=EOP @ EOP [ OMB ] )  
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TO: Jeffrey A. Weinberg ( CN=Jeffrey A. Weinberg/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: JONES\_RE ( JONES\_RE @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TO: HOLSTEIN\_E ( HOLSTEIN\_E @ A1 @ CD @ LNGTWY [ UNKNOWN ] )  
READ:UNKNOWN

TO: Steven J. Kelman ( CN=Steven J. Kelman/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Janet R. Forsgren ( CN=Janet R. Forsgren/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: James C. Murr ( CN=James C. Murr/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: FOLEY\_M ( FOLEY\_M @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (WHO)  
READ:UNKNOWN

TO: Daniel M. Tangherlini ( CN=Daniel M. Tangherlini/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Bernard H. Martin ( CN=Bernard H. Martin/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Charles Konigsberg ( CN=Charles Konigsberg/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Bruce D. Long ( CN=Bruce D. Long/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Ellen J. Balis ( CN=Ellen J. Balis/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Robert E. Barker ( CN=Robert E. Barker/OU=OMB/O=EOP @ EOP [ OMB ] )

READ:UNKNOWN

TO: Philip A. DuSault ( CN=Philip A. DuSault/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry T. Clendenin ( CN=Barry T. Clendenin/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Ronald M. Cogswell ( CN=Ronald M. Cogswell/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Alan B. Rhinesmith ( CN=Alan B. Rhinesmith/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Jill M. Blickstein ( CN=Jill M. Blickstein/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Joseph J. Minarik ( CN=Joseph J. Minarik/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Sally Katzen ( CN=Sally Katzen/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Kenneth S. Apfel ( CN=Kenneth S. Apfel/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: T J. Glauthier ( CN=T J. Glauthier/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Barry B. Anderson ( CN=Barry B. Anderson/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: Rebecca R. Culberson ( CN=Rebecca R. Culberson/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: John A. Koskinen ( CN=John A. Koskinen/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

TO: RAINES\_F ( RAINES\_F @ A1 @ CD @ LNGTWY [ UNKNOWN ] ) (OMB)  
READ:UNKNOWN

TEXT:

TO: DIRECTOR FRANK RAINES  
DEPUTY DIRECTOR JACK LEW  
DEPUTY DIRECTOR JOHN KOSKINEN  
EXECUTIVE ASSOCIATE DIRECTOR JOSH GOTBAUM

FROM: OMB LEGISLATIVE AFFAIRS

DATE: JUNE 26, 1997

SUBJECT: LEGISLATIVE REPORT

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CONGRESS TODAY (6/26) - RECONCILIATION:

SENATE

Continued consideration of S. 949 - Revenue Reconciliation Act  
[Treasury Letters Sent 6/25 & 6/26]

At press time, the Senate is expected to continue consideration of

amendments late into Thursday evening, and will conclude action on the tax bill on Friday. Thus far, during Thursday's consideration, the Senate rejected a Democratic substitute amendment 38-64, and voted 80-19 to waive the Budget Act to include the children's health initiative. The Senate also rejected 34-64 a Dorgan amendment to trigger off the tax cuts in the event of deficits.

## HOUSE

Passed (253-179) H.R. 2014 - Taxpayer Relief Act  
[Treasury Letters Sent 6/25 & 6/26 / POTUS Letter Sent 6/26]

Rejected (197-235) Rangel (Democratic) Substitute Amendment on H.R. 2014 - Taxpayer Relief Act

Rejected (164-268) Motion to Recommit with Instructions (Coalition Tax Package) on H.R. 2014 - Taxpayer Relief Act

CONGRESS TOMORROW (6/27)

## HOUSE

Out of session (June 27th - July 7th)

## SENATE

Convene Friday morning to conclude voting on amendments to the tax bill. The Senate will then recess until July 7th.

Other Items the Senate plans to consider after the July 4th Recess:

- o Complete action on S. 936 - National Defense Authorization Act for Fiscal Year 1998 (likely July 7th)  
[SAP sent 6/19: Senior Advisors Recommend Veto]
- o Reconciliation bills (Spending & Tax Cut) - Conference Reports
- o FY 1998 Appropriations bills



You will also be announcing that Bruce Reed and Secretary Shalala will be overseeing the Administration's tobacco settlement review process. HHS and the White House have convened four working groups -- **Regulatory Issues** (chaired by Elena Kagan); **Program and Budget Issues** (chaired by Chris Jennings); **Legal Issues** (chaired by Elena Kagan); and **Industry Performance and Accountability** (chaired by Bruce Reed). You will be announcing that you have asked a review team will focus on public health questions, outline the working groups, and announce that Secretary Shalala and Bruce Reed will host a number of White House meetings with leading health experts and Members of Congress over the next several weeks to benefit from their expertise.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Thomas L. Freedman ( CN=Thomas L. Freedman/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 10:07:59.00

SUBJECT: Ideas

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

We have proposals on gun scanners, community prosecutors, wilderness designations, American Discovery Trails, national sexual assault hotline, and heart attacks (maybe) that seem plausible in the next couple of months.

If you'd like the background on any of them, give me a call.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elizabeth Drye ( CN=Elizabeth Drye/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 22:18:39.00

SUBJECT: VP's role in tobacco settlement review

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )

READ:UNKNOWN

TEXT:

I assume this is easily doable.

----- Forwarded by Elizabeth Drye/OPD/EOP on 06/26/97  
10:17 PM -----

Toby Donenfeld @ OVP

06/26/97 10:24:07 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP

cc: Elizabeth Drye/OPD/EOP, Ron Klain/OVP @ OVP, Donald H. Gips/OVP @ OVP

Subject: VP's role in tobacco settlement review

I spoke to Ron and he wanted me to relay to you that we would like the President (if he speaks about it tomorrow) and you and Secretary Shalala to mention something like, "as part of the WH review of the tobacco settlement, the Vice President will maintain an important, visible and central role in the review process."

In the coming weeks we can work with the DPC to identify an appropriate role for the Vice President.

Ron said he would mention this to you again in the morning. Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 20:17:25.00

SUBJECT: Treasury and FLSA

TO: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Possible reason to invite Barr is as follows: If new law defines these guys as not employees as House would, then maybe all our Treasury issues go away. I wouldn't invite more than Michael.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP [ OSTP ] )

CREATION DATE/TIME:26-JUN-1997 12:47:36.00

SUBJECT: FYI... Koop-Kessler recommendation on performance penalties

TO: Elizabeth Drye ( CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Paul J. Weinstein Jr. ( CN=Paul J. Weinstein Jr./OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Toby Donenfeld ( CN=Toby Donenfeld/O=OVP @ OVP [ UNKNOWN ] )

READ:UNKNOWN

CC: Christopher C. Jennings ( CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

I wrote this down from their meeting yesterday. These are the points that were agreed to by consensus (including Heart, Cancer, AMA, the Campaign) for inclusion in their "blueprint," which is their effort to set the right public health agenda. They will also have a second document, a "letter," that will be a side-by-side of their blueprint and the proposed settlement.

"First, and most important: Failure to meet youth smoking reduction targets must lead to severe, predictable sanctions that would serve as a significant financial deterrent directly affecting shareholder value of industry companies.

2. The tobacco industry should be required to meet increasingly stringent youth tobacco consumption reduction targets every year, beginning with the second year.

3. No caps on any penalties that are related to meeting targets.

4. Will remain silent in blueprint on this matter because it is not a public health question, but decided there should not be a rebate or abatement provisions.

5. There should be non-financial penalties (e.g., plain packaging) for missing youth reduction targets.

6. Funds collected from penalties should be used to further reduce consumption of tobacco products with youth as the first priority.

7. Performance penalties should be assessed on a company by company basis.

8. There should be some industry oversight apparatus to help insure compliance with the youth reduction targets that would include review of industry behavior and help insure appropriate incentives."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 10:46:24.00

SUBJECT: Re: Weekly Report

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

I agree that we should put something in the weekly on CBEST. If I had to write it today, it would basically (1) alert him to the case and briefly describe the issue (2) let him know of the competing views of the agencies; (3) let him know of the keen interest of the civil rights groups; and (4) tell him we are trying to determine if a narrowly drawn brief along the lines proposed by Wade could work.

