

NLWJC - KAGAN

EMAILS RECEIVED

ARMS - BOX 016 - FOLDER -007

[09/10/1997 - 09/11/1997]

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Phone No. (Partial) (1 page)	09/11/1997	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[09/10/1997-09/11/1997]

2009-1006-F

bm47

RESTRICTION CODES

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

- 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]

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: Malcolm R. Lee (CN=Malcolm R. Lee/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 17:51:58.00

SUBJECT: Meeting on Trade and Food Safety

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

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

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

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

TEXT:

Vicki Radd is convening an internal EOP meeting at 10:30 AM Thursday (tomorrow) in OEGB 115 to discuss trade and food safety, and would very much like you to attend. Vicki is heading up with Jay Berman the WH fast track task force. Peter Scher at USTR will also be invited to attend. Let me know if you can make it. thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 12:47:51.00

SUBJECT: disability meeting

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

READ:UNKNOWN

TEXT:

It went fine. I'll give you a more thorough report later.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 17:45:18.00

SUBJECT: NAPO Top Cops

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

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

TO: Jose Cerda III (CN=Jose Cerda III/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: Christine A. Stanek (CN=Christine A. Stanek/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

TEXT:

We couldn't get POTUS to do the dinner for NAPO on Oct. 9, but he is scheduled for a photo-op with the NAPO Top Cops earlier that day. I think we should wait before telling NAPO in case things change, but wanted to let you know. If we had a strong message, we could try to turn this into a message event -- it would certainly be a nice picture. Let me know.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 12:18:06.00

SUBJECT: Today's Edu. Standards Mtg.

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

FYI

----- Forwarded by Cathy R. Mays/OPD/EOP on 09/10/97
12:17 PM -----

09/10/97 11:52 AM

Demond T. Martin

Demond T. Martin

Demond T. Martin

09/10/97 11:52 AM

09/10/97 11:52:33 AM

Record Type: Record

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

cc:

Subject: Today's Edu. Standards Mtg.

The following people are invited to an Educational Standards meeting in Mr. Bowles office at 3:30pm today.

Riley

Bruce Reed

Hilley

Rahm

Gene Sperling

MIke Cohen

Jack Lew

Andy Blocker

Janet Marguia

Bob Shireman

Sylvia Mathews

Message Sent

To:

Cathy R. Mays/OPD/EOP

Virginia N. Rustique/WHO/EOP

Michelle Crisci/WHO/EOP

Melissa Green/OPD/EOP

Janet Himler/OMB/EOP

June G. Turner/WHO/EOP

Table of Contents

- A. Side-by-side of major tobacco control proposals.
- B. DoJ analysis of the impact of the proposed AG settlement on individual claims.
- C. DoJ analysis of class actions and the proposed AG settlement.
- D. CEA/Treasury economic overview.
- E. Treasury facts on the path of smoking and smokers over time.
- F. Treasury paper on lookback penalties.
- G. Senator Kennedy memo on federal claims for compensation from the tobacco industry.
- H. Kessler draft New England Journal of Medicine piece.
- I. Koop/Kessler executive summary.
- J. AMA executive summary.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 16:10:05.00

SUBJECT: Friday Schedule -- Satcher and Tobacco.

TO: Sarah A. Bianchi (CN=Sarah A. Bianchi/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

TO: Christopher C. Jennings (CN=Christopher C. Jennings/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: Laura Emmett (CN=Laura Emmett/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

TEXT:

Satcher Nomination Announcement on Friday 9/12. Briefing 12:15- 12:30;
Event 12:30 - 12:45.

Oval Office Statement with Satcher. I have asked Cabinet Affairs to
invite Shalala (no speaking role.) Any other Cabinet Secretaries?

Tobacco Meeting with POTUS now changed to Friday 9/12 4:30 pm - 5:30 pm.
Pre-brief with Erskine. Oval Office. Attendees are: Shalala, VP,
Erskine, Bruce, Elena, Bruce Lindsey, John Hilley, Kevin Thurm. (Rahm
will be out of town.) Are there others that should be invited? Please
let me know asap.

FYI: Tobacco Event is pending for Wednesday, 9/17. Will be decided at COS
Scheduling mtg tomorrow.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 13:56:55.00

SUBJECT: international family planning

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

READ:UNKNOWN

TEXT:

Dottie Rayburn from USAID (who handles Leg. Affairs there) called to discuss the situation on the Hill with international family planning -- what she describes as multiple pending dangers for Mexico City language to be added as amendments to pending appropriations bills. Apparently, an alternative to Chris Smith's amendment, which we supported (allowing federal funds to go to organizations that do not promote abortion as a means of family planning), was narrowly defeated in the House last week and Smith's version is still alive (having passed in the House by the largest margin yet, 234-191).

Martha Foley and Al Maldon are the leads in WH Leg Affairs tracking this, but Dottie thought that it might be time to expand the discussion to examine the outreach/women's policy implications of the congressional fight. As you know, Ann Lewis and Maria had been involved during the battle in the Spring.

Please let me know if or how you think we should get involved. Do you think it makes sense to call a meeting on this? Do you want to check in with Martha or Al first or would you like me to? Thanks.

Crime Meeting Agenda September 10, 1997

Juvenile Justice Bill Update

- * Meeting on juvenile bill with Senate Dems.
- * Update from Leg. Affairs on prospects for bill this year; appropriations.
- * DOJ study announced today.

Curios and Relics (Military Surplus Guns)

- * Update on legislative strategy.

Crack Cocaine

- * Justice/ONDCP: Update on legislative/public affairs strategy.
- * CBC events: Anything needed.

Prison Drug Testing

- * Date needed for AG/McCaffrey speech and release of directive.
- * Upcoming CASA report.
- * Timing on NIJ study.

Sex Offenders

- * For possible Friday release:
 - 1) Directive on federal and military sex offenders
 - 2) POTUS letter to Governors (also covers other information-sharing issues)- needs final clearance.
- * Update on ALL pending cases.
- * DPC will prepare statement for WA case on community notification.

TOP COPS-- October 8

- * Possible announcement: Deegan expansion to state and local law enforcement.

Miscellaneous/ Pending Items

- * Youth Crime Gun Initiative-- Treasury update on MOUs.
- * Gun Warning Signs
- * Taggants
- * COPS Report
- * Any other pending events/releases

Dear Governor _____ :

The continuing explosion of new technologies gives us a groundbreaking opportunity to work together to link our federal and state law enforcement efforts in ways we never thought possible even a few years ago. For example, we are now able to track the whereabouts of convicted sex offenders to prevent them from committing new crimes. If we begin now to coordinate our efforts, I am convinced that American public safety will benefit significantly.

From the historic 1994 Crime Act through the Interstate Compact on Criminal History Records that I will soon submit to Congress, my Administration has strived to pass legislation to harness computers and other technology for the public good. Many of our states' governors have played crucial roles in fighting to pass this legislation, and I thank you again for that assistance. Although these laws are an important foundation for federal and state cooperation, the new technologies can do only what we commit them to do, and we still need to do much more -- including exchanging criminal records between states for employment checks on workers in occupations that deal with children, and using incident-based crime reports to help police solve specific types of repeated crime, such as church arson or serial murder. Federal and state governments must forge a close partnership to realize the full potential of these new technologies. I am prepared to take actions to intensify our federal efforts in the coming months, but I will need your help in order to ensure our success in several initiatives.

In June of 1996, I directed the Attorney General to develop a national sexual predator and child molester registration system to link the sex offender registration and notification systems being developed in all 50 states. The Interim national sex-offender registry became operational earlier this year, and the Attorney General recently wrote to enlist your assistance. I am encouraged that ten states have already loaded their information onto the system, with many of you pledging to do so within the next few months. I am grateful for any help you can provide in making this *national* sex offender registration system a reality. To move further ahead, I am directing the Attorney General and Secretary of Defense today to take steps to expand the national sex-offender registry to include convicted sex offenders being released from federal and military facilities.

Next month, I will submit to Congress an Interstate and Federal-State Compact to facilitate the exchange of criminal records by establishing an FBI index of state-maintained criminal information that states can consult along with the National Fingerprint File. The Compact would standardize policies for sharing of criminal records for purposes such as pre-employment background checks. It would improve access to criminal records and save the states and the federal government money by avoiding duplication of effort. I hope I can count on your support of the Compact as it moves through your State legislature.

Many Federal laws --including the Brady Handgun Violence Prevention Act and the National Instant Criminal Background Check System --include provisions to help states automate and improve their criminal records, especially to block handgun sales to prohibited gun purchasers. The Department of Justice's Bureau of Justice Statistics (BJS) stands ready to help states reach this goal through the National Criminal History Improvement Program. BJS has already awarded more than \$112 million to states, with a total of \$226 million authorized. I urge your State to take full advantage of this program.

As you know, the FBI's Uniform Crime Reporting Program gives us data that help us measure our progress in reducing crime. The next generation of UCR, the National Incident-Based Reporting System, will usher in a new era of crime data -- so that we can tell that a crime was a hate crime, an incident of domestic abuse, or a crime directed at a child. Such information will help law enforcement agencies identify local and national trends, and lead to quicker arrests of violent offenders. The Justice Department is working with states, counties, and cities to expand the NIBRS. I hope that you will lend your support to this effort.

With your State's active participation, we can make significant progress in all of these initiatives. I look forward to working with you to achieve our mutual goal -- using new technologies to make America safer for all our citizens.

Sincerely,

#####

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 18:09:54.00

SUBJECT: Are you willing to return call to Gov. Thompson?

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

TEXT:

There is an outstanding call from Tommy Thompson to the President on
FLSA. The previous plan was for Erskine to return it, but
intergovernmental now thinks it would be better if you did it. So the
question is whether you're willing to do so.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 16:13:01.00

SUBJECT: Children's SSI and NY Times editorial board

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: William H. White Jr. (CN=William H. White Jr./OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

We are debating whether someone should alert Michael Weinstein of the NYTimes editorial board about the President's statement today at the disability meeting: he has asked SSA to report to him in 30 days about problems the advocates are reporting in SSA's review of 260,000 children to see if they meet the new SSI standard. We hear the Times will run an editorial criticizing SSA for making mistakes in these reviews, and endorse a moratorium on further reviews till SSA is sure that all problems are ironed out. SSA just told the Times that today Ken Apfel promised a top-to-bottom review of this process within 30 days after he is named commissioner. We don't know when the editorial will run; it doesn't sound like it will be tomorrow.

