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[12/04/1997]

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001. email	Phone No. (Partial) (1 page)	12/04/1997	P6/b(6)

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[12/04/1997]

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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]
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- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

DRAFT December 4, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED

SUBJECT: URBAN AND RURAL EDUCATION OPPORTUNITY ZONES

This initiative, which you discussed in your Town Hall meeting earlier this week, would designate from 20 to 40 urban and rural school districts as Education Opportunity Zones. As proposed, the zones would cost between \$221 million and \$320 million in FY 99 (\$1.1 billion to \$1.3 billion over five years). Education Opportunity Zones would have a strong focus on standards and accountability, and would be eligible for rewards based on improved performance.

The initiative would fund high profile demonstrations of effective approaches to expanding opportunities for students, coupled with increased responsibility for results for schools, educators and students themselves. High-poverty urban and rural school districts would be eligible for additional Federal funding *if* (1) they adopt tough reform measures -- like those in place in Chicago -- that make administrators, principals, teachers, and students truly accountable for success or failure, and (2) in time, show real improvements in student achievement.

To receive funds, local school districts would demonstrate how they will:

- provide students and parents with expanded choice within public education;
- hold schools accountable for helping students reach high academic standards, including rewarding schools that succeed and intervening in schools that fail to make progress;
- hold teachers and principals accountable for quality, including rewarding outstanding teachers, and implementing processes for fairly and quickly removing ineffective teachers.
- require students to meet academic standards at key transition points in their academic careers.

School districts could use Education Opportunity Zone funds to:

- provide extra help to students that need it in order to meet challenging standards, through after-school or Saturday tutoring programs and/or summer school.
- provide bonuses to schools that make significant gains in student achievement, and turn around failing schools by implementing proven reform models, providing intensive teacher training, building stronger partnerships between schools and parents, businesses and community-based organizations, or closing down failing schools and reopening them as charter schools.

- provide needed training to teachers and principals; reward outstanding teachers by helping them earn certification as master teachers from the National Board for Professional Teaching standards and providing them with financial incentives when they do; and implement programs to identify low performing teachers, providing them help to improve, and removing them fairly and quickly if they don't.

In order to successfully compete for the challenge grants, districts would be required to show how they will use all available funds, including other federal, state and local funds, in a comprehensive, coordinated manner to raise student achievement. Education Opportunity Zones would be allowed to use challenge grant funds for start-up and initial operating expenses connected with reforms, but would be required to meet an increasing share of ongoing costs with state, local, and other federal funds over the life of the grant.

Budget. As proposed, 3-year competitive grants would be awarded by the Department of Education to 10-20 urban school districts and 10-20 rural school districts or consortia (including districts serving Native American students) selected as Education Opportunity Zones. Each urban Education Opportunity Zone would receive approximately \$10-25 million in its first year, and each rural zone would receive from \$500,000 to \$5 million (for consortia).

Each participating district would receive a declining share of federal support in years 2 and 3 to ensure that reforms can be sustained over the long term. Continued support in years 4 and 5 would be contingent upon demonstrated success in raising student achievement and willingness to work with similar districts to help them replicate successful reforms. \$16 million would be available each year for national leadership activities, such as supporting technical assistance, documenting successes, and disseminating lessons learned to urban and rural communities across the U.S.

- **Option 1:** Only one group of zones would be selected, approximately 15 urban and 15 rural. FY 99 request: \$320 million, with a five year cost (including national activities) of 1.07 billion.
- **Option 2:** Two groups of zones would be selected, with approximately 10 urban and 10 rural zones beginning in year 1 (FY 99), and then an additional 10 urban and 10 rural zones beginning in year 2 (FY 00). This would give some promising districts a greater opportunity to participate. FY 99 request: \$205 million, with a five year cost of \$1.31 billion (including national activities).

Outstanding Issues. We are still working with other offices and the Department of Education on some remaining issues with this initiative. First, we are developing a component that would create performance partnerships to enable Education Opportunity Zones to have greater flexibility in the use of other federal education funds as long as participating districts continue to meet agreed-upon performance goals. In addition, we are working to determine the best way to provide rewards to districts that show significant gains in achievement. (As described above, one possible approach is to have receipt of 4th- and 5th-year challenge grant funds entirely

depend on showing significant gains in student achievement). Finally, we are exploring whether this initiative could be accomplished under some combination of existing authority under Title I and appropriations language, without requiring new legislative authority.