Now that you've got the outline from EEOC, do you have a timetable for moving the decision along?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 10:49:28.00

SUBJECT: Re: Weekly Report

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

A general thought re: the weekly -- is there a reason why we can't get a copy of what goes in every week after it goes in -- maybe at Monday's team leaders meeting? Whenever I get a copy after the fact (because POTUS has sent back a comment) I am struck by how it gives me such a good snapshot of what we're all doing.

Elena Kagan

06/26/97 10:37:28 AM

Record Type: Record

To: Laura Emmett/WHO/EOP

cc: See the distribution list at the bottom of this message

Subject: Re: Weekly Report

The health and welfare folks should provide summaries of Congressional action (for health, on medicare, medicaid and children, and for welfare, on the \$3 billion, privatization, and flsa). Mike: I think it may make sense to do a paragraph or two on the c-best issue; let me know if you disagree. Jose/Leanne: the same for our immigration issues. Thanks.

Message Copied

To:

---

Sarah A. Bianchi/OMB/EOP  
Michael Cohen/OPD/EOP  
Elizabeth Drye/OPD/EOP  
Diana Fortuna/OPD/EOP  
Thomas L. Freedman/OPD/EOP  
Eric P. Goosby/OPD/EOP  
Christopher C. Jennings/OPD/EOP  
William R. Kincaid/OPD/EOP  
Jennifer L. Klein/OPD/EOP  
Jeanne Lambrew/OPD/EOP  
Cathy R. Mays/OPD/EOP  
Jonathan Prince/WHO/EOP  
Nicole R. Rabner/WHO/EOP  
Cynthia A. Rice/OPD/EOP  
Christa Robinson/OPD/EOP  
Leanne A. Shimabukuro/OPD/EOP  
Paul J. Weinstein Jr./OPD/EOP  
Jose Cerda III/OPD/EOP  
Bruce N. Reed/OPD/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 12:25:30.00

SUBJECT: punitives

TO: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )

READ:UNKNOWN

TO: Elizabeth Drye ( CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

JRM, could you check something out for me? I heard yesterday that the judge in the Florida case threw out the state's request for punitive damages. True?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Kim B. Widdess ( CN=Kim B. Widdess/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:26-JUN-1997 19:08:51.00

SUBJECT: Response to PCPF issue

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Robin Leeds ( CN=Robin Leeds/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Susan A. Brophy ( CN=Susan A. Brophy/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Minyon Moore ( CN=Minyon Moore/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Susan M. Liss ( CN=Susan M. Liss/O=OVP @ OVP [ UNKNOWN ] )

READ:UNKNOWN

TO: Ellen M. Lovell ( CN=Ellen M. Lovell/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Cheryl M. Carter ( CN=Cheryl M. Carter/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Lynn G. Cutler ( CN=Lynn G. Cutler/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TO: Lucia F. Gilliland ( CN=Lucia F. Gilliland/O=OVP @ OVP [ UNKNOWN ] )

READ:UNKNOWN

TO: Ann F. Lewis ( CN=Ann F. Lewis/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Nicole R. Rabner ( CN=Nicole R. Rabner/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Marjorie Tarmey ( CN=Marjorie Tarmey/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Katharine Button ( CN=Katharine Button/OU=WHO/O=EOP [ WHO ] )

READ:UNKNOWN

CC: Jennifer L. Klein ( CN=Jennifer L. Klein/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: June G. Turner ( CN=June G. Turner/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Suzanne Dale ( CN=Suzanne Dale/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

CC: Kevin S. Moran ( CN=Kevin S. Moran/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

Kim B. Widdess ( CN=Kim B. Widdess/OU=WHO/O=EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

In his briefing today, McCurry had the following response to the issue of Flo-jo being removed from the President's Council on Physical Fitness to make way for Jack Steinfeld.

McCurry stated that while the President wants Jack Steinfeld to join the PCPF, he also feels that Flo-jo should remain on the Council. The goal is to have enthusiastic and dynamic members on the council, and they both exhibit these qualities.

Our personnel office has attempted to reach her and has been having discussions with her husband in regard to her continuing service.

The full transcript will be distributed in McCurry's briefing. Please let me know if you don't receive it, and I will forward a transcript to you.

Thanks .

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Thomas L. Freedman ( CN=Thomas L. Freedman/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 10:25:34.00

SUBJECT: July 4, radio address

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

other possible radio's: 1. Outdoors. wilderness designations in the parks that Paul W. was developing and/or American discovery trails that Park Service has ready, 2. welfare. Cheerlead Eli Segal's effort, I think they have 15,000 job pledges they can announce now, urge other businesses to sign up...



June 26, 1997

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Bruce Reed

SUBJECT: Tobacco Settlement Review Process

This memo sets forth the process we will use to evaluate the proposed tobacco settlement and to present recommendations to the President. Our goal is to prepare a memo for the President by late July that defines our public health and public interest objectives; weighs the settlement's strengths and weaknesses against those objectives; summarizes the views of the public health community, Congress, and other affected parties; and lays out positions the President could take on the settlement proposal.

**Interagency Review**

The review will be carried out by four major workgroups which have already begun to meet:

- I. **Regulatory Issues** (chaired by Elena Kagan). This group will look at: (a) FDA regulation of product content, including nicotine; (b) FDA regulation of access, advertising, and labeling; and (c) restrictions on environmental tobacco smoke in public buildings and workplace settings. Participating White House offices are DPC, OMB, OVP, NEC, and OSTP. Participating agencies are HHS, DOJ, DOL, GSA, EPA, and Treasury.
- II. **Program and Budget Issues** (chaired by Chris Jennings). This group will examine proposed uses of settlement funds, including programs to reduce smoking and expand children's health care coverage. In particular, the group will consider: (a) the use of Medicaid funds for children's health care; (b) education efforts (including grass roots programs); (c) smoking cessation programs; and (d) investments in health research, including nicotine research. White House offices are DPC, OMB, NEC, OVP, and OSTP. Participating agencies are HHS, Treasury, DOL, USDA, Interior, VA, and DOD.
- III. **Legal Issues** (Chaired by Elena Kagan). This group will review the settlement's provisions on liability, damages, and document disclosure, and will consider constitutional, antitrust, and other legal issues raised by the settlement. White House offices are DPC, OVP, NEC, and Counsel. Participating agencies are DOJ, HHS, Treasury, and Interior.
- IV. **Industry Performance and Accountability** (chaired by Bruce Reed). This group will analyze economic and international issues. The group will assess: (a) the economics of the industry and the settlement's effects on industry performance, federal revenues, consumers, farmers, etc.; and (b) the set of incentives and penalties in the settlement to

reduce tobacco use, especially by children. The group also will consider Administration policy on tobacco-related trade and international issues, which the settlement does not directly address. White House offices are DPC, NEC, CEA, OVP, OMB, OSTP; participating agencies are: HHS, Treasury, DOL, USDA, USTR, State, DOD.

### **Public Outreach**

We will work with OPL and HHS on a tightly focused public outreach effort designed to demonstrate that the President is conducting a thoughtful, thorough review focused on the public health. Many groups covering a wide range of interests are affected by the proposed settlement. We will emphasize the President's focus on health by hosting 6-8 highly visible White House meetings with small, select groups of health experts. Working with OPL, we will encourage other interested groups (children's advocates; women's organizations, farmers) to share their views through written comments and, where appropriate, meetings with agency and White House staff.

Donna and I will host the White House meetings over the next three weeks. We will convene experts from national health organizations; Koop-Kessler advisory group participants; experts on nicotine addiction; local grass-roots advocates; state and local tobacco control officials; and children's health advocates.

The first meeting will take place on [Monday, June 30]. We will invite in Dr. Kessler and several members of the Koop-Kessler advisory group, including the American Cancer Society, American Medical Association, and American Heart Association. (Koop is not available.) The committee will not have finished its report, but it can validate the Administration's review process and praise the President for expressing concern earlier this week over the proposal's handling of nicotine regulation. Future meetings will include: Action on Smoking and Health; American Academy of Pediatrics; American Public Health Association; Americans for Nonsmokers' Rights; and National Center for Tobacco-Free Kids, Joe Califano, and leading academics.