I am more inclined not to do so. We have been consistent in letting SSA take the lead in this story, so it may be unwise to insert ourselves into the picture at this point. Plus, he didn't call for a moratorium, which is what the Times wants -- SSA would continue to review children's cases and might be almost finished by the time the 30 days are up, as an advocate pointed out to us today.

On the other hand, if the editorial does say "the President should do something about this," the President might feel dismayed that we didn't get the word out that he has taken at least this step. (Then there is the question of who talks to them.) Views on this are welcome.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 17:42:51.00

SUBJECT: Gov. Hunt's Education Event Request

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

READ:UNKNOWN

TO: Tanya E. Martin (CN=Tanya E. Martin/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Things are looking good for getting POTUS to do something with the National Board of Certified Teachers on 10/24. Still working through the details, but I think it looks good. It will probably be the message event of the day. Let me know if there are any problems. Thanks.

September 10, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: Bruce Reed

SUBJECT: Position Papers on the Proposed Tobacco Settlement

This briefing book contains position papers written by leaders in the public health community, the Treasury Department, and the Justice Department. This book will provide you with a sense of the context in which your announcement will be received, and the arguments that will likely be made in response to the position the Administration takes on the proposed Attorneys General tobacco settlement.

The first section of the book compares the proposed settlement to positions taken by the key public health groups. There is a side-by-side analysis of the proposed settlement with positions taken by: Koop/Kessler, AMA, American Cancer Society, American Heart Association, and the American Lung Association. We have also included copies of the executive summaries or short position papers issued by these groups and one from the Campaign for Tobacco Free Kids. The Campaign and the AMA were the only public health groups that participated in the settlement negotiations.

The second section of the book contains papers written by former FDA Commissioner David Kessler, Congressman Waxman, and Senator Kennedy. Along with former Surgeon General Koop, they likely will be the key leaders shaping the public health community's response.

The third and final section of the book contains papers written by the Departments of Justice and Treasury. The two Justice papers examine the impact of the proposed settlement on tobacco litigation. The three Treasury papers examine the economics of the proposed settlement.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 17:14:20.00

SUBJECT: Cabinet Memo 9-10-97

TO: Tanya E. Martin (CN=Tanya E. Martin/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Mary L. Smith (CN=Mary L. Smith/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

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

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

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

TO: Thomas L. Freedman (CN=Thomas L. Freedman/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

TO: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

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

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

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

TO: Sarah A. Bianchi (CN=Sarah A. Bianchi/OU=OPD/O=EOP @ EOP [OPD])
READ:UNKNOWN

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

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

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

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

TO: WEINSTEIN_P (WEINSTEIN_P @ A1 @ CD @ LNGTWY [UNKNOWN]) (OPD)

READ: UNKNOWN

TEXT:
COMMERCE

Today - Secretary Daley attends Fast Track event at the White House

ONDCP

Today - the Director is in Atlanta meeting with Law enforcement and prevention officials

ENERGY

Today - the Secretary interviews with Washington Post on Intel Chip Announcement

EPA

Today - the Administrator releases letter about permit for Louisiana Company - environmental racism issue

HHS

Today - the Secretary is in Chicago for Quality Commission meeting; released State-by-State allotments on children's health initiative
Tomorrow - the Secretary testifies on Privacy before Senate Labor Committee

HUD

Today - the Secretary does press conference call on public housing legislation; interviews with Governing magazine

INTERIOR

Today - nothing public

JUSTICE

Today - the AG attends back-to-school/juvenile justice event in Rockville

LABOR

Today - the Secretary is in Chicago for Quality Commission Meeting; attends CBC event tonight

OMB

Today - nothing public

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 02:43:35.00

SUBJECT: Budget #'s

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

READ:UNKNOWN

TEXT:

----- Forwarded by Bruce N. Reed/OPD/EOP on 09/10/97
02:43 AM -----

Bruce N. Reed
09/10/97 02:43:13 AM
Record Type: Record

To: Christopher C. Jennings/OPD/EOP
cc:
Subject: Budget #'s

Thanks for your options memo -- it has all the right info we needed. If everyone around here were as persistent and precise as you, we would have finished this a long time ago.

I think we might be able to make the moderate option more attractive by including a whopping lookback provision, that would raise \$4 billion or more per year for the kind of goodies you currently describe in option 3. I would prefer the 3rd option to just be raising the upfront payment to \$30 billion and indexing to GDP.

Can you send me a 25-yr # for upfront payment plus indexing to GDP (not including enhanced lookbacks)?

Let's talk in the morning. Thanks again.

**Military Surplus Guns ("Curios and Relics")
Question and Answer
September 10, 1997**

Q. What is the Administration going to do about the provision in the House Treasury appropriations bill on the importation of U.S.-manufactured military surplus firearms?

A. We strongly opposed this provision last year and succeeded in getting it removed from the emergency spending bill. And we are equally opposed to it again this year and are working to make sure that it is not included in the final Treasury-Postal appropriations bill.

This amendment would force the Administration's hand in approving applications to import military surplus firearms that have been provided to foreign governments at little or no costs over the past several decades. We are extremely concerned with this amendment's impact. It would effectively make huge quantities of low-cost firearms available on America's streets. Moreover, many of these firearms -- like the M-1 rifle -- are easily convertible into fully automatic weapons which have been outlawed since the late 1930s.

With all the success we've had in reducing crime and violence over the past few years, it makes absolutely no sense to tack a provision like this onto an appropriations bill and quietly flood our streets with cheap military firearms. At a minimum, Congress should hold hearings on such an important issue. So in the meantime, we will continue to fight this provision as the appropriations process continues.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 12:15:38.00

SUBJECT: LCCR letter language

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

READ:UNKNOWN

TEXT:

Does this work for you?

----- Forwarded by Bruce N. Reed/OPD/EOP on 09/10/97
12:15 PM -----

William R. Kincaid
09/10/97 10:44:15 AM
Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Michael Cohen/OPD/EOP, Tanya E. Martin/OPD/EOP, Cathy R. Mays/OPD/EOP,
Laura Emmett/WHO/EOP
Subject: LCCR letter language

Bruce and Elena--

Mike asked me to check with you and see if you are comfortable with the following lanaguage as an insert for Riley's reply to Wade Henderson with respect to the Spanish language testing issue. Does this look ok to you? Thanks.

There are a number of high quality native language reading tests, and at least one that, according to its publisher, is by design based on the NAEP 4th grade reading framework and achievement levels and yields individual scores reported in terms of the NAEP achievement levels. Any district that, at its option, wishes to test LEP students in reading comprehension in terms that are consistent with NAEP, and to do so in coordination with its administration and reporting of the national reading test, already can do so.

Penalties

The settlement sets ambitious targets for reductions in teen smoking of 30% in 5 years, 50% in 7 years, and 60% in 10 years. The most recent data show underage prevalence at 18.2% in 1996, which means approximately 3.5 million youths aged 13-17 are daily smokers. Because the settlement targets are based on youth prevalence over the past decade, which has averaged 15.2%, the declines from current levels necessary to comply with the agreement would have to be 42% over 5 years, 58% over 7, and 67% over 10.

It is extremely difficult to predict how much teen smoking would decline under the settlement. While teen smokers are particularly sensitive to price -- Treasury has assumed that a price increase of 10% will reduce youth prevalence by 7% (compared to 2.6% for adults), and some studies suggest youth smoking will drop as much as 12% for every 10% increase in price -- we have never had a price shock of this magnitude. The Treasury Department estimates that the combined price rise from the current settlement and the 15-cent excise tax increase in the budget agreement would be about 80 cents by year 5, resulting in a 20-25% decrease from current youth smoking levels -- still well short of the settlement targets. Restrictions on access and advertising should reduce youth smoking still further, but no one can say how much.

Under the settlement, companies would have to pay \$80 million for each percentage point they fall short, which is supposed to recapture the industry's projected profits from hooking that many young smokers. (The Treasury Department says a more accurate projection of profits would be \$60 million a point, which is roughly equal to \$80 million after taxes.) Public health groups have praised the idea of targets and penalties, but complain that the current scheme does not give companies sufficient incentive to stop hooking teenagers. The major criticisms against the current penalties are that they are tax-deductible, abatable, capped at \$2 billion in a given year, and too small to serve as a deterrent.

The companies might accept penalties of \$80 million a point that were not tax-deductible and could not be abated. They say they are unwilling to increase the price per point or to eliminate the \$2 billion annual cap.

We recommend a two-tier system, with graduated penalties that get stiffer if the industry misses the targets by a substantial margin. For example, the first tier of penalties could require companies to pay \$80 million per point if the industry missed the targets by less than 5 points in year 5, less than 10 points in year 7, and less than 15 points in year 10. This penalty would be non-deductible, could not be abated, and would reflect a company's share of the youth market. If the industry missed by a greater margin, companies would pay the full first-tier penalty, and a non-deductible second-tier penalty that represented a larger multiple of profits and rose over time -- e.g., \$ ___ million a point in year 5, \$ ___ million a point in year 7, \$ ___ million a point in year 10. Companies could be required to lock in this second-tier penalty as a permanent price increase that would help further reduce smoking by youth (and adults). Under this approach, the penalties could reach as high as ___ cents a pack by year 10 if youth smoking failed to decline.

Farmers

We have made clear that tobacco farmers should receive protection in any legislative settlement, and that the Administration will work closely with members of Congress from tobacco states to forge a consensus. Secretary Glickman has traveled to tobacco markets in Virginia and North Carolina to express this commitment directly to farmers.

Farmers are primarily interested in continuation of the governmental tobacco program, guaranteed purchase at set levels of tobacco crops by cigarette companies, and some provision for buy out and transition to other crops, on a voluntary basis. Farm groups and tobacco state members have not yet coalesced around a consensus proposal. One plan put forward this month by Senators Ford and McConnell would require companies to buy a minimum amount of domestic tobacco over 25 years and would install penalties on companies that do not meet the stated goals for tobacco buying. The proposal would also create a "Tobacco Community Revitalization Fund" administered by USDA, but not subject to the appropriation process, which could spend up to \$1 billion a year for 25 years from the settlement fund. This Revitalization Fund would cover costs related to the tobacco program such as administration and crop insurance, make supplemental payments of up to \$500 million to producers whose income from tobacco drops substantially below the 1996 level, pay up to \$100 million in benefits for displaced cigarette factory workers, and provide up to \$250 million a year for rural economic development grants.