**Automated Records Management System
Hex-Dump Conversion**

December 4, 1997

MEMORANDUM FOR THE PRESIDENT

FROM: BRUCE REED
GENE SPERLING

SUBJECT: **Including Welfare-to-Work Housing Vouchers in the FY 1999 Budget**

Overview

Over the last three months, the Domestic Policy Council (DPC), the National Economic Council (NEC), and the Office of Management and Budget (OMB) have led an interagency process on economic development and housing policy. This memorandum details a proposal for 50,000 new housing vouchers to assist welfare recipients who must locate or relocate in order to find employment, as well as to help address the shortage of affordable housing.

In addition to the new welfare-to-work housing vouchers, your FY99 budget already includes proposals to promote housing portability and choice and to increase home ownership by reducing barriers to buying a new home. We believe these new initiatives, along with a strengthened Fair Lending Law (which has no budget impact) and a possible increase in the Low-Income Housing Tax Credit would build on your record of providing public housing tenants and other low-income individuals with the opportunity to move to neighborhoods with more jobs, better schools, and less crime.

Affordable Housing and Welfare Reform

The need for affordable housing exceeds supply, particularly for poor families with children. For example, in 1995, 5.2 million families spent more than half their income on rent and/or lived in severely substandard housing. More than 2 million of these households were families with children. According to the most recent data available, demand for affordable housing exceeded supply by 1.7 for the lowest income households. However, the number of vouchers has remained nearly stagnant.

The lack of affordable housing can impede families' efforts to move from welfare to work. Many welfare recipients, even with a job and the Earned Income Tax Credit, find it difficult to afford housing near their job, child care, or transportation line. Others find it difficult to begin the journey to self-sufficiency if they are homeless, living in crowded conditions, or surrounded by crime and drugs. Your welfare to work transportation proposal, if enacted, will help welfare recipients travel to their jobs, but housing vouchers provide an additional and perhaps even more promising way to help individuals gain access to employment and achieve self-sufficiency.

Administration Track Record

Past Administration efforts to increase the number of vouchers have not been successful. Your FY 1998 budget request included funds for 50,000 additional vouchers targeted to individuals making the transition from welfare to work, but the proposal lacked detail and the White House did not emphasize the welfare-to-work aspect of the proposal. Congress provided only \$54 million for 6,500 new targeted vouchers. On other occasions, however, the Administration has succeeded in enacting important housing initiatives. For example, in 1993 Congress acceded to your challenge to make the LIHTC and the Mortgage Revenue Bond (MRB) programs permanent. And this year, Congress agreed to provide sufficient funding to renew all of the Section 8 project and tenant-based assistance contracts expiring over the next five years.

Proposal

With FY99 budget guidance levels, OMB has provided the Department of Housing and Urban Development (HUD) with the requested 50,000 new housing vouchers. Of these vouchers, 32,000 will be used for homeless households and 18,000 for a variety of special purposes, such as the witness protection and family unification programs.

We propose that you include in your FY99 budget an additional 50,000 housing vouchers tied to welfare-to-work. This proposal would strengthen our housing policy and support our welfare reform goals. While enacting this proposal may be an uphill battle, it is achievable if the Administration makes a firm commitment and recruits effective congressional champions. DPC, NEC, OMB, and HUD believe that a strong, clearly articulated link to welfare reform may increase support for the initiative. We recommend that the welfare-to-work vouchers be on the mandatory side of the budget, similar to the TANF welfare block grant and the \$3 billion Welfare to Work program, but unlike other section 8 vouchers. The cost is expected to be about \$1.3 billion over 5 years.

DPC and NEC recommend making the additional vouchers available on a competitive basis to public housing agencies that submit a plan to use the new vouchers to support families transitioning from welfare to work. This plan would be developed jointly with the local welfare agency and/or the Welfare-to-Work program grantee (generally the local private industry council), allowing state and/or local participation in the effort. The vouchers would be used to further the goals of welfare reform -- to help welfare recipients go to work or retain jobs, or allow them to move to areas where jobs can be found. Local agencies would have great flexibility to design and operate the welfare-to-work voucher program within broad national guidelines. For example, the agencies would propose whether to focus on particular categories of welfare recipients (long-term recipients, victims of domestic violence, those living in public housing, or those who have retained employment for a certain period of time and whether to provide short-term, transitional housing assistance) or longer-term support. Local plans would be reviewed and ranked by HUD in consultation with the Department of Labor (DOL) and Health and Human Services (HHS).