### **Congressional Outreach**

If the Administration decides to support some kind of settlement, we will need broad Congressional support. Multiple committees in both the House and Senate would have jurisdiction over legislation enacting an agreement. The goal of our Congressional outreach process will be to strengthen relationships on the issue with key members and to keep the debate bipartisan and balanced. We will consult with the leadership, anti-tobacco advocates, and representatives of tobacco states. Today and tomorrow HHS is making calls to key Republican and Democratic members to seek their input on how best to consult with the Hill in the coming weeks. We are working with Legislative Affairs and HHS on a detailed list of Congressional meetings to begin the week of July 7. There are many critical members, including Senators Lott, Daschle, Hatch, Kennedy, Lautenberg, Ford, and Durbin; and Congressmen Gephardt, Gingrich, Bliley, Waxman, Dingell, Hansen, Meehan, Gordon and others.

### **Press Plan**

This issue is certain to attract considerable press attention throughout our review. Major news organizations have assigned entire teams to cover the tobacco settlement. After devoting so much coverage to the negotiations, the networks are determined to keep this issue alive. We should take advantage of that heightened interest to advance our public health message.

On Friday, Donna and I are prepared to brief the White House press corps on how we will conduct this review, who will be involved from within the administration, and what groups and outside experts we plan to consult. As noted above, on [Monday] we will meet with David Kessler and other members of the Koop-Kessler advisory group to discuss their efforts.

During the week of July 7, while the President is away, Donna and I will conduct the public health and Congressional meetings described above. This will give the press something to write about, and show that we are running an open process. During the week of July 14, we will continue public health and Congressional meetings and bring in two groups of attorneys general -- the enthusiasts and the skeptics. The Vice President is willing to hold a public hearing with us in mid-July if we need one. (We prefer to leave this question open right now.)

### **Schedule**

We have planned the following schedule. HHS does not believe the review can be completed within 30 days, as the President suggested. But we will work as quickly as possible to preserve that option and ensure a decision by early August at the latest.

- Week of June 23: DC convenes work groups and assigns analytic tasks to members.  
Donna and Bruce brief press on process and conduct.
- Week of June 30: Groups provide preliminary assessments of key issues.  
[First outreach meeting.]
- Week of July 7: Groups develop options for key issues.  
Bruce, Donna and others hold further meetings with public health groups and begin meetings with members of Congress.
- Week of July 14: Principals review workgroup assessments and meet to discuss options.  
Possible public hearing with the Vice President.
- Week of July 21: Initial meeting with the President.
- Late July/  
early August: Presidential decision and announcement.



June 26, 1997

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: Bruce Reed

SUBJECT: Tobacco Settlement Review Process

This memo sets forth the process we will use to review and evaluate the proposed tobacco settlement with relevant agencies, to seek input from the public health community, Congress, and others, and to present recommendations to the President. Our goal is to prepare a memo for the President by late July that: defines our public health and public interest objectives for a global settlement; weighs the settlement's strengths and weaknesses against those objectives and proposes possible modifications; summarizes the views of the public health community, Congress, and other affected parties; and lays out positions the President could take on the settlement proposal.

**Interagency Review**

The review will be carried out by four major workgroups:

- I. **Regulatory Issues** (Chaired by Elena Kagan). Subgroups will look at: (a) FDA regulation of product content; (b) FDA regulation of access, advertising and labeling; and (c) restrictions on environmental tobacco smoke in public buildings and workplace settings. Participating White House offices are DPC, OMB, OVP, NEC, OSTP. Participating agencies are HHS, DOJ, DOL, GSA, EPA, Treasury.
- II. **Program and Budget Issues** (Chaired by Chris Jennings). This group will examine programs to reduce smoking, expand children's health care coverage, and other proposed uses of settlement funds. Subgroups will consider: (a) Medicaid funds / children's health care; (b) education efforts (including grass roots programs); (c) smoking cessation programs; and (d) investments in health research, including nicotine research. White House offices are DPC, OMB, NEC, OVP, OSTP. Participating agencies are HHS, Treasury, DOL, USDA, Interior, VA, and DOD.
- III. **Legal Issues** (Chaired by Elena Kagan). This group will consider a number of legal issues, including liability, litigation, document disclosure, and antitrust questions. White House offices are DPC, OVP, NEC, Counsel. Participating agencies are DOJ, HHS, Treasury, Interior.
- IV. **Industry Performance and Accountability** (chaired by Bruce Reed). This group will analyze economic and international issues. Subgroups will assess: (a) the economics of the industry and the settlement's effects on, industry performance, federal revenues, consumers, farmers, etc.; (b) the incentives and penalties industry would face if children's

**Automated Records Management System**

**Hex-Dump Conversion**

tobacco use exceeds targets; and (c) Administration policy on tobacco-related trade and international issues, and the settlement's international implications. White House offices are DPC, NEC, CEA, OVP, OMB, OSTP; participating agencies are: HHS, Treasury, DOL, USDA, USTR, State, DOD.

### **Public Outreach**

We will work with OPL and HHS to run a tightly focused public outreach effort designed to demonstrate the President is conducting a thoughtful, thorough review focused on the public health. Many groups covering a wide range of interests are affected by the proposed settlement. We will narrow our task -- and reinforce the President's focus on public health -- by hosting 6-8 highly visible White House meetings with small, select groups of health experts. We will encourage others to share their views through written comments and, where appropriate, meetings with agency staff.

Donna and I will host the White House meetings over the next three weeks. We will convene leading thinkers on tobacco, including: experts from national health organizations; Koop-Kessler advisory group participants; experts on nicotine addiction; local grass-roots advocates; state and local tobacco control officials; and children's health advocates.

The first meeting will be on Friday. We will invite in Dr. Kessler and several members of the Koop-Kessler advisory group, including the American Cancer Society, American Medical Association and the American Lung Association (Koop is not available). The committee will not have finished its report, but will be able to validate the careful, thorough review the Administration is conducting, and praise the President for expressing concern over the proposal's handling of nicotine regulation.

### **Congressional Outreach**

-- this is a placeholder based on my conversation with Rich this morning. Rich is seeing if he can put off Lautenberg meeting until week after next--

If the President chooses to promote a settlement, he will need strong and broad Congressional support. Multiple committees in both the House and Senate would have jurisdiction over legislation enacting an agreement. The goal of our Congressional outreach process will be to strengthen relationships on the issue with key members, keeping the debate bipartisan. Today and tomorrow HHS is making calls to key Republican and Democratic members to let seek their input on how best to consult with the Hill in the coming weeks. We expect to conduct meetings with members the week of July 7, and will have a more detailed Congressional outreach plan by mid-week next week.

### **Press Plan**

This issue is certain to attract considerable press attention throughout our review. Major news organizations have assigned entire teams to cover the tobacco settlement. After devoting so much coverage to the negotiations, the networks are determined to keep this issue alive. We

should take advantage of that heightened interest to advance our public health message.

On Friday, Donna and I are prepared to brief the White House press corps on how we will conduct this review, who will be involved from within the administration, and what groups and outside experts we plan to consult. As noted above, on Friday we will also invite David Kessler and other members of the Koop-Kessler advisory group to discuss their efforts to develop an expanded blueprint on tobacco control.

The week of July 7, while the President is away, Donna and I will conduct the public health and Congressional meetings described above. This will give the press something to write about, and show that we're running an open process. The week of July 14, we will continue public health and Congressional meetings and bring in two groups of attorneys general -- the enthusiasts and the skeptics. The Vice President is willing to hold a public hearing with us in mid-July [Bruce -- let's talk about this -- there are downsides].

### **Schedule**

We have planned the following schedule. HHS does not believe the review can be completed within 30 days, as the President suggested. We will work as quickly as possible to preserve that option but ensure a decision by early August at the latest.

- Week of June 23: Work groups convened; subgroups assigned analytic tasks.
- June 27: First outreach meeting and press briefing on process.
- Week of June 30: Subgroups provide preliminary assessments; define remaining issues.
- Week of July 7: Subgroups develop options for outstanding issues and synthesize work.  
Continue White House meetings with public health groups.  
Begin meetings with members of Congress.
- Week of July 14: Principals review workgroup assessments and meet to firm up options.  
Possible public hearing with VP
- Week of July 21: Initial meeting with the President
- late July/early Aug: Presidential decision

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:26-JUN-1997 12:48:46.00

SUBJECT: International

TO: Elizabeth Drye ( CN=Elizabeth Drye/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )

READ:UNKNOWN

TO: Mark J. Mazur ( CN=Mark J. Mazur/OU=CEA/O=EOP @ EOP [ CEA ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Paul J. Weinstein Jr. ( CN=Paul J. Weinstein Jr./OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Paul, by my calculations based on the business info you sent me, about 5 trillion cigarettes are sold worldwide outside the U.S. -- and only around 150 billion or so are from U.S. cigarette makers. (Phillip Morris 65 billion, RJR 41 billion; I couldn't find figures for US Tobacco and Loews). Are we really only 3% of the non-U.S. world market for cigarettes?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:27-JUN-1997 09:39:45.00

SUBJECT: CBEST

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

Could you give Laura the copy of the new CBEST brief outline from EEOC.  
She can't locate it, and I'd love to see it.

Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Diana Fortuna ( CN=Diana Fortuna/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:27-JUN-1997 17:28:31.00

SUBJECT: Executive order for employment of disabled

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

We just got a new and substantially revised version of this draft executive order, after advice from DOL. I just talked it through with John Lancaster of the President's Committee on Employment of People with Disabilities, who is shepherding it. It is now going through one more round of comments from the appointees with disabilities and DOL before the attention turns to us. DOL/Seth Harris is supposedly pretty positive on it. I have talked a bit to Anne Lewis of NEC on this and will talk to her more to get their perspective.

The current draft is much more benign than the previous one we saw. There is no "quota" or goal of employment. Instead, it has a long preamble on why this issue is important, a statement that the employment rate of the disabled should be "as close as possible" to the one for the non-disabled, and it establishes a federal agency task force, led by DOL, to examine all agency programs and policies to figure out how to encourage employment of the disabled. A few agencies are called on to do specific things, most of which are OK. The task force has to report in a year and then biannually after that until 2002.

The main problem is I'm not sure what it adds up to. On the other hand, if it focuses attention on this issue, pleases the community right before the ADA anniversary, and comes up with a few good ideas, maybe that's OK -- I'm not sure what our standard for executive orders are.

I can send it to you if you want to see it, but otherwise I am going to see what additional comments John Lancaster gets and talk to NEC. I assume we don't go to Mac Reed/OMB counsel's office to vet this until we are sure that we like the general idea. The ADA anniversary is July 26, so we have to get it moving if we are going to do it. Any advice is welcome.

RECORD TYPE: PRESIDENTIAL (EXTERNAL MAIL)

CREATOR: Stuart M. Schear@EOP@LNGTWY@EOPMRX

CREATION DATE/TIME: 27-JUN-1997 17:05:00.00

SUBJECT: WEEKEND TV: FINAL REPORT

TO: GOLDBERG\_JS ( GOLDBERG\_JS@A1@CD ) (WHO)  
READ: NOT READ

TO: JOHNSON\_DT ( JOHNSON\_DT@A1@CD ) (NSC)  
READ: NOT READ

TO: HAAS\_L ( HAAS\_L@A1@CD ) (OMB)  
READ: 27-JUN-1997 19:20:33.84

TO: JENNINGS\_C ( JENNINGS\_C@A1@CD ) (WHO)  
READ: NOT READ

TO: JOLIN\_M ( JOLIN\_M@A1@CD ) (WHO)  
READ: NOT READ

TO: KAGAN\_E ( KAGAN\_E@A1@CD ) (OPD)  
READ: NOT READ

TO: MAYS\_C ( MAYS\_C@A1@CD ) (OPD)  
READ: NOT READ

TO: REED\_B ( REED\_B@A1@CD ) (OPD)  
READ: NOT READ

TO: GREEN\_MG ( GREEN\_MG@A1@CD ) (OPD)  
READ: NOT READ

TO: MAPLE\_D ( MAPLE\_D@A1@CD ) (DON)  
READ: NOT READ

TO: FALK\_D ( FALK\_D@A1@CD ) (WHO)  
READ: NOT READ

TO: SMITH\_B2 ( SMITH\_B2@A1@CD ) (WHO)  
READ: NOT READ

TO: ECHAVESTE\_M ( ECHAVESTE\_M@A1@CD ) (WHO)  
READ: NOT READ

TO: TARMEY\_M ( TARMEY\_M@A1@CD ) (WHO)  
READ: NOT READ

TO: Michael D. McCurry ( Michael D. McCurry@EOP@LNGTWY@EOPMRX )  
READ: NOT READ

TO: Lori L. Anderson ( Lori L. Anderson@EOP@LNGTWY@EOPMRX )  
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TO: Eli G. Attie ( Eli G. Attie@EOP@LNGTWY@EOPMRX )  
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TO: Donald A. Baer ( Donald A. Baer@EOP@LNGTWY@EOPMRX )

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TO: David S. Beaubaire ( David S. Beaubaire@EOP@LNKTWY@EOPMRX )  
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TO: Marsha E. Berry ( Marsha E. Berry@EOP@LNKTWY@EOPMRX )  
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TO: Sandra L. Bublick Max ( Sandra L. Bublick Max@EOP@LNKTWY@EOPMRX )  
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TO: Michelle Crisci ( Michelle Crisci@EOP@LNKTWY@EOPMRX )  
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TO: Lanny J. Davis ( Lanny J. Davis@EOP@LNKTWY@EOPMRX )  
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TO: Rahm I. Emanuel ( Rahm I. Emanuel@EOP@LNKTWY@EOPMRX )  
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TO: Paul K. Engskov ( Paul K. Engskov@EOP@LNKTWY@EOPMRX )  
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TO: Jeremy M. Gaines ( Jeremy M. Gaines@EOP@LNKTWY@EOPMRX )  
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TO: Adam W. Goldberg ( Adam W. Goldberg@EOP@LNKTWY@EOPMRX )  
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TO: Julia R. Green ( Julia R. Green@EOP@LNKTWY@EOPMRX )  
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TO: John A. Gribben ( John A. Gribben@EOP@LNKTWY@EOPMRX )  
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TO: Lawrence J. Haas ( Lawrence J. Haas@EOP@LNKTWY@EOPMRX )  
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TO: Nancy V. Hernreich ( Nancy V. Hernreich@EOP@LNKTWY@EOPMRX )  
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TO: Kathryn O. Higgins ( Kathryn O. Higgins@EOP@LNKTWY@EOPMRX )  
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TO: John L. Hilley ( John L. Hilley@EOP@LNKTWY@EOPMRX )  
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TO: Mary A. Dixon ( Mary A. Dixon@EOP@LNKTWY@EOPMRX )  
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TO: Elena Kagan ( Elena Kagan@EOP@LNKTWY@EOPMRX )  
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TO: Angus S. King ( Angus S. King@EOP@LNKTWY@EOPMRX )  
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TO: Karin Kullman ( Karin Kullman@EOP@LNKTWY@EOPMRX )  
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TO: G N. Lattimore ( G N. Lattimore@EOP@LNKTWY@EOPMRX )

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TO: Patricia F. Lewis ( Patricia F. Lewis@EOP@LNGTWY@EOPMRX )  
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TO: Ann F. Lewis ( Ann F. Lewis@EOP@LNGTWY@EOPMRX )  
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TO: Julie E. Mason ( Julie E. Mason@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Sylvia M. Mathews ( Sylvia M. Mathews@EOP@LNGTWY@EOPMRX )  
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TO: April K. Mellody ( April K. Mellody@EOP@LNGTWY@EOPMRX )  
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TO: Anne E. McGuire ( Anne E. McGuire@EOP@LNGTWY@EOPMRX )  
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TO: Cheryl D. Mills ( Cheryl D. Mills@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Kevin S. Moran ( Kevin S. Moran@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: John Podesta ( John Podesta@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Karen A. Popp ( Karen A. Popp@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Victoria Radd ( Victoria Radd@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Bruce N. Reed ( Bruce N. Reed@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Steven J. Ronnel ( Steven J. Ronnel@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Stuart M. Schear ( Stuart M. Schear@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Laura D. Schwartz ( Laura D. Schwartz@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Douglas B. Sosnik ( Douglas B. Sosnik@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Darby E. Stott ( Darby E. Stott@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Terri J. Tingen ( Terri J. Tingen@EOP@LNGTWY@EOPMRX )  
READ:NOT READ

TO: Barry J. Toiv ( Barry J. Toiv@EOP@LNGTWY@EOPMRX )  
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TO: June G. Turner ( June G. Turner@EOP@LNGTWY@EOPMRX )