The best way to address this issue is to secure an agreement from the companies to maintain current purchases of domestic leaf, even if domestic consumption declines. Because of GATT, Congress cannot require companies to purchase a set level of domestic tobacco. However, a private contract between growers and the industry would probably not trigger a GATT violation.

Funding

Although the settlement is advertised at \$368.5 billion, a variety of factors conspire to leave us with considerably less than that to spend on any new initiatives. The \$368 billion is a 25-year number, and must be adjusted downward to reflect a projected drop in cigarette consumption of about 15%. For scoring purposes, OMB adjusts the amount down still further to reflect lost business tax revenue and lost federal excise tax revenue from decreased consumption.

Most of the rest of the money in the settlement is already spoken for, to pay for civil suits, cessation programs, counteradvertising, and the states' Medicaid claims.

At current funding levels, the main decision to be made is how best to spend the \$25 billion research trust fund, which could serve as a 21st Century Research Fund dedicated to cancer and other tobacco-related research.

Additional funds could be raised by:

1) Eliminating the \$50 billion tax credit in the budget agreement. This would increase the 25-year number from \$368 billion to \$430 billion, and free up about \$2 billion a year for new initiatives. That money could be used to double tobacco-related illness research (\$1.3 billion per year) and make targeted investments in tobacco-related public health initiatives such as school-based clinics, Healthy Start programs, cancer prevention, and substance abuse treatment. All your advisers support this option.

2) Strengthening the penalties for failing to reduce teen smoking. The current penalties generate about \$25 billion over 25 years, all of which goes to the states to expand anti-smoking efforts. A graduated penalty scheme could increase the 25-year number to \$___ billion, which could be evenly divided between the states and the federal government. This would generate \$__ billion a year beginning in year 5, which could be dedicated to additional research and/or coverage expansions, such as allowing people between ages 55 and 65 to buy into Medicare (\$2-4 billion per year); covering workers between jobs (\$2-3 billion per year) and Medicaid outreach (\$500 million to \$1 billion per year). DPC, HHS, NEC, and Treasury all support this approach.

3) Increasing the industry's upfront one-time payment, from \$10 billion to \$30 billion, and indexing the inflation adjuster to GDP rather than CPI (since GDP is more in line with medical cost growth). This would increase the 25-year number to \$___ billion, and generate \$__ billion a year, which could be used for any of the initiatives outlined above, other investments such as child care (\$500 million to \$1 billion per year) or medical education for doctors training in children's hospitals (\$300 million per year), or deficit reduction (offsetting lost federal excise tax revenue from declining cigarette sales). Treasury supports this approach.

The industry will vehemently resist any effort to move beyond current funding levels. The most outspoken tobacco opponents, such as Senator Kennedy and Skip Humphrey, have called for a 25-year number in the range of \$600-800 billion. Rep. Waxman and David Kessler would like to see a \$1.50 a pack increase, which would require \$900 billion over 25 years (although it could also be achieved by combining current base payments with enhanced penalties of about 90 cents a pack).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 18:05:29.00

SUBJECT: New Mexico State Supreme Court

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

READ:UNKNOWN

TO: Diana Fortuna (CN=Diana Fortuna/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:

The New Mexico State Supreme Court apparently chucked the state's TANF plan today; unclear why or what it means for the housing issue. We'll be getting more info shortly.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 16:51:41.00

SUBJECT: Gil Gallegos

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The meeting for Gil and Erskine is scheduled for this Friday at 2pm. Erskine needs a memo tonight on why he's doing this meeting (it is ok if a more detailed comes to him.) We can probably just turn in the old memo. If you would like to add a cover note, it could say something like the following:

"Gil just recently won re-election as National President of the FOP. It was a very tight race for him, and he received a lot of criticism for his close relationship with the White House. He asked for a meeting with the President to discuss the collective bargaining issue because it remains one of the FOP's highest priorities and he feels the President has not followed through on his commitment to get it done. Because this is still a pending issue, we felt it would be better for you to meet with Gil instead of the President. "

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Nelson Reyneri (CN=Nelson Reyneri/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:10-SEP-1997 14:04:29.00

SUBJECT: Tobacco Settlement

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

READ:UNKNOWN

TEXT:

Hi Elena. I've just come on board as Sylvia Mathew's Special Assistant and was wondering if you could help me out on a project she's asked me to staff. I had the pleasure of meeting you briefly at the Mexico City meeting the other day.

Sylvia will be addressing the American Association of Adverstising Agencies next Tuesday and she expects certain questions. One of them has to do with the Tobacco Settlement.

Sylvia asked that I call you and get your input/advice/ assistance on getting background information on this subject.

If it's not too much to ask, could you think through what can of information/paper I could get to 1) get up to speed on this issue as well then 2) prep her for the speech on Tuesday. Any information/ advice you can offer will be greatly appreciated.

I'm at 456-2016 or you can get me by email.

Thank for your assistance and I look forward to seeing you at the Mexico City meeting today at 5PM.

Meeting with Disability Advocates 9/10/97 -- Summary

ADA: Fred Fay spoke about the importance of the ADA, including funding for enforcement. The President responded that he needs the disability community to help convince Congress that the funding increases we have sought for DOJ and EEOC enforcement are needed. The President also commented that he should talk more about people with disabilities in public settings, and that he did so a lot during prior years' budget fights.

Children's SSI: Paul Marchand of the Arc said the new standard was too strict; that appeal rates are only 44%, which is too low; that the cutoffs are unfairly targeted at kids with mental disorders (85% of the 135,000); that the advocates have good communications with SSA, but SSA should institute a moratorium on further reviews. He cited an anecdote of a child with an IQ of 46 being denied. He noted the variation among states, from Mississippi's denial rate of over 80% to DC's denial rate of under 30%. He noted Arkansas' low rate. He said there is evidence of SSA employees "intimidating" families and threatening the loss of wages if they appeal and lose.

The President responded that he is concerned about the variations among states, and said it raised the question if the differences reflect "political preferences" among states rather than the severity of the disabilities. He said that SSA stated it was legally not possible to do what Daschle/Chafee/etc. wanted -- i.e., recreate the old law via regulation. He said that he has asked SSA to report back to him in 30 days about the concerns Marchand was raising. It was pretty clear that this would focus on the reevaluation process, and not on the standard.

Personal Assistance Services: Gina MacDonald of the National Council of Independent Living spoke about the need for policy changes to make it possible for people to have personal assistants, such as a tax credit. Bob Kafka of ADAPT said political leaders always say they support home and community-based services (HCBS), but that they don't really do so "when the rubber hits the road," and nursing homes continue to eat up 80% of the dollars. He complained that last year in our arguments against the Republican Medicaid proposal, we continually referred to maintaining nursing home protections without referring to the alternative of home and community-based services. He raised our concern about the "woodwork effect" of CASA-type approaches, and said that where there is the political will, solutions can be found, referring to child health and tobacco. He said they were seeking our "endorsement of the principles of CASA."

Mike Oxford of ADAPT said that HCFA has written some good letters to the states on this issue lately, but that always giving states the option was a problem. He said Kansas is quite progressive on HCBS, while Missouri is not and has a long waiting list, and therefore people cross the border to get services. He referred to the "Helen L" Supreme Court case on the "right to services in the most integrated setting," and said we should use that case to move to a "date certain" policy administratively, while CASA is being debated. (Not sure of details on Helen L case; I think it was an ADA case that the Supreme Court chose not to hear.)

The President asked which states are better than others on HCBS. People mentioned Kansas,

Colorado, Massachusetts, Illinois, and Pennsylvania, and said they weren't seeking a single model among the states. The President said he believed in this issue, and that the problem is that the dollars don't follow the person, since the entitlement is attached to the services rather than the person. He said that this is not a "human answer" to a person in a nursing home, and that "I'd be furious" if that answer were given to him if he were in that situation, but as President he has a responsibility to live within the budget and deal with CBO scoring of this issue. He said the Administration has been pleading with states to take advantage of options, but they have not responded (by this, I believe he meant our efforts to get congressional approval to turn the HCBS waiver into a state plan amendment). He said he was pleased that the Speaker introduced CASA so that we could have a dialogue. The President said that if some states are successful in moving people from nursing homes to the community in a cost-effective manner, we should get them to tell us how they make it work from a cost perspective.

Bruce Vladeck noted that the HCFA actuaries are talking to ADAPT to learn about state data on cost savings; he noted the regulatory review that HCFA has begun to identify where the institutional biases are; and he said HHS would be seeking sites to test the "date certain" concept, including ensuring consumer protections, saying HHS would work with ADAPT on this "right away." Kafka said ADAPT has a credibility problem in convincing people that this can be done, and noted they need help with NGA in particular. Judy Heumann of the Dept. of Education noted that cost/benefit analyses need to take account of dollars outside of Medicaid, noting that someone who can't get a job because they don't have a personal assistant might go on SSI/SSDI.

The President said that if we can show this can be done in a cost effective manner (I think via demonstrations), then we can convince everyone to do this (states, Congress, etc.). Paul Marchand of the Arc noted that only 2 out of 6 New England states still have institutions for the mentally retarded, and that it would be very useful if we could tout this fact, to show there is no need for institutions and that this policy can work. The President said this was a good idea. The President did not mention sending Gingrich a letter or any timetable for the work group. In the briefing prior to the meeting, the President expressed frustration that we didn't have more progress to show on this issue.

IDEA: Nancy Diehl of the Parent Network thanked the President for all he has done on IDEA, but asked him to show his leadership on the budget issue by making it a priority. The President said that disabled children will benefit from America Reads and his other education proposals as much as or more than other children, and noted that funding for IDEA has increased 36% since he has been President. He said that prior to last year he had always asked for more IDEA funding than Congress and that the Republicans are simply trying to put him in a political bind by underfunding Goals 2000 and America Reads and giving the money to IDEA. He said he would do "the best I can by IDEA," but urged the group not to "let them take advantage of us" on this issue. Paul Marchand noted that the disability groups are on record with the Hill as saying they don't want money for IDEA that is taken from other programs, and the President thanked him for that.

Employment: Tony Coelho noted that people with disabilities have a very low rate of unemployment and high dependence on SSI/SSDI; and that the cost of these programs puts a major burden on the federal budget. He said that 50% of those on SSA's rolls are capable of substantial gainful employment (a statistic I have never heard before). Coelho said that all the welfare-to-work incentives we are instituting may hurt the employment prospects of people with disabilities. Coelho praised the Administration for taking the "small but significant" steps of the Medicaid buy-in and the SSA ticket, but said we must "keep it moving" through the executive order on this topic that is now under consideration within the Administration. (Prior to the meeting, I had asked him not to raise the E.O. since it is still being debated internally; he said the community is well aware of the issue, and that he planned to raise it.)

Paul Edwards of the American Council of the Blind spoke about 4 issues: strengthening Section 508 of the Rehab Act; his concern that the FCC has not yet taken action on regulations to implement the accessibility requirements of the Telecommunications Act, and he can't get an explanation on when they will do so or why there is a delay; we must ensure that in the ISTEA reauthorization there is increased funding for public transit; and that the federal government must do a better job as a model employer of people with disabilities. In that regard, Edwards said that the executive order is crucial, and that he had some data that suggested that the employment rate of people with disabilities in the federal government may be dropping rather than rising. Coelho then said we must all be vigilant in making sure that the ISTEA reauthorization does not include any weakening of ADA transportation requirements.

The President said there will be more money for transportation, but it would not necessarily be for mass transit; and so people had to be ready for that fight. He also noted the opportunities that technology is opening up for people to work at home. The President also said the corporate America should take a look at these issues, and that the issues are so complex that maybe "we need to have your committee," referring, I think, to the executive order. He said that if the economy is to continue to perform so positively we need to involve more those outside the mainstream -- the poor and the disabled.

Bob Williams of HHS said many people on TANF are disabled, and Susan Daniels of SSA echoes his concern that it would be bad if welfare reform simply shifted funds from welfare to SSI. The President said he had never made the connection before in his mind between our TANF welfare to work efforts and putting people with disabilities to work. The Vice President said he would follow up aggressively on the information superhighway issue that Edwards raised.

Conclusion: At the end, Marca Bristo of the National Council on Disability praised the President's efforts as being far more than those of his predecessors, and said we "desperately need more from your office." The President said it was a great meeting, and that he valued it because it is so easy for him to get isolated from issues and people; and that he wanted to work with their team and be part of their movement.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:10-SEP-1997 19:37:34.00

SUBJECT: Update on welfare to work transportation

TO: Elisabeth Stock (CN=Elisabeth Stock/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Diana Fortuna (CN=Diana Fortuna/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:

There's some good but mostly bad news coming out of the Congress on welfare to work transportation:

In the House the committee bill includes an "Access to Jobs" proposal of \$42 million a year -- not the \$100 million we wanted but still significant. However, because these are authorized, not trust fund dollars, funds would need to be appropriated on a yearly basis. In addition, the bill explicitly sets a 10-project cap on the funds, while the \$42 million in federal funds -- plus the \$42 million required match -- could fund a lot more projects. The Senate bill is not expected to have a provision.

I've been working with NEC and DOT on these issues. DOT, despite its best efforts, has to date been unable to persuade the committee to drop the cap or increase the funds. Thus, the provision passed out of subcommittee today unchanged and is slated for full committee markup next Wednesday. Attached is some additional information.

===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D84]MAIL47187135H.216 to ASCII,

The following is a HEX DUMP:

```
FF5750435A050000010A02010000000205000000CE1600000020000CDE134FDA30BF713853AED
FA6E35635D19596FAF7C37F50CE8411578B1C5A8FE5EFF3161F3C958C7B11C62B91DC6716DA9CE
CB52CF29FC5DE15A5164DDCC89F5C8B75D32147F9EDFAEAA60214F413922ADC0B19EE170059DF2
F316A7029CE17942B5CC10C955FE3F387BAE8B4CF0A9872DD7B476109ECE93E182D466A9C67441
F144A8C54849E95CCFDEA3E9A0EDE23E321BFA520AF603A65FA35FFA60F6A58A30925F36A6F59B
8BD0DE40B1B0497D897CC47463A3B4D4153876B50E720939BE469AA28EBE0097928C3F80E9AC37
3D39380F33F7B90AA2AB947FFD6D8F7D31F85B5B607C525DB9514851DC031CD0CA2D21CABC9D40
F69B86132103A859232FB195898D442B4B4ED816F064978A3EA505446F003C73BC72258E55E876
C18B96B083AB8A94CD403F3046C5D4A0C81AB15AA77B855E63638D2664975455FFABE0DF8AB06C
8108969280844C2FE8C7B9E332D3823D2EEFBC9FDBD608DD9368D69C33DAC2AE248419053A916D
3ABD69114571A62A7A0892CA7CEFEDB21FDD43E8E933ADC679FF4E3DB76D84CDDA55A30379CD9F
D9C2172F1B33AA1753B3B8F4924BC45ECF90FAA2138CD216435BA5E58C9951578CB883EF1212ED
158892084A8EC1C4B69E04A474872DCA57BA6555D2BF0F91C34904903C39D4FC7CA8A65999AF19
```

STATEMENTS ON WELFARE TO WORK TRANSPORTATION

“We must help welfare recipients get to the new jobs, which often are outside their neighborhoods. That's why I recently proposed legislation providing \$600 million to help states and local communities devise transportation strategies to move people from welfare to work.”

President William J. Clinton, Radio Address to the Nation, July 5, 1997

“This new initiative will insure that they can get to that job. Clearly the jobs are there. Now we will be augmenting existing transportation networks to help individuals who leave the welfare rolls get to those jobs.”

**New Jersey Governor Christine Todd Whitman
announcing a new welfare to work transportation program, June 25, 1997**

“Transportation for welfare recipients making the transition to the workforce is [an] element critical to the success of welfare-to-work programs.”

**National Governors' Association
*Incentives and Supports for the Employment of Welfare Recipients, 1997***

“The need for transportation services is tremendous...outpac[ing] all other concerns as the most urgent need. The need is great for all counties -- urban, suburban, and rural. The reauthorization of the Intermodal Surface Transportation Efficiency Act, including new funds to help those who are making the transition from welfare to work, is therefore paramount.”

**National Association of Counties
*Making Welfare Reform Work, July 1997***

“The majority [of welfare recipients] reside within the perimeter of the City of Cleveland, primarily in the inner city neighborhoods....the vast majority of new jobs are expected in suburban neighborhoods...Public transit commutes limit job accessibility. Inner city residents can only reach

**8-15 percent of the job openings by public transportation in a reasonable time.”
Case Western Reserve University study, 1996**

WELFARE TO WORK TRANSPORTATION PROGRAM
House Transportation and Infrastructure Committee bill

The inclusion of a welfare to work transportation provision in the House Transportation and Infrastructure Committee ISTEA bill shows that the committee is aware of the importance of welfare to work transportation, and of its own responsibility to address it.

Transportation is a critical problem for people trying to make to transition to work:

- Only one in twenty welfare recipients owns a car.
- There is a mismatch between where the jobs are and where welfare recipients live: two thirds of all new jobs are in the suburbs, but three-quarters of welfare recipients live in rural areas on central cities.
- Existing mass transit does not provide the connections to suburban jobs. Even in the cities with excellent mass transit, less than half of jobs are accessible by mass transit.

Unfortunately the funding level in the Committee bill --\$42 million a year, as opposed to the \$100 million the Administration requested-- is inadequate to deal with this major national problem.

In addition, the draft legislation explicitly sets a 10-project cap on welfare to work transportation projects. This does not make sense. Transportation for welfare recipients is a problem in every state and community. By 2002 states need to have moved half of all adult welfare recipients off of welfare and into jobs. There is not time to deal with this issue using a go-slow "pilot" type approach.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Ellen S. Seidman (CN=Ellen S. Seidman/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 09:24:42.00

SUBJECT: products

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Bruce R. Lindsey (CN=Bruce R. Lindsey/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Russell W. Horwitz (CN=Russell W. Horwitz/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

CC: Melissa Green (CN=Melissa Green/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

CC: Jennifer D. Dudley (CN=Jennifer D. Dudley/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Here is my chart, redone to show what I believe the results of yesterday's meeting were. As you can see, there's really only one outstanding major issue (they came very close to saying they'd narrow the small business cap significantly if we agreed to no two-way preemption on punitives; I think they will if that's the last outstanding issue). We need to figure out what we do next. They strongly believe Lott wants to make certain the Senate brings this bill to the floor before the House does, and the House wants to do it in mid-October. Any time in the next several weeks, after the DC, HHS and Interior appropriations bills are done, is likely. (If there is agreement between us and Rockefeller, Rockefeller will work with Gorton to make certain the revised bill is procedurally unamendable.) So they are strongly urging a swift reaction from the President, communicated directly to the Senator. Senator Rockefeller joined the meeting briefly to remind us that he had acted in good faith, and assumed the President would too. ellen===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT:[ATTACH.D12]MAIL44247325L.216 to ASCII,
The following is a HEX DUMP:

FF5750438A150000010A02010000000205000000A54C000000020000A220B118BC8F869DA2E0C4
9C0B15C534005C918A7C5B87562882C654E9F3CA5F6ACF889A50D1CE40A0BEEB1AEABC2B0914F1
95CE7891B9CE66447B2C4AA6689E4164E2E11C3FD8415E09701E638852F8E423DD2336AE8D3805

March 29, 2010 (10:30AM)

Page	Lines	Issue	Rockefeller staff response
2	8	do we want bill to provide "uniform legal principles"?	Did not discuss
2	12	"providing for reasonable limits" on punitives as a purpose inappropriate; bill only has limits on small entities	Did not discuss
3	1	"ensuring the fair allocation of liability" may be inappropriate as there's no several liability provision anymore; on the other hand, there is in effect an allocation between manufacturers and sellers	Did not discuss
3	12-14	fortunately, the "actual malice" standard is not used in the bill; the definition should be deleted	Probably will delete
5-6 7	23-5 17-22	the only times "economic" and "non-economic" damages are used is in the definition of compensatory damages, to include both. It's probably better to delete the separate definitions of economic and non-economic damages to avoid later mischief	Probably will delete
6	15on	unclear whether the definition of manufacturer includes someone who simply makes a products to someone else's specs or assembles a product; it should	Did not discuss
8	21-25	do not understand the tissue, blood, etc exclusion (FA - agree that this doesn't make sense)	Did not discuss
12	7-12	negligent entrustment issue needs to be extended to exclude from this bill actions for which there is strict liability under federal or state law (e.g., certain gun laws)	Will fix
15	11, 22	question "proximate cause" as standard for seller liability rather than "cause"	Will fix the warranty