READ:NOT READ

TO: Peter G. Umhofer  
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( Peter G. Umhofer@EOP@LN GTWY@EOPMRX )

TO: Dag Vega  
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( Dag Vega@EOP@LN GTWY@EOPMRX )

TO: Joseph W. Cerrell  
READ:NOT READ

( Joseph W. Cerrell@OVP@LN GTWY@EOPMRX )

TO: Ron Klain  
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( Ron Klain@OVP@LN GTWY@EOPMRX )

TO: Heidi Kukis  
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( Heidi Kukis@OVP@LN GTWY@EOPMRX )

TO: Virginia M. Terzano  
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TO: Sara M. Latham  
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( Sara M. Latham@EOP@LN GTWY@EOPMRX )

TO: Brenda M. Anders  
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( Brenda M. Anders@EOP@LN GTWY@EOPMRX )

TO: Beverly J. Barnes  
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( Beverly J. Barnes@EOP@LN GTWY@EOPMRX )

TO: Todd Stern  
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( Todd Stern@EOP@LN GTWY@EOPMRX )

TO: Kathleen M. Wallman  
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( Kathleen M. Wallman@EOP@LN GTWY@EOPMRX )

TO: Cynthia M. Jasso-Rotunno  
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( Cynthia M. Jasso-Rotunno@EOP@LN GTWY@EOPMR )

TO: Odetta S. Walker  
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( Odetta S. Walker@EOP@LN GTWY@EOPMRX )

TO: Christopher J. Lavery  
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( Christopher J. Lavery@EOP@LN GTWY@EOPMRX )

TO: Craig T. Smith  
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( Craig T. Smith@EOP@LN GTWY@EOPMRX )

TO: Laura S. Marcus  
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TO: Joseph P. Lockhart  
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( Megan C. Moloney@EOP@LN GTWY@EOPMRX )

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( Jonathan Murchinson@EOP@LN GTWY@EOPMRX )

TO: Roger V. Salazar

( Roger V. Salazar@OVP@LN GTWY@EOPMRX )

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TO: Evan Ryan  
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( Evan Ryan@EOP@LNGTWY@EOPMRX )

TO: Charles F. Ruff  
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( Charles F. Ruff@EOP@LNGTWY@EOPMRX )

TO: Ora Theard  
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( Ora Theard@EOP@LNGTWY@EOPMRX )

TO: Thomas D. Janenda  
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TO: Brian J. Johnson  
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( Brian J. Johnson@EOP@LNGTWY@EOPMRX )

TO: Elizabeth R. Newman  
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( Elizabeth R. Newman@EOP@LNGTWY@EOPMRX )

TO: Anne S. Walker  
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( Anne S. Walker@EOP@LNGTWY@EOPMRX )

TO: Lynn G. Cutler  
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( Lynn G. Cutler@EOP@LNGTWY@EOPMRX )

TO: Lorraine L. Wytkind  
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( Lorraine L. Wytkind@EOP@LNGTWY@EOPMRX )

TO: Robert N. Weiner  
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( Robert N. Weiner@EOP@LNGTWY@EOPMRX )

TO: Sandra Thurman  
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( Sandra Thurman@EOP@LNGTWY@EOPMRX )

TO: Daniel K. Tarullo  
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( Daniel K. Tarullo@EOP@LNGTWY@EOPMRX )

TO: Karen E. Skelton  
READ:NOT READ

( Karen E. Skelton@EOP@LNGTWY@EOPMRX )

TO: Franklin D. Raines  
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( Franklin D. Raines@EOP@LNGTWY@EOPMRX )

TO: Julia M. Payne  
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( Julia M. Payne@EOP@LNGTWY@EOPMRX )

TO: Jennifer M. Palmieri  
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( Jennifer M. Palmieri@EOP@LNGTWY@EOPMRX )

TO: Daniel C. Montoya  
READ:NOT READ

( Daniel C. Montoya@EOP@LNGTWY@EOPMRX )

TO: Andrew J. Mayock  
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( Andrew J. Mayock@EOP@LNGTWY@EOPMRX )

TO: Gordon Li  
READ:NOT READ

( Gordon Li@EOP@LNGTWY@EOPMRX )

TO: Bruce R. Lindsey

( Bruce R. Lindsey@EOP@LNGTWY@EOPMRX )



JUNE 27, 1997

MEMORANDUM TO MIKE MCCURRY, ANN LEWIS & DON BAER  
FROM STUART SCHEAR  
SUBJECT WEEKEND TV: FINAL REPORT

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FRIDAY JUNE 27

WASHINGTON WEEK IN REVIEW

Topic SCOTUS Decisions  
Guest Linda Greenhouse, New York Times

Topic Medicare  
Guest Gloria Borger, US News & World Report

Topic Title IX  
Guest Gwen Ifill, NBC News

Topic Hong Kong  
Guest Georgie Ann Geyer, Syndicated Columnist

Roundtable Hillary Notes & L'Affaire Ken Starr

SATURDAY JUNE 28

EVANS & NOVAK (CNN)

Topic Politics  
Guest Newt Gingrich, Speaker of the House

INSIDE POLITICS WEEKEND (CNN)

Topic L'Affaire Ken Starr  
Guest Richard Ben-Veniste & Michael Chertoff

SUNDAY JUNE 29

FOX NEWS SUNDAY (FOX)

Topic Clean Air Rules  
Guest Carol Browner, EPA Administrator  
Guest Rep. John Dingell

Topic Medicare  
Guest Sen. Phil Gramm & Sen. Paul Wellstone

Topic Right-To-Die  
Guest Cardinal Anthony Bevilacqua, Philadelphia  
Roundtable Brit Hume, Juan Williams & Mara Liasson  
FACE THE NATION (CBS)

Topic Hong Kong  
Guest Richard Boucher, US Counsel General to Hong Kong

Topic Hong Kong  
Guest Martin Lee, Chair. Dem. Party Hong Kong

Comment Bob Schieffer & Tom Friedman, of the New York  
Times will broadcast from Hong Kong  
MEET (NBC)

Topic Hong Kong  
Guest Madeleine Albright, Secy. Of State  
Guest Gov. Tung Chee-Hwa, Hong Kong

Topic Medicare & Taxes  
Guest Sen. Dick Durbin, Sen. Bob Kerrey & Sen. Don  
Nickles

Roundtable James Carville & Mary Matalin

THIS WEEK (ABC)

Topic Hong Kong  
Guest Cross Talk with Peter Jennings

Topic Brady Bill Decision  
Guest Wayne La Pierre, NRA  
Sarah Brady, Hand Gun Control

Topic Rosewell "UFO" Incident of 1947  
Guest Capt. James McAndrew, Author of US Air Force  
Report

Roundtable Linda Douglas, Sam, Will, Stephanopoulos & Kristol

LATE EDITION (CNN)

Topic	Hong Kong
Guest	Margaret Thatcher
Guest	Martin Lee
Guest	Rep. Chris Cox
Roundtable	Tony Blankley, Ron Brownstein & Margaret Carlson

RECORD TYPE: PRESIDENTIAL (ALL-IN-1 MAIL)

CREATOR: Jean C. Nelson ( NELSON\_J ) (CPC)

CREATION DATE/TIME:27-JUN-1997 08:18:56.04

SUBJECT: After School Issues

TO: Elena Kagan ( KAGAN\_E ) Autoforward to: Remote Addresse  
READ:NOT READ

CC: Nancy K. Hatamiya ( HATAMIYA\_N ) (CPC)  
READ:27-JUN-1997 08:57:37.62

TEXT:

I would like for you and I (and whoever else --eg Nicole) to get together soon to talk about this issue.

As you may recall the Crime Prevention Council some time ago had all our agencies discuss what they are doing and then hear from a number of community-based organizations, police organizations etc about what they are doing. And there have been, as you know, multiple other things going on--Service Summit, relationship to the 0-3, some part of the Family Conference, legislative initiative, Dept. of Ed booklet and First Lady announcement, etc etc--and then lots of discussion outside the government too.

The World Hunger group is working with a number of the best in the field on a Conference for potentially this fall and discussion teaming up with CNS--and they have all been talking with us. And it goes on.

The long and the short is that I want to talk with you on how all this fits with the followup to the 0-3, how the Administration might want to integrate/lead in this area and all the other thoughts I am sure you are having!

I will be out next week but want to at least touch base the week after or you can page me before and I will call you. Thanks.