March 29, 2010 (10:30AM)

Page	Lines	Issue	Rockefeller staff response
16	4-5	(FA - has always been there on seller liability [as opposed to punitives])	provision
18	9	complete defense if alcohol or drug use by claimant was more than 50% responsible; issue of impact on non-drunk injured plaintiffs	Will make certain innocent claimants are protected; will consider substituting "harm" for "accident"; appreciated knowing that Wash state provision uses "harm"
20	3-7	question whether "reasonably foreseeable" misuse should be the defendant's responsibility	Did not discuss
20	24	is "should have discovered" in 2-year statute of limitations OK? (FA - maybe not; have to think about how toxic torts are dealt with)	Did not discuss - we will not raise
22	5-6	is workers comp requirement ("that is covered") sufficient (statute of repose), or does there need to be another requirement relating to payment under workers comp?	We internally agreed this was OK
22	9-19	interaction of limitations and repose doesn't seem to work (see also p.23, ll 16-24); given that only durable goods are now covered, do we need an extension for latent effects, toxic harm?	Agree it's a problem; have asked us to fix it; believe toxics exception is covered in durable good def, but agree it should exist
24-25	all of sec 107	this doesn't seem to accomplish the goal of a strong ADR provision for small claims, and moreover is limited to situations in which state law provides for ADR	Did not discuss
25	21	as no period for filing is described in subsection (a), reference to such a period in subsection (b) doesn't work; without some sort of judicial oversight, does this unfairly press plaintiffs to accept too-low offers (see, e.g., the situation	Did not discuss

March 29, 2010 (10:30AM)

Page	Lines	Issue	Rockefeller staff response
		with AT&T credit card bankruptcies)	
30-32	all of sec 109	this section could be a real problem in the context of the rest of this bill, including attorneys fees section	Accepted our position that this section didn't do what anyone wanted; will let us redraft
30	8-9	should "raised a defense" be added to the list of frivolous actions if "claim" is included?	See above
32	16-17	does the limitation to attorney's fees "incurred during the period preceding the disposition of the motion" box the amount in enough to not hurt plaintiffs too badly; should there be some provision for the court being able to direct the attorney to pay the fee, rather than the claimant	See above
33	3-4	one way preemption only on punitives	This is critical to Senator Gorton's support; will not budge
33	8-9	is "conscious, flagrant indifference" the appropriate standard? (FA - no; we wanted "conscious indifference (not including recklessness)"; in particular we wanted to get rid of "flagrant")	We decided not to raise this
33	9-10	"the proximate cause" is too high a standard for punitive damages (especially when the conduct giving rise to the punitives was not aimed at the plaintiff)	They understand the issue and are actively considering changing it
34	3	small business cap is extended to businesses with "fewer than 25 full-time employees" (rather than our 10) and revenues of \$10 million (rather than our \$1 million). Also need to extend deeming to include parents and subs extend to revenues	Essentially said that if this is the last issue outstanding, it will be fixed

March 29, 2010 (10:30AM)

Page	Lines	Issue	Rockefeller staff response
34	10 on	unsure whether bifurcation provision works with respect to admissibility of evidence, given that many states will not entertain a claim for punitives until after liability is established	Did not discuss
35-40	section 112	we didn't want workers comp subrogation, but omitted any discussion of it because we were working from 684, not last year's bill. Will need to figure out exactly why we don't want it, since logically it should reduce the number of suits (issue for Podesta)	R staff insists this is a deal AFL-CIO senior reps neg with R and if it is to be changed, they must agree
42	6-14	there seems to be little factual support for this finding of suppliers "ceasing" to supply materials	Did not discuss any of the biomed provisions; apparently Vicki Radd has negotiated some sort of deal with Lieberman; Rockefeller staff don't know what it is, and neither do I
45	24-25	probably need technical fix to deal with situation in which a professional health care service provider is also the person injured	
46	13-14	question "includes" rather than "is"	
47	15-17	this seems to include all sorts of orthodonture. Is that intended? Is there any problem?	
52	1-4	do not understand import of this section relating to defenses available under state or federal law.	
56	23-24	how much of a limitation is the "to the extent required and permitted by any other applicable law" language?	
58	14-15	"proximate cause" standard	

March 29, 2010 (10:30AM)

Page	Lines	Issue	Rockefeller staff response
59	18, 22	“failed to establish” is not a motion to dismiss standard, and will be virtually impossible to prove without discovery	
64 65	15-22 1-5	going to be very hard to fight dismissal without discovery	
66	18	required sanction of attorney’s fees too severe	
67	13	is date of enactment the appropriate effective date?	Did not discuss
		No Kohl provision re protective orders	They just couldn’t see any way to add this; will support a separate bill, which Senator Kohl is thinking of introducing; we said we wanted to work with Kohl; Peter Jacoby will follow up
		No use of judges on punitives	Did not discuss
		Doesn’t pick up the negligence fix on biomed	See biomed above

Penalties

The settlement sets ambitious targets for reductions in teen smoking of 30% in 5 years, 50% in 7 years, and 60% in 10 years. The most recent data show underage prevalence at 18.2% in 1996, which means approximately 3.5 million youths aged 13-17 are daily smokers. Because the settlement targets are based on youth prevalence over the past decade, which has averaged 15.2%, the declines from current levels necessary to comply with the agreement would have to be 42% over 5 years, 58% over 7, and 67% over 10.

It is extremely difficult to predict how much teen smoking would decline under the settlement. Restrictions on youth access and cigarette advertising should have a significant impact, but no one can say how much. And while teen smokers are particularly sensitive to price -- the standard elasticity is that a price increase of 10% leads to a reduction in youth prevalence of 7%, compared to 2.6% for adults -- we have never had a price shock of this magnitude. The Treasury Department estimates that the combined price rise from the current settlement and the 15-cent excise tax increase in the budget agreement would be about 80 cents by year 5, which would translate into a 22-28% decrease from current levels from price alone -- but still well short of the settlement targets. The additional reductions brought about by restrictions on access and advertising are anybody's guess.

Under the settlement, companies would have to pay \$80 million for each percentage point they fall short, which is supposed to recapture the industry's projected profits from hooking that many young smokers. (The Treasury Department says a more accurate projection of profits would be \$60 million a point, which is roughly equal to \$80 million after taxes.) Public health groups have praised the idea of targets and penalties, but complain that the current scheme does not give companies sufficient incentive to stop hooking teenagers. The major criticisms against the current penalties are that they are tax-deductible, abatable, capped at \$2 billion in a given year, and too small to serve as a deterrent.

The companies might accept penalties of \$80 million a point that were not tax-deductible and could not be abated. They say they are unwilling to increase the price per point and eliminate the \$2 billion annual cap.

We recommend a two-tier system, with graduated penalties that get stiffer if the industry misses the targets by a substantial margin. For example, the first tier of penalties could require companies to pay \$80 million per point if the industry missed the targets by less than 5 points in year 5, less than 10 points in year 7, and less than 15 points in year 10. This penalty would be non-deductible, could not be abated, and would reflect a company's share of the youth market. If the industry missed by a greater margin, companies would pay the full first-tier penalty, and a non-deductible second-tier penalty that represented a larger multiple of profits and rose over time -- e.g., \$ ___ million a point in year 5, \$ ___ million a point in year 7, \$ ___ million a point in year 10. Companies could be required to lock in this second-tier penalty as a permanent price increase that would help further reduce smoking by youth (and adults). Under this approach, the penalties could reach as high as ___ cents a pack by year 10 if youth smoking failed to decline.

Farmers

We have made clear that tobacco farmers should receive protection in any legislative settlement, and that the Administration will work closely with members of Congress from tobacco states to forge a consensus. Secretary Glickman has traveled to tobacco markets in Virginia and North Carolina to express this commitment directly to farmers.

Farmers are primarily interested in continuation of the governmental tobacco program, guaranteed purchase at set levels of tobacco crops by cigarette companies, and some provision for buy out and transition to other crops, on a voluntary basis. Because farm groups and tobacco state members have not yet coalesced around a consensus proposal, we may not need to commit to a specific plan yet. The most discussed proposal is one released this month by Senators Ford and McConnell that would require companies to buy a minimum amount of domestic tobacco over 25 years and would install penalties on companies that do not meet the stated goals for tobacco buying. The proposal would also create a "Tobacco Community Revitalization Fund" administered by USDA, but not subject to the appropriation process, which could spend up to \$1 billion a year for 25 years from the settlement fund and would cover costs related to the tobacco program such as administration and crop insurance, make supplemental payments of up to \$500 million to producers whose income from tobacco drops substantially below the 1996 level, pay up to \$100 million in benefits for displaced cigarette factory workers, and provide up to \$250 million a year for rural economic development grants.

Because of GATT, Congress cannot require companies to purchase a set level of domestic tobacco. However, a private contract between growers and the industry would probably not trigger a GATT violation.

Funding

Although the settlement is advertised at \$368.5 billion, a variety of factors conspire to leave us with considerably less than that to spend on any new initiatives. The \$368 billion is a 25-year number, and must be adjusted downward to reflect a projected drop in cigarette consumption of about 15%. For scoring purposes, OMB adjusts the amount down still further to reflect lost business tax revenue and lost federal excise tax revenue from decreased consumption.

Most of the rest of the money in the settlement is already spoken for, to pay for civil suits, cessation programs, counteradvertising, and the states' Medicaid claims.

At current funding levels, the main decision to be made is how best to spend the \$25 billion research trust fund, which could serve as a 21st Century Research Fund dedicated to cancer and other tobacco-related research.

Additional funds could be raised by:

- 1) Eliminating the \$50 billion tax credit in the budget agreement. This would increase the 25-year number from \$368 billion to \$430 billion, and free up about \$2 billion a year for new

initiatives. That money could be used to double tobacco-related illness research (\$1.3 billion per year) and make targeted investments in tobacco-related public health initiatives such as school-based clinics, Healthy Start programs, cancer prevention, and substance abuse treatment.

2) Strengthening the penalties for failing to reduce teen smoking. The current penalties generate about \$25 billion over 25 years, all of which goes to the states to expand anti-smoking efforts. A graduated penalty scheme could increase the 25-year number to \$___ billion, which could be evenly divided between the states and the federal government. This would generate \$__ billion a year beginning in year 5, which could be dedicated to additional research and/or coverage expansions, such as allowing people between ages 55 and 65 to buy into Medicare (\$2-4 billion per year); covering workers between jobs (\$2-3 billion per year) and Medicaid outreach (\$500 million to \$1 billion per year).

3) Increasing the industry's upfront one-time payment, from \$10 billion to \$30 billion, and indexing the inflation adjuster to GDP rather than CPI (since GDP is more in line with medical cost growth). This would increase the 25-year number to \$___ billion, and generate \$__ billion a year, which could be used for any of the initiatives outlined above, other investments such as child care (\$500 million to \$1 billion per year) or medical education for doctors training in children's hospitals (\$300 million per year), or deficit reduction (offsetting lost federal excise tax revenue from declining cigarette sales).

The industry will vehemently resist any effort to move beyond current funding levels. The most outspoken tobacco opponents, such as Senator Kennedy and Skip Humphrey, have called for a 25-year number in the range of \$600-800 billion. Rep. Waxman and David Kessler would like to see a \$1.50 a pack increase, which would require either \$900 billion over 25 years or the current base payments with enhanced penalties that could reach 90 cents a pack.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:10-SEP-1997 17:37:03.00

SUBJECT: POTUS Schedule

TO: Elisabeth Stock (CN=Elisabeth Stock/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

TO: Essence P. Washington (CN=Essence P. Washington/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: Jennifer L. Klein (CN=Jennifer L. Klein/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Jonathan Prince (CN=Jonathan Prince/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Jeanne Lambrew (CN=Jeanne Lambrew/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Linda R. Cooper (CN=Linda R. Cooper/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Mary L. Smith (CN=Mary L. Smith/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Tanya E. Martin (CN=Tanya E. Martin/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

TO: WEINSTEIN_P (WEINSTEIN_P @ A1 @ CD @ LNGTWY [UNKNOWN]) (OPD)
READ:UNKNOWN

TEXT:

9/11 American Heritage Rivers Event
9/12 Satcher Nomination Announcement
Videos -- Dept. of Ed. Conference
Tape Radio Address - Campaign Finance Reform
Meeting on Tobacco
9/15 Climate Change Meeting
SEIU Conference - Health Care Speech
Boys and Girls Club Youth of the Year Photo-Op
9/16 CIA 50th Anniversary Event
Congressional Hispanic Caucus
9/17 Tobacco Announcement
9/18 Departs for San Francisco
Tapes Radio Address
9/20 Charter Schools Event (San Francisco)
9/22 UNGA Speech
9/23 OFF
9/24 AFL-CIO Convention (Pittsburgh)
9/26 40th Anniv. Little Rock Central High Desegregation
9/26 Education or Fast Track Event (Houston, TX)
9/30 Race Advisory Board Meeting

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Charles A. Blanchard (CN=Charles A. Blanchard/OU=ONDCP/O=EOP [ONDCP])

CREATION DATE/TIME:10-SEP-1997 15:41:08.00

SUBJECT: Drugs & Prisons

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

READ:UNKNOWN

Jennifer Brown (CN=Jennifer Brown/OU=ONDCP/O=EOP [ONDCP])

READ:UNKNOWN

TEXT:

As a follow-up to the meeting today, could you have any directive include Director McCaffrey, i.e., directing the Director to work with DoJ and HHS to have a conference on the issue of drugs & prisons.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Richard Socarides (CN=Richard Socarides/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-SEP-1997 12:08:50.00

SUBJECT: Needle exchange is on the floor now.

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The intelligence this morning was that the republicans would insist on a roll-call vote, which I guess we didn't figure on in our tactical strategy.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 12:45:59.00

SUBJECT: Gambling meeting

TO: William P. Marshall (CN=William P. Marshall/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I have contacted David Ogden about setting up an interagency meeting and we have agreed to shoot for next Thursday at 2:00pm-- this works for both of your schedules. I have been working with Cabinet Affairs to get our contact names for the meeting. I will give you the list of attendees once it's set.

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 18:53:32.00

SUBJECT: background checks for child care workers

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

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

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

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

TEXT:

Jose asked me to pass along the highlights of the meeting we had a couple weeks ago on background checks for day care workers.

While a few federal laws have been passed to either facilitate or encourage such checks, they have had little impact and substantial obstacles remain:

- * No national standards exist for background checks. "Background checks" can mean either a criminal history name check, a fingerprint check, or a civil records check. Moreover, states vary widely on who they check (part-time/full-time employees) and the scope of crimes they are checking.
- * There is no single database for background checks. The feds and the states have their own information systems and many criminal justice records remain decentralized at the local level. In addition, these information systems may not collect all of the relevant information relevant for day care workers (e.g., sex offender registry may identify a convicted child molester but not a child abuser).
- * Cost of background checks. The cost of checks can be substantial. Fingerprint checks are at least three times as expensive as name checks, but are more reliable. Concerns were raised about passing these costs along to the customers, many of whom may already find child care costs prohibitive. Moreover, child care facilities have a high rate of employee turn over.

Since the Supreme Court's decision the Brady Law, there is a heightened sensitivity to imposing mandates on states in this area, particularly without providing additional funding. Our discussion on moving forward was focused on an Interstate Compact bill which the Justice Department is preparing to send to the Hill this month. Under the Compact-- which must first be passed by Congress and then by individual states-- the FBI would maintain an index of all of the state-maintained criminal history records and the ground rules for states to share their information.

This would be a solid first step to expand the availability of criminal history records for "non-criminal justice purposes." The downside is that each state needs to ratify the compact if they want to participate-- which could take a long time.

The next meeting will continue to focus on other options to expand access; privacy concerns; and recommendations.

Senate Bipartisan Agreement in Support of the President's Voluntary National Testing Initiative

- Today, President Clinton's proposal to set high national standards and test students in 4th grade reading and 8th grade math gained the strong, bipartisan support of the Senate. This helps to insure that parents, teachers, students and communities will receive high quality information on whether students are reaching high standards, allowing us to hold schools accountable and get extra help to those students who need it.
- The bipartisan agreement reached today adopts the President's proposal to give authority for the Voluntary National Tests to the bipartisan, independent National Assessment Governing Board (NAGB). NAGB currently oversees the National Assessment of Educational Progress, which tests a nationwide sample of students.
- The agreement also makes NAGB more independent, helping to insure that the National Tests will be free from politics in the years ahead.
- Under the agreement, NAGB will gain an additional Governor from the other party, as well as adding Mayors and additional businesspeople. The Board will continue to have strong representation of teachers, principals, school board members and other educators.
- We are delighted that we will be able to move forward without further delay on the President's plan, first announced in his State of the Union address this year.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 15:05:57.00

SUBJECT: Gov. Thompson call

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: Emily Bromberg (CN=Emily Bromberg/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Cathy R. Mays (CN=Cathy R. Mays/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:

Here's some info regarding Intergovernmental's request that you return Gov. Thompson's call to the President: This stems from a phone call Thompson had with Mickey Ibarra on August 1. At that time, Thompson asked for an opportunity to talk to the President about FLSA on behalf of "a bipartisan group of Governors." So it's a pretty old call. Originally the plan was for Erskine to return the call; that never happened, so now they want you to do it. Any other relevant info, Emily?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 12:36:02.00

SUBJECT: growers

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The letter from Baesler and the members about growers emphasizes points that we essentially agree with: that companies should buy an agreed upon level of tobacco. The only question on this score is foreign purchases. If companies agree to buy a set level for 25 years (say the 1996 level) the grower members will be happy. They fear the companies will want a backdoor that allows them to decrease purchases if domestic demand falls. Hence, the members letter has a provision that includes foreign sales in the quota. I talked to Baesler and he emphasized this point.

The other elements of the letter, economic assistance money, is much less essential if there is a guaranteed purchase agreement. If there such a program, the costs in the House bill would likely be similar to the Senate, Baesler said \$250-300 million a year is what they'd ask. Again, less is needed if there is continuation of the program.

Baesler says they may have a low cost buy down proposal next week.

Regards, Tom

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 19:25:47.00

SUBJECT: FLSA language from Haskins

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

We now have legislative language from Haskins on his proposed "compromise" on FLSA. DOL is looking at it. It appears to say what we expected -- workfare only has to be as many hours as the state can afford, and the balance of the hours can be filled with job search and education; FICA/FUTA don't apply to workfare; checks can still come from the welfare office. The key unknown is whether they have weakened labor protections at all, and it's hard to tell. I'm faxing it to you in case you want to look at it personally.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Laura K. Capps (CN=Laura K. Capps/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME:11-SEP-1997 18:52:18.00

SUBJECT: pls. review Jordan's Cancer video and have revisions to me by 9 am tomorrow

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

READ:UNKNOWN

TO: Christa Robinson (CN=Christa Robinson/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TO: Barbara D. Woolley (CN=Barbara D. Woolley/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

Thank you---

fyi: POTUS tapes at 1.

----- Forwarded by Laura K. Capps/WHO/EOP on 09/11/97

06:51 PM -----

Jordan Tamagni
09/11/97 06:46:25 PM

Record Type: Record

To: Laura K. Capps/WHO/EOP

cc:

Subject: vid one

===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS_EXT: [ATTACH.D6]MAIL41921735P.216 to ASCII,
The following is a HEX DUMP:

FF575043A1050000010A0201000000020500000094110000000200009B7B1862B828E0BB93BFA0
F0EB143A8D17C7BF3E061D5E9036A12B3F36C34C358D79BF665218CB68E129E1EEAE58D0457D90
0DD71A8A714982070D1D911FE3D655D6DEC56F524B298333553FE99A8F3E81DEDA5B4E1936CC56
70DED0C4EA66D501F490DE9B67A9315688311870C25736F17B3C0263A2311CB74B5E575552A735
A91FE4443A2E9A2098D7BD7F4739260FF13AE0477F963D52A9235B37948A67D8813484E390DE7B
203D701C142652C8BBA3FD98FBB636A861DB6C13AC1D44D5426555C7849E036312FD800F9EABCA
F0399B01ED54E1F48B95D9CE9CD824EFEA2B73065120C0FEE7A551BFC8C665BCC85BF10139FA51
CEE9076B9051FBA64F4DC6D6042B51BBAFBA777035C933C0E1B7DE0D1CF1ABC4A36923C609DDA3
07C54ADA3627276A191D3AD66FDB534492EE6BB72E593C0A3E07D0F2562CB3E7F091F699903887
DE2466393102FF700A9D32317A1DF87DDD897E3FC769CD8A1A22CF3A72D632B1D23781A971A1F1
7A98C573F1F88E0DCB40CBA336D3E33A56EBFAB6F56386992BDF47584C5D1682D6E04153CD610E
477C48C11EF67CBD6E690F54BDB47273A626EF4938FEFCBBE17A2F6C5B42D1BAD3412557855639

**PRESIDENT WILLIAM J. CLINTON
AMERICAN CANCER SOCIETY
NATIONAL FUNDRAISING KICK-OFF CONFERENCE
September 19-20, 1997**

Hello and greetings from the White House. I am pleased to have this chance to join you as you gather for the American Cancer Society National Fundraising Kickoff Conference.