## **HEALTH CARE BUDGET PROVISIONS**

On Thursday, both the House and the Senate passed the spending portions of the budget. While most of the health provisions in both bills are consistent with the budget agreement, there are some notable exceptions that are either flawed policy or are inconsistent with the agreement.

**MEDICARE.** The Senate passed Medicare provisions represent the most drastic departure from our vision: It includes: an income-related premium, phasing in the Medicare eligibility age from 65 to 67; a new home-health copayment; and the elimination of balanced billing protections for at least the new private fee-for-service options. The income-related premium begins at \$50,000 for a single and \$75,000 for couple and is fully phased in at \$100,000 (\$125,000 per couple). When fully phased in in 2002, it would cost beneficiaries three times as much as other beneficiaries. We have policy concerns about the provision including that it is difficult to administrate and that it could potentially cause high-income beneficiaries to opt out of Medicare, leaving poorer beneficiaries in a weakened Medicare program. On the positive side, the Senate severely limited the MSA demo to 100,000 and your academic health center payment pool was preserved. In the House, this pool was not preserved and MSAs were much broader (500,000). However, none of the other problems in the Senate were included.

**MEDICAID.** There are three major concerns with the Medicaid provisions. First, the House and Senate have dramatically different approaches to reducing DSH spending -- both of which differ from your policy. Your policy is the best at assuring that the few high-DSH states do not bear a disproportionate amount of the cuts. However, there are arguments on all sides about the best way to approach this reduction. Additionally, we are concerned about giving states the funds for premium assistance for low-income Medicare beneficiaries through a Medicare block grant versus Medicaid. Finally, neither the House or Senate fully restore the funding for DC and the territories that the budget agreement called for.

**CHILDREN'S HEALTH.** The children health provisions are far better than the House-passed bill. In fact, its required benefits package and cost-sharing protections are strong enough to merit a generally positive reception by most of the children's advocacy community. The bill also includes an additional \$8 billion for children's health grant program. The House bill is disappointing in that it does not meet our criteria for well targeted, meaningful benefits for children. It allows states to allocate these dollars for services rather than coverage and which will result in less numbers of children becoming insured. Moreover, even when a state does allocate its dollars to health insurance, its health benefit package is much-less defined than the Senate-passed bill and certainly does not meet our requirement for meaningful benefits. Neither the House nor the Senate bills cover the SSI children who are losing coverage due to tightened eligibility rules, a provision which was clearly included in the budget agreement. Finally, the \$.20 tobacco tax passed by the Senate raises an additional \$8 billion for children health care coverage. The questions that remain are can it be retained in conference and will the remaining \$6 billion (on top of the \$8 billion raised by the \$.20 tax) be dedicated to children's issues, such as adoption and child care or other investments, such as a certain tax policies, that the Administration does not support.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Todd Stern ( CN=Todd Stern/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 27-JUN-1997 11:31:04.00

SUBJECT: Medal of Freedom

TO: Ellen M. Lovell ( CN=Ellen M. Lovell/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TO: 1199595@SKYTEL ( 1199595@SKYTEL [ UNKNOWN ] )  
READ: UNKNOWN

TO: Ann F. Lewis ( CN=Ann F. Lewis/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Sylvia M. Mathews ( CN=Sylvia M. Mathews/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TO: Gene B. Sperling ( CN=Gene B. Sperling/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ: UNKNOWN

TO: Maria Echaveste ( CN=Maria Echaveste/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: Donald A. Baer ( CN=Donald A. Baer/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TO: John Podesta ( CN=John Podesta/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

CC: James A. Dorskind ( CN=James A. Dorskind/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

TEXT:

We've got a partial list of people worked up, but still need a good number of others. As you're crossing West Exec on your way to the next meeting, think about eminent Americans who would make good recipients. We are particularly short on women. Please e-mail in any suggestions or call me.

To jog your thinking, here are some recent award winners:

1996

Cardinal Bernadin  
James Brady  
Millard Fuller  
David Hamburg  
Eugene Lang  
Antonia Pantoja  
Rosa Parks

1995

Peggy Charren  
Bill Coleman  
Joan Ganz Cooney  
John Hope Franklin  
Everett Koop  
Gaylord Nelson  
Walter Reuther (posthumous)

1994

Herbert Block  
Cesar Chavez (posthumous)  
Dorothy Height  
Barbara Jordan  
Lane Kirkland  
Bob Michel  
Sargent Shriver

1993

Arthur Ashe (posthumous)  
William Brennan  
Marjory Stoneman Douglas  
William Fulbright (posthumous)  
Thurgood Marshall  
Colin Powell  
Strom Thurmond  
Minor Wisdom

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Elizabeth Drye ( CN=Elizabeth Drye/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:27-JUN-1997 16:43:36.00

SUBJECT: Tobacco & Food Safety Funding

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Jerold R. Mande ( CN=Jerold R. Mande/OU=OSTP/O=EOP @ EOP [ OSTP ] )

READ:UNKNOWN

TEXT:

Here's the outcome of subcommittee markup for food safety and tobacco.

----- Forwarded by Elizabeth Drye/OPD/EOP on 06/27/97  
04:42 PM -----

Nancy A. Min

06/27/97 03:30:55 PM

Record Type: Record

To: Elizabeth Drye/OPD/EOP

cc:

Subject: Tobacco & Food Safety Funding

a fuller explanation

----- Forwarded by Nancy A. Min/OMB/EOP on 06/27/97 03:31  
PM -----

Jim R. Esquea

06/27/97 11:27:39 AM

Record Type: Record

To: Nancy A. Min/OMB/EOP, Barry T. Clendenin/OMB/EOP, Richard J. Turman/OMB/EOP

cc: Adrienne C. Erbach/OMB/EOP, Jennifer Ferguson/OMB/EOP, Wm G. White/OMB/EOP

Subject: Tobacco & Food Safety Funding

I've been advised that though FDA was only given a \$19 million BA increase over the FY 1997 enacted level, for a FY 1998 level of \$907 million, the Ag Approps Subcommittee directed FDA to spend +\$24 million on food safety (+\$14 million) and tobacco (+\$10 million),\* consistent with what Tim Sanders advised you of earlier this week.

Since the Subcommittee only provided a total \$19 million BA increase, the Subcommittee directed that other program activities within FDA (like the Commissioner's Office) be reduced by a total of \$5 million, in order to provide the \$24 million increase for the food safety & tobacco initiatives.

\* FDA already had \$5 million in tobacco funds in their base budget authority. The Subcommittee's \$10 million increase for tobacco would thus bring FDA's total tobacco funding in FY 1998 to \$15 million.



## DRAFT #1 -- 10: 1 CONSENSUS RECOMMENDATION

### MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED  
ELENA KAGAN

RE: CRACK AND POWDER COCAINE SENTENCING RECOMMENDATIONS

On April 29th, the U.S. Sentencing Commission submitted a report to Congress with revised recommendations concerning the current sentencing policy for trafficking in crack and powder cocaine. In response to this report, you directed the Attorney General and ONDCP Director to review the report and make recommendations to you within the next 60 days. They have submitted the following recommendation: that the threshold for a 5-year mandatory sentence for trafficking be increased from 5 grams to 25 grams for crack cocaine, and reduced from 500 grams to 250 grams for powder cocaine. Such a change would reduce the current disparity between crack and powder cocaine sentences from a ratio of 100:1 to a ratio of 10:1.

#### I. BACKGROUND

Under current law, a 5-year mandatory minimum sentence applies to a person selling 5 grams of crack cocaine, or 500 grams of powder cocaine. This disparity is often referred to as the "100-to-1" ratio between crack and powder cocaine sentences. This means that a person convicted of selling 500 grams of powder cocaine, worth approximately \$30,000, is subject to the same five-year mandatory minimum sentence as a person selling 5 grams of crack cocaine, which is worth about \$300. The only exception to these mandatory minimum drug penalties is the so-called "safety valve" that allows certain first-time, non-violent drug offenders to receive a lesser sentence. Thousands of defendants have been eligible for this exception since its enactment as part of the 1994 crime bill.