I want to start by telling you how much I admire the work of the American Cancer Society. For almost ninety years, the Society has dedicated itself to helping families deal with the devastation cancer can bring, to educating the America people about what they can do to prevent cancer . . . and to finding a cure.

It is a goal we share. In the last four years, we have increased federal funding for critical cancer research by over \$400 million; we have taken action to stop insurance companies from denying health care coverage to people with pre-existing conditions; and we have worked to speed the approval of life-saving drugs. Today, millions of Americans are surviving after a diagnosis of cancer, and are leading hopeful, productive lives.

But there is more that we can do to fight cancer -- and we can start by doing more to protect our children and all of our people from the dangers of tobacco. Last year, my administration launched a comprehensive plan that prohibits retailers from selling tobacco to minors, and requires clerks to check I.D.s before selling cigarettes to young people. The balanced budget I was proud to sign in July includes a 15-cents-a-pack cigarette tax that will help states provide health care for up to 5 million uninsured children, and help prevent many young people from smoking in the first place. And just last month, we took action to ban smoking in federal buildings across America.

In the coming months and years, I look forward to working together with the American Cancer Society to continue our fight against cancer. Hillary joins me in expressing our gratitude to all the volunteers whose dedication is helping the American Cancer Society bring us closer to a cure. Thank you, and God bless you all.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 18:25:35.00

SUBJECT: Domestic Violence Options

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

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

TO: Karen E. Skelton (CN=Karen E. Skelton/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: Marsha Scott (CN=Marsha Scott/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

TEXT:

Please review the attached document for other suggestions and/or changes.

Thanks.===== ATTACHMENT 1 =====

ATT CREATION TIME/DATE: 0 00:00:00.00

September 10, 1997

MEMORANDUM FOR WOMEN'S MEETING PARTICIPANTS

FROM: MARIA ECHAVESTE
AUDREY TAYSE HAYNES

SUBJECT: DOMESTIC VIOLENCE AWARENESS MONTH EVENT
OPTIONS (MONTH OF OCTOBER)

1. White House Event - Launch inter-agency initiative to develop guidelines to reduce domestic violence in the federal workplace - October 1

We are working with DPC, Department of Justice's Violence Against Women Office, and the President's Crime Prevention Council on a proposal for the President to issue an Executive Order for OPM to direct agencies to develop federal workplace guidelines to reduce domestic violence. The Family Violence Prevention Fund has developed guidelines for private sector workplaces, which could be used as a model for the federal government. This event would be an opportunity to highlight the successes of business in workplace based domestic violence reduction, expand public private partnerships and to kick off Domestic Violence Awareness Month on October 1. (HHS, DOL, and DOJ have had educational awareness programs during past Domestic Violence Awareness months).

2. Work to End Domestic Violence Day Roundtable Discussion - Philadelphia - October 1

The President's Crime Prevention Council has submitted a request for the Vice President to participate in a roundtable discussion with the Family Violence Prevention Fund in Philadelphia on October 1. This roundtable will bring together corporate leaders and working women to discuss the effects of workplace policies on battered women and will encourage a dialogue between employers and working women about effective strategies to reduce domestic violence.

3. The Silent Witness National Initiative - Washington D.C. - October 18

The March to End Silence or Silent Witness Vigil has been organized to promote successful community and workplace based domestic violence efforts, and will highlight 2000 red life sized silhouettes ("Silent Witnesses") from over 40 states that represent women whose lives ended violently. Following the march, there will be a conference to showcase successful domestic violence reduction programs. As none of the principals will be able to attend, we suggest identifying a surrogate to attend.

4. YWCA Week Without Violence - October 19-25

The YWCA's third annual campaign focuses on alternatives to family violence, gun

violence, hate crimes and violence in the media. Each day of the week will highlight alternatives to violence: A Day of Rememberence; Protecting Our Children; Making our Schools Safer; Confronting Violence Against Women; Facing Violence Among Men; Eliminating Racism and Hate Crimes; and Replacing Violence with Sports, Recreation and Fun. The YWCA has created partnerships with a number of corporations designed to reach communities nationwide including: Georgia-Pacific Corp.; USA Networks; The Body Shop; Chase Manhattan; and Sony Music Entertainment Inc. 332 YWCA's will be participating in over 1000 locations nationwide.

5. National Crime Prevention Council National Meeting - October 14

The President's Crime Prevention Council has submitted a scheduling request for the Vice President to address the National Crime Prevention Council National Meeting in DC.. This meeting could provide another opportunity to highlight the Administration's leadership in domestic violence reduction and commemorate October as Domestic Violence Awareness Month.

Note: October is also Crime Prevention Month

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 19:41:36.00

SUBJECT: EFT '99

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

READ:UNKNOWN

TEXT:

Sarbanes office and in general the Dems on the Hill seem to feel good about Treasury's preliminary regulation on EFT '99. I think we have been successful in our initial efforts to make this a positive issue rather than a negative one.

One matter of concern is an ad being put out by Western Union in advance of the final regulation promoting an EFT-type AMT card which would charge \$7.50 for every transaction! Definitely price gouging.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jordan Tamagni (CN=Jordan Tamagni/OU=WHO/O=EOP [UNKNOWN])

CREATION DATE/TIME:11-SEP-1997 16:03:04.00

SUBJECT: Tobacco Video

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

READ:UNKNOWN

TEXT:

The President is scheduled to shoot a video tomorrow for the American Cancer Society's National Fundraising Kickoff; the OPL and the ACS want it to be about tobacco and our battle against the tobacco industry, among other things (the proposed script suggests language like: "I know that you are as anxious as I am to iron out the details of the 'tobacco settlement' and finally put the blame and the burden of smoking where it belongs -- on the tobacco industry"). Only issue is that the tape will air two days after our statement on the settlement.

I plan to keep the script short and talk about accomplishments, not the industry or the settlement. I wouldn't bother you if it weren't for the odd timing. Please advise.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 19:07:18.00

SUBJECT: \$3 billion issues/please respond by Fri noon -- sorry to get you this so 1

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

READ:UNKNOWN

CC: Emily Bromberg (CN=Emily Bromberg/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

CC: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

DOL wants to release guidance to states on the \$3 billion formula grants -- first in interim form next week and then in final form the week after. Regulations would then be issued by the end of October, within 90 days of enactment as required.

Barry White, Emil Parker and I are meeting Friday afternoon from 1:00 to 4:00 with DOL, HHS, and HUD staff to discuss the draft materials we have received. After providing comments tomorrow afternoon, we will insist on seeing and approving a revised version of the draft interim guidance before it goes out to the states.

There are several issues on which I would like your feedback.

1) Allowable uses: The draft guidance provides the flexibility in use of funds we've pushed for all along. It allows states and localities to define the allowable use terms, i.e. to define "subsidized job creation," "work experience," "job retention service," "post employment services," etc. The guidance does, however, does give some examples, saying that post employment services may include education and skills training (the person would combine these with work) and that job retention services could include transportation, substance abuse treatment, and child care (by statute, funds for job retention services can be used for such services only if "not otherwise available.") HHS wants to provide no "such as" examples at all, as was done in the TANF guidance, because they don't want this guidance to influence state TANF decisions. I am comfortable with DOL's "such as" approach.

2) Required match: States and localities must provide a \$1 match for every \$2 in federal funds. They may not use other federal funds or state funds used to match other federal programs. There are two issues here:

a) DOL wants to allow states and locals to use in-kind resources as well as "hard cash" as a match. This would make the match much easier to meet, but it would also make it less meaningful. My view, which is

coincidentally shared by OMB and HHS, is that we should insist upon a "hard cash" match, as we do in TANF. NEC and DOL have expressed concerns that such a tough match requirement will prevent all the funds from being drawn down. I say we should introduce the interim guidance with the hard cash match rule and let the states try to persuade us to change it.

b) The DOL guidance says states must put up all their match in the year they receive the federal grant, even though they have three years in which to spend the federal grant. It might make sense to have states match the funds as they spend them. We need to clarify whether this is legally possible given the statutory language.

In addition to weighing in on these issues, I will ensure that all the documents include a proper focus on private sector employment as the goal of welfare reform and that they put this program in the proper context

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 14:14:10.00

SUBJECT: AIDS Budget

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

----- Forwarded by Paul J. Weinstein Jr./OPD/EOP on
09/11/97 02:13 PM -----

Paul J. Weinstein Jr.

09/11/97 02:13:16 PM

Record Type: Record

To: Todd A. Summers/OPD/EOP

CC:

Subject: AIDS Budget

Call Jacquie Lawing at HUD about your budget. They do intend to fund the AIDS Office, they just need to figure out how to do it. She is incredibly helpful, so be calm. Jacquie is trying to rap it up today.

By the way, make certain that future memos from Sandy are less threatening and more policy oriented. This will ensure that the appropriators understand the funding from HUD is on policy grounds, not based on White House threats.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 19:35:42.00

SUBJECT: Superfund

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I wanted to let you both know that I successfully pushed for DPC to co-chair the decision process on Superfund with CEQ and the NEC. I believe that Superfund, more so than climate change, is the only opportunity to significantly affect environmental policy in this Congress. The policy rationale for the DPC being involved is because it impacts public health and safety.

Of course, this means that one of you will need to co-chair one of the meetings at some point, I hope that is OK, but this is an important issue.

For your information, Administrator Browner is in the process of meeting with Sens. Smith, Chafee, Baucus, and Lautenberg on compromise language. The economic agencies are very nervous about this because of the experience with Browner on Ozone/PM. I believe strongly that it is in the best interest of the President to get a Superfund bill. I believe this is the Administrator's view as well as CEQ's.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:11-SEP-1997 20:05:20.00

SUBJECT: Re: FLSA language from Haskins

TO: Emily Bromberg (CN=Emily Bromberg/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

TO: Diana Fortuna (CN=Diana Fortuna/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:

Tanner's staff is suggesting we meet Monday with Tanner, Stenholm, Carper, and Chiles staff to talk to them about our views and coordinate strategy to the extent possible. If we choose not to fight this, we may be able to get something in return, he says. He expects -- and remember, we're not supposed to know this -- that Shaw will hold a press conference Thursday and have a committee hearing the following week.

We of course need to decide what we think of this proposal first. Treasury, DOL, and HHS are examining the language now.

I also got a voice mail from Ron Haskins late today -- tried him back but got no answer. I'll try him again in the morning.

Diana Fortuna
09/11/97 07:41:34 PM

Record Type: Record

To: Emily Bromberg/WHO/EOP.
cc: Cynthia A. Rice/OPD/EOP
Subject: FLSA language from Haskins

I assume you don't need to see the language itself. What are you hearing from Govs on this?

----- Forwarded by Diana Fortuna/OPD/EOP on 09/11/97
07:42 PM -----

Diana Fortuna
09/11/97 07:36:29 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: FLSA language from Haskins

fyi; we're faxing to you in case you don't have it. If you have seen it, do you have a take on it yet?

----- Forwarded by Diana Fortuna/OPD/EOP on 09/11/97
07:35 PM -----

Diana Fortuna
09/11/97 07:25:40 PM

Record Type: Record

To: Elena Kagan/OPD/EOP
cc: Cynthia A. Rice/OPD/EOP, Laura Emmett/WHO/EOP
Subject: FLSA language from Haskins

We now have legislative language from Haskins on his proposed "compromise" on FLSA. DOL is looking at it. It appears to say what we expected -- workfare only has to be as many hours as the state can afford, and the balance of the hours can be filled with job search and education; FICA/FUTA don't apply to workfare; checks can still come from the welfare office. The key unknown is whether they have weakened labor protections at all, and it's hard to tell. I'm faxing it to you in case you want to look at it personally.

Message Sent

To:

Barry White/OMB/EOP
Keith J. Fontenot/OMB/EOP
Jeffrey A. Farkas/OMB/EOP
Larry R. Matlack/OMB/EOP
Maureen H. Walsh/OMB/EOP
Emil E. Parker/OPD/EOP

**PRESIDENT WILLIAM J. CLINTON
AMERICAN CANCER SOCIETY
NATIONAL FUNDRAISING KICK-OFF CONFERENCE
September 19-20, 1997**

Hello and greetings from the White House. I am pleased to have this chance to join you as you gather for the American Cancer Society National Fundraising Kickoff Conference.

I want to start by telling you how much I admire the work of the American Cancer Society. For almost ninety years, the Society has dedicated itself to helping families deal with the devastation cancer can bring, to educating the America people about what they can do to prevent cancer . . . and to finding a cure.

It is a goal we share. In the last four years, we have increased federal funding for critical cancer research by over \$400 million; we have taken action to stop insurance companies from denying health care coverage to people with pre-existing conditions; and we have worked to speed the approval of life-saving drugs. Today, millions of Americans are surviving after a diagnosis of cancer, and are leading hopeful, productive lives.

But there is more that we can do to fight cancer -- and we can start by doing more to protect our children and all of our people from the dangers of tobacco. Last year, my administration launched a comprehensive plan that prohibits retailers from selling tobacco to minors, and requires clerks to check I.D.s before selling cigarettes to young people. The balanced budget I was proud to sign in July includes a 15-cents-a-pack cigarette tax that will help states provide health care for up to 5 million uninsured children, and help prevent many young people from smoking in the first place. And just last month, we took action to ban smoking in federal buildings across America.

In the coming months and years, I look forward to working together with the American Cancer Society to continue our fight against cancer. Hillary joins me in expressing our gratitude to all the volunteers whose dedication is helping the American Cancer Society bring us closer to a cure. Thank you, and God bless you all.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: William R. Kincaid (CN=William R. Kincaid/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME:11-SEP-1997 12:05:00.00

SUBJECT: Senate Block Grant Amendment Passed

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

READ:UNKNOWN

CC: Cathy R. Mays (CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

I understand from Cathy that your e-mail may have been down -- this is a resend.

----- Forwarded by William R. Kincaid/OPD/EOP on 09/11/97
11:47 AM -----

William R. Kincaid

09/11/97 11:07:34 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

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

Subject: Senate Block Grant Amendment Passed

The Senate narrowly passed (51-49) Senator Gorton's block grant amendment, after a "hold-harmless" provision was added for States. Education is doing a quick analysis to figure out exactly which programs are affected -- we know that several of the big ones were exempt. Apparently Lott decided to make this a Leadership issue. We'll know more shortly. This is like 1995 revisited.

Message Copied

To:

Michael Cohen/OPD/EOP

Robert M. Shireman/OPD/EOP

Jonathan H. Schnur/OVP @ OVP

Julia R. Green/WHO/EOP

William H. White Jr./WHO/EOP

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Phone No. (Partial) (1 page)	09/11/1997	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[09/10/1997-09/11/1997]

2009-1006-F
bm47

RESTRICTION CODES

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

- 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]

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]

J. U.S. Leadership in Global Tobacco Control

Settlement Provisions

The settlement does not include any provisions that address global tobacco control, and therefore has been widely criticized by the U.S. and international public health communities. Most recently, a resolution was passed at the 10th World Conference on Tobacco or Health in Beijing calling for any national settlement to take into account international tobacco control concerns.

Proposed Administration Position

Three principles should guide Administration policy in this area:

- o Tobacco products should be treated in both the domestic and international arenas consistent with their known harmful health effects;

- o U.S. embassies and missions should act consistent with domestic policies. e.g., U.S. officials overseas will not engage in activities intended or likely to increase overall consumption of tobacco or which would interfere with a foreign government's efforts to establish and maintain sound public health practices; and,

- o U.S. government will support efforts to ensure U.S. companies are not unfairly discriminated against.

IV. Administration Strategy

The Administration wants to give momentum to a legislative package that will effectively put in place a national tobacco control policy for the 21st Century that will have as its primary focus the protection of our children's health. From this point today to the passage of such legislation and the President's signing of a bill, the road is filled with uncertainties. It is increasingly clear that Congress will not act on such legislation until 1998. The public health community wants a legislative solution but is very skeptical of the details of the settlement. Many parties -- most noticeably tobacco farmers -- were not at the table for the negotiations on the settlement and how to involve them and keep them involved are still matters for discussion. The disclosure of industry documents -- whether in state lawsuits or in potential DOJ criminal actions -- may radically change the shape and tenor of public debate. Finally, while many have weighed in on the settlement, there are still other potential critics such as the FTC whose statements may also substantially affect congressional and public views of the settlement.

While the settlement takes the nation another step down the road to legislation, it also presents substantial obstacles to passage of legislation. First, the process by which the settlement came to be is troublesome. As noted above, substantial stakeholders -- such as farmers -- were not involved and furthermore the process did not provide for congressional ownership and action on legislation. Second, on a substantive level, the settlement is seriously flawed as the previous analysis sections show, e.g., limiting FDA authority, inadequate disclosure and financial provisions, lack of real accountability on part of industry to reduce youth smoking, and overly broad anti-trust exemptions. Thus, if the Administration uses the settlement as the basis for moving legislation, the Administration becomes the target of all those criticisms. Given the additional criticisms still to come of the deal (e.g., congressional hearings, FTC analysis) and the need for flexibility in a protracted congressional debate, the settlement finally does not advance the Administration's goal of getting solid and effective tobacco control legislation for the 21st Century.

The primary goal of a Presidential statement must be to give momentum to the legislative process by describing what the Administration wants, by forcing Congress to take responsibility of acting, and by giving the Administration maximum leverage in those negotiations. On issues that the Administration cares about, the statement should set specific bars but always with an eye to maintaining negotiating leverage. The Administration also wants to involve relevant stakeholders in the process and keep them committed to the process.

Here are the principles that the President could use to lay out his vision for a legislatively-mandated tobacco control policy for the 21st Century.

- o Provisions of legislation will be ultimately measured by how well they protect the nation's children and adolescents.

- o Preserve FDA's authority over tobacco products, unencumbered by procedural or substantive criteria that may diminish that authority

- No restrictions on factors Agency must consider, types of actions Agency may take or statutory

classifications that Agency must follow

- No altered standards of judicial review
- No treatment for particular types of products or claims

o Ensure that FDA remains flexible to meet the future health challenges of tobacco

- Able to impose additional requirements on marketing and manufacture and to expand Agency's jurisdiction based on changing marketplace or new science

o Hold each tobacco company accountable for reducing the use of tobacco by youths, and ensure that penalties provide real economic incentives

o Achieve maximum disclosure of documents possible

- Public health agencies must have complete and ready access to documents to do their jobs
- Public has right to know and burden should be on industry for proving otherwise

o Recognize that reduction in tobacco use will have major impact on farmers and the economies of their areas and they must be involved in the legislative process

o Provide sufficient financial resources to meet public health goals and address the industry's past behavior

- Money must be additive (not substitute for existing appropriations)
- No tax deductibility

o Create an international strategy that puts the U.S. in a leadership position on tobacco control and mirrors domestic efforts to reduce tobacco use among young people

o Express willingness to discuss other issues, such as civil liability, but only in the context of comprehensive legislative solution that is consistent with principles described above

If the proposed settlement -- even "fixed" -- is enacted into law it will not accomplish what the principles stated above aim to achieve. But if Congress crafts a legislative package that is consistent with these principles, and places public health considerations above all others, then a comprehensive solution and a tobacco control policy for the 21st Century are within our reach.

List of Recommendations:

FDA Authority: “Preserve FDA’s authority over tobacco products, unencumbered by procedural or substantive criteria that may diminish that authority, and ensure that FDA remains flexible to meet the future health challenges of tobacco.”

Penalties: “Hold each tobacco company accountable for reducing the use of tobacco by youths, and ensure that penalties provide real economic incentives.”

Farmers: “Recognize that the reduction in tobacco use will have a major impact on farmers and the economies of their areas and that they must be involved in the legislative process.”

Funding: “Recommendation: Provide sufficient financial resources to meet public health goals and address the industry’s past behavior. Options:”