In May 1995, the Sentencing Commission, by a 4-3 vote, sent to Congress proposed changes to the sentencing guidelines reducing crack cocaine penalties so that there would be no disparity between crack and powder cocaine sentences -- a 1:1 ratio at 500 grams. The Administration proposed and Congress passed legislation rejecting this recommendation. As a result of this legislation, which you signed into law in October of 1995, the Commission was directed to submit new recommendations that acknowledged that crack penalties should generally exceed sentences for like amounts of powder cocaine.

The Sentencing Commission's revised recommendations suggested ranges for the amounts of crack and powder cocaine that should trigger the 5-year mandatory minimum sentence for drug trafficking: the threshold should be increased from 5 grams to somewhere between 25 and 75 grams for crack cocaine, and reduced from 500 grams to somewhere between 125 and 375 grams for powder cocaine.

## **II. JUSTICE AND ONDCP RECOMMENDATION**

After reviewing the Sentencing Commission's revised report, the Attorney General and ONDCP Director are recommending that the Administration support and work with Congress to reduce the disparity between the triggering amounts of crack and powder cocaine for five-year mandatory sentences from 5 grams of crack and 500 grams of powder, to 25 grams of crack and 250 grams of powder cocaine.

The Attorney General and ONDCP Director believe that this revised structure will help ensure that federal prosecutors target mid- and high-level cocaine traffickers, generally leaving lower-level traffickers and users to be prosecuted by state and local law enforcement. They contend that this "division of responsibility" for prosecuting drug cases is sensible: the federal government is better situated to target and dismantle major drug trafficking organizations through its powerful enforcement tools, such as the RICO statute, wiretapping authority and its national and international enforcement programs.

They also argue that the current sentencing structure creates an incentive to concentrate on lower level street dealers since sales of 5 grams of crack can still result in a long mandatory sentence. A mid-level crack dealer, however, typically deals in ounce (28 grams) or multi-ounce quantities. By directing resources toward lower-level dealers, otherwise scarce federal law enforcement resource are diverted away from higher priority, serious drug traffickers.

In addition, the Attorney General and ONDCP Director make the case that the current 100:1 sentencing scheme has become a symbol of racial bias in the criminal justice system for many African Americans. Thus, reducing the disparity from 100:1 to 10:1 is not only good law enforcement, it will also help address this concern.

## **III. RECOMMENDATION**

We recommend that you endorse the recommendation submitted by the Attorney General and the ONDCP Director, and issue a statement encouraging them to work with Congress to address this matter. We believe that the proposed 10:1 ratio, which triggers 5-year mandatory drug penalties at 25 grams of crack cocaine and 250 grams of powder cocaine, is the best alternative. In addition to significantly reducing the disparity between crack and powder cocaine sentences -- while preserving the Congressionally mandated policy of tougher penalties for crack -- this recommendation makes the most sense from a law enforcement perspective. It links the increase in threshold for mandatory crack penalties (25 grams) to an amount that corresponds with the practice of mid-level crack dealers to traffick in ounce (28 grams) or multi-ounce quantities.

Despite concurring with this recommendation, we are not optimistic that the Attorney General and ONDCP Director will have much success in persuading Members of Congress to pass such legislation any time soon. In fact, it is very likely that the Administration's call for legislation to reduce the disparity between crack and powder cocaine penalties will lead to

congressional action to simply increase the penalties for powder cocaine violations. For instance, Senators Abraham and Hatch have proposed legislation to drop the threshold for mandatory drug penalties for powder cocaine violations from 500 grams to 100 grams, and are considering offering it as an amendment to the juvenile crime bill. And other members have proposed dropping the powder cocaine threshold to as low as 5 grams. As you know, addressing the disparity between crack and powder cocaine sentences in this manner will increase the federal government's role in low-level drug cases that are best addressed by state and local law enforcement -- as well as add billions of dollars to the federal prison budget.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:29-JUN-1997 14:05:58.00

SUBJECT: Outline of new CBEST brief

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

I've reviewed the outline for the "compromise" CBEST brief, and here's what I think:

1. The final section of the outline (III) goes beyond the limited approach we discussed -- namely that the brief would object only to the early version and not to the current version of the test -- because it poses objections to the whole set of validation studies. If this section remains in, we are back to the original EEOC brief and objections.

2. Assuming this section is deleted, then the brief essentially argues that the original validation studies were deficient, demonstrated by the fact that the state made significant changes in the math portion of the test in particular after the 1994 Lundquist evaluation study. Consequently, the unrevised, pre-1995 version of the test lacked demonstrated validity and job-relatedness, and therefore its use was unlawful in light of the disparate impact it created. In addition, the court committed a serious procedural error when it let the state get away with either failing to conduct validity studies, or conducting seriously deficient validity studies, in the pre-1994 period of test administration.

3. The brief doesn't state this, but if this is the essence of the case we would present, I presume we would take this the next step and suggest that the appropriate remedy would be to give back pay (or some other compensation) to any of the plaintiffs who take and pass the current version of the test, and who then go into teaching. If they can't pass the test, or no longer want to teach, then I don't think they would be entitled to some kind of remedy.

4. The brief needs to more clearly make the argument for our standards and testing policy, along the following lines:  
setting high standards for students is a necessary first step in improving teaching and learning; this is especially important for students from disadvantaged backgrounds, because they have traditionally suffered from a "tyranny of low expectations" which has resulted in these students being exposed to a watered down curriculum which limits their learning opportunities  
testing to see if students are meeting these standards is also essential, because the test reinforces the standards; drives curriculum and instruction in the classroom (what gets tested gets taught); lets students, teachers and parents know if the kids are making progress and on track; and provides the basis for holding schools accountable for performance;  
raising standards for students requires setting standards for teachers: kids can't learn from teachers who lack the basic prerequisite knowledge. This is especially true for students from disadvantaged backgrounds. There is considerable evidence to suggest, for example, high poverty schools are most likely to have the least-well prepared teachers, which clearly works to the disadvantage of the most disadvantaged kids.

all teachers need to master some basic reading, writing and math skills in order to teach, because these skills: are likely to be required at some point in just about every class and in every other setting in which professional educators (including counselors, principals, school nurses, etc.) interact with kids; are required in order to build and retain public confidence in public schools; and, because adults in schools are supposed to be role models for kids; if they demonstrate that they lack basic skills students are expected to learn, they undermine the moral authority of the school, which is necessary to maintain order and to motivate students (who, by virtue of compulsory attendance laws are the involuntary clientele of the school).

that's why we support the basic idea of requiring prospective teachers to pass basic skills tests; in fact, we think teachers ought to also be required to pass more rigorous tests in the subject area in which they teach, and ought to also be required to demonstrate a level of expertise in other areas (e.g., pedagogy, classroom management, child development, etc.) The point here is to clarify that on policy grounds we think basic skills testing is at one end of a continuum of performance requirements, and we'd like to see states move to the other, more rigorous, end.

Because these basic skills tests are so important, and because we expect more states to adopt even more rigorous testing policies, we think it is very important that these tests be done right, and especially that they are consistent with civil rights employment laws.

We also value very highly the goal of increasing the number of well prepared, qualified minorities in schools. Because high standards and well designed licensure tests can be a very important tool for upgrading teacher preparation (just as standards and tests are a tool for upgrading teaching and learning for kids), it is important that we make sure that the tests are in place, done right, and do not needlessly discriminate. Title VII is the tool for doing this; if Title VII requirements and procedures are met then we will have valid tests that will serve to improve teaching. If not, then they will neither improve teaching nor increase the participation of underrepresented minorities in the classroom.

That is why we are appealing the court's decision: the court set a precedent for allowing a poorly validated test be used when there was a disparate impact. Even though the test is now "fixed", if the part of the ruling bearing on the pre-1995 test is allowed to stand, than future tests may be used where they also lack validity, and may be based on much more demanding standards which could lack the easy "face validity" of basic skills.

4. I think the outline above makes a more compelling case than the EEOC outline for why standards and testing are important policy tools, and why enforcing Title VII is important in this context. I could imagine proceeding with a brief framed along these lines from a policy perspective.

5. Finally, from a policy point of view, I could be comfortable about proceeding with a brief along these lines. I will defer to other's judgment about the wisdom of this approach from a legal and strategic standpoint,. My own instinct is that we still look like we are raising a relatively small concern about a really big issue, though I am still thinking about this.

I hope this helps.



**DRAFT #2 -- 10:1 VS. 1:1**

**MEMORANDUM FOR THE PRESIDENT**

**FROM: BRUCE REED  
ELENA KAGAN**

**RE: CRACK AND POWDER COCAINE SENTENCING RECOMMENDATIONS**

On April 29th, the U.S. Sentencing Commission submitted a report to Congress with revised recommendations concerning the current sentencing policy for trafficking in crack and powder cocaine. In response to this report, you directed the Attorney General and ONDCP Director to review the report and make recommendations to you within the next 60 days. The Attorney General and ONDCP Director were unable to reach consensus, and they have submitted the following separate recommendations:

The Attorney General has proposed that the threshold for a 5-year mandatory sentence for trafficking be increased from 5 grams to 25 grams for crack cocaine, and reduced from 500 grams to 250 grams for powder cocaine. Such a change would reduce the current disparity between crack and powder cocaine sentences from a ratio of 100:1 to a ratio of 10:1.

The ONDCP Director has recommended dropping the distinction between sentences for trafficking in crack and powder cocaine, and setting a 100-gram threshold for 5-year mandatory drug penalties.

You must decide which recommendation, if either, to support.

**I. BACKGROUND**

Under current law, a 5-year mandatory minimum sentence applies to a person selling 5 grams of crack cocaine, or 500 grams of powder cocaine. This disparity is often referred to as the "100-to-1" ratio between crack and powder cocaine sentences. This means that a person convicted of selling 500 grams of powder cocaine, worth approximately \$30,000, is subject to the same five-year mandatory minimum sentence as a person selling 5 grams of crack cocaine, which is worth about \$300. The only exception to these mandatory minimum drug penalties is the so-called "safety valve" that allows certain first-time, non-violent drug offenders to receive a lesser sentence. Thousands of defendants have been eligible for this exception since its enactment as part of the 1994 crime bill.

In May 1995, the Sentencing Commission, by a 4-3 vote, sent to Congress proposed changes to the sentencing guidelines reducing crack cocaine penalties so that there would be no disparity between crack and powder cocaine sentences -- a 1:1 ratio at 500 grams. The Administration proposed and Congress passed legislation rejecting this recommendation. As a result of this legislation, which you signed into law in October of 1995, the Commission was

directed to submit new recommendations that acknowledged that crack penalties should generally exceed sentences for like amounts of powder cocaine.

The Sentencing Commission's revised recommendations suggested ranges for the amounts of crack and powder cocaine that should trigger the 5-year mandatory minimum sentence for drug trafficking: the threshold should be increased from 5 grams to somewhere between 25 and 75 grams for crack cocaine, and reduced from 500 grams to somewhere between 125 and 375 grams for powder cocaine.

## **II. JUSTICE AND ONDCP RECOMMENDATIONS**

After independently reviewing the Sentencing Commission's revised report, and having met to discuss their findings, the Attorney General and ONDCP Director have come to different conclusions. In brief, here are their recommendations:

### **A. Justice Department**

The Attorney General is recommending that the Administration support and work with Congress to reduce the disparity between the triggering amounts of crack and powder cocaine for five-year mandatory sentences from 5 grams of crack and 500 grams of powder, to 25 grams of crack and 250 grams of powder cocaine.

The Attorney General believes that this revised structure will help ensure that federal prosecutors target mid- and high-level cocaine traffickers, generally leaving lower-level traffickers and users to be prosecuted by state and local law enforcement. She contends that this "division of responsibility" for prosecuting drug cases is sensible: the federal government is better situated to target and dismantle major drug trafficking organizations through its powerful enforcement tools, such as the RICO statute, wiretapping authority and its national and international enforcement programs.

She also argues that the current sentencing structure creates an incentive to concentrate on lower level street dealers since sales of 5 grams of crack can still result in a long mandatory sentence. A mid-level crack dealer, however, typically deals in ounce (28 grams) or multi-ounce quantities. By directing resources toward lower-level dealers, otherwise scarce federal law enforcement resource are diverted away from higher priority, serious drug traffickers.

Finally, the Attorney General makes the case that the current 100:1 sentencing scheme has become a symbol of racial bias in the criminal justice system for many African Americans. Thus, reducing the disparity from 100:1 to 10:1 is not only good law enforcement, it will also help address this concern.

### **B. ONDCP**

The ONDCP Director is recommending that the Administration support and work with Congress to repeal the disparity in sentencing for crack and powder cocaine, and establish a

100-gram threshold for triggering 5-year mandatory drug penalties for cocaine violations.

The ONDCP Director strongly believes that the different sentencing guidelines for crack and powder cocaine are flawed and serve no useful. The only real difference between these two forms of cocaine, he argues, is the systematic violence associated with drug sales at crack markets, and this issue can be addressed through existing enhancements for weapons offenses provided for in the sentencing guidelines.

Additionally, the ONDCP Director points out that crack use has stabilized, and that federal cocaine policy should focus limited law enforcement resources on international dealers and domestic wholesalers -- or those who deal in quantities of a kilogram or more. Thus, by setting the threshold for 5-year mandatory drug penalties at 100 grams, the federal government can dedicate more resources for serious drug dealers, target mid-level dealers (those who deal in multiple ounce quantities) as informants and save on incarceration costs.

Finally, the ONDCP director also makes the argument that the current crack cocaine sentences have had a disproportionate impact on African Americans, and have served to undermine public support for the criminal justice system.

### **III. RECOMMENDATION**

We recommend that you endorse the recommendation submitted by the Attorney General and issue a statement encouraging her and the ONDCP Director to work with Congress to address this matter. We believe that the proposed 10:1 ratio, which triggers 5-year mandatory drug penalties at 25 grams of crack cocaine and 250 grams of powder cocaine, is the best alternative. In addition to significantly reducing the disparity between crack and powder cocaine sentences -- while preserving the Congressionally mandated policy of tougher penalties for crack -- this recommendation makes the most sense from a law enforcement perspective. It links the increase in threshold for mandatory crack penalties (25 grams) to an amount that corresponds with the practice of mid-level crack dealers to traffick in ounce (28 grams) or multi-ounce quantities.

We have several major concerns with the ONDCP Director's recommendation and, thus, strongly advise you to reject it. First and foremost, the ONDCP recommendation is contrary to the crack sentencing legislation that you proposed and Congress passed -- and which expressly endorsed tougher penalties for crack cocaine because of the violence associated with its use and sale. Second, ONDCP's recommended threshold of 100-grams for crack and powder cocaine does not even correspond with the overall ranges recommended by the Sentencing Commission (25 to 75 grams for crack, and 125 to 375 grams for powder). And third, despite ONDCP's law enforcement rationale for the change, we expect that such a dramatic reduction in crack penalties will not be supported, and more likely opposed, by the law enforcement community.

Finally, despite concurring with the Attorney General's recommendation, we are not optimistic that she and the ONDCP Director will have much success in persuading Members of

Congress to pass such legislation any time soon. In fact, it is very likely that the Administration's call for legislation to reduce the disparity between crack and powder cocaine penalties will lead to congressional action to simply increase the penalties for powder cocaine violations. We believe this is especially true if the Administration proposes repealing the disparity between crack and powder cocaine sentences, as recommended by ONDCP. As it stands, Senators Abraham and Hatch have already proposed legislation to drop the threshold for mandatory drug penalties for powder cocaine violations from 500 grams to 100 grams, and are considering offering it as an amendment to the juvenile crime bill. Reversing our position on tougher penalties for crack is sure to elicit the same response as the original Sentencing Commission recommendation to equalize the threshold for crack and powder cocaine sentences at 500 grams -- more likely to result in Congress passing legislation that equalizes the threshold for crack and powder cocaine sentences at 5 grams. As you know, addressing the disparity in this manner will not only increase the federal government's role in low-level drug cases that are best addressed by state and local law enforcement -- it will add billions of dollars to the federal prison budget.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jennifer M. Palmieri ( CN=Jennifer M. Palmieri/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:29-JUN-1997 13:16:10.00

SUBJECT: Religious Freedom

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

As Bruce might have told you, in the scheduling meeting we had with Erskine on Friday, we discussed the possibility of doing a message event the week of July 21 on the Supreme Court's decision on the RFRA. (This event would be instead of a radio address on July 5).

Do you want the DPC to be the staff contact for this proposed event, or do you want Public Liasion to take the lead? I figured you would probably want it -- but know that DPC has got an awful lot going on right now.

Please let me know how you want to proceed on this.

Thanks.