December 4, 1997

MEMORANDUM FOR THE PRESIDENT

Automated Records Management System
Hex-Dump Conversion

**FROM: BRUCE REED
ELENA KAGAN**

SUBJECT: New Community Prosecutors Initiative

Over the past month, we have spoken with the National Institute of Justice (NIJ), the National District Attorneys Association (NDAA) and the American Prosecutors Research Institute (APRI) about a new initiative to promote community prosecution as a local crime fighting strategy. For several years these organizations have been working with the handful of "pioneers" in this area, and they are eager to work with the Administration to launch a new initiative to promote community prosecution throughout the country. This memorandum outlines such an initiative and recommends that you include it as part of the FY 1999 Budget and State of the Union.

Background on Community Prosecution

Community prosecution is the natural next step to community policing. Over the past few years, as thousands of police departments have transitioned from reactive policing to working more proactively with community residents, new demands have been placed on local prosecutors -- as well as on the criminal justice system in general. Initially, local police and community residents called on prosecutors be active participants in their anti-crime coalitions. Usually, they wanted prosecutors to know their concerns and expected them to focus on prosecuting certain types of offenders. Over time, however, prosecutors have been increasingly asked to dedicate attorneys to work in the neighborhoods, to play a role in solving local crime problems and to fundamentally reorient their emphasis from simply processing cases to taking on quality of life issues and preventing crimes from happening in the first place.

Perhaps the best example of the evolution of community prosecution can be found in Multnomah County (Portland), Oregon. As part of an overall strategy to revitalize the Lloyd District of Portland, local business leaders called for a series of private and public responses, including -- improved lighting, better and more coordinated private security, more police officers and -- surprisingly -- a special prosecutor assigned to the Lloyd District. When government funding could not be obtained for a dedicated prosecutor, the local business community raised the money to pay for a prosecutor themselves. Although this raised legitimate ethical issues and concerned some in the community, District Attorney Michael Schrunk decided that establishing a one-year, neighborhood-based pilot prosecution project was in the public interest and accepted the funds on the condition that -- if the project was a success -- public funding would be made available to similarly serve all areas of the county. Today, Portland has 7 Neighborhood District Attorneys (NDAs). All attorneys salaries are paid for out of public funds.

It is worth noting that the community's original request for a dedicated prosecutor was fueled by the desire to crack down on recidivist offenders. Moreover, even the senior attorney assigned to the Lloyd District originally envisioned his role as prodding "enhanced case processing." That is to say, he sought to ensure that perpetrators did not become anonymous in the criminal justice system, and that -- during trial and sentencing -- judges were aware of the impact certain criminals had on the community as a whole. Within a few months, however, the community began to place non-tradition demands on the NDA, expecting him to do something about prostitution, public drinking, drug use vandalism, street fights and car prowls. Many of these problems were tied to the transient population that illegally camped at a nearby site. The NDA focused his attention on this issue and implemented a long-term plan to solve the problem. First, he worked with police to sweep the area. Next, he collaborated with local residents to display prominently post "no camping signs" with homeless shelter information listed on the reverse side. Based on citizen reports, the NDA would work with police officers to quickly respond to new illegal campers at the site. Over time, citizens themselves approached new campsites and asked transients to leave. The illegal campsite has now been entirely eliminated as a problem.

Others prosecutors that have embraced community prosecution in some form include: Boston, MA; Chicago, IL; Denver, CO; Indianapolis, IN; Kansas City, MO; New York City and Brooklyn, NY; Milwaukee, WI; Austin, TX; and Washington, DC (initiated this past year by former U.S. Attorney Eric Holder). Most local prosecutors, however, depend primarily -- and nearly half exclusively -- on limited county funds for their budgets, and simply do not have the resources to pursue community prosecution. In the short-term, with a \$100 million in direct grant, the Administration will have the ability to reach a majority of the estimated 2,400 prosecutors' offices, and to help them join with their police departments and make the transition to community-based crime strategies. Over the long-term, however, investing in community prosecutors now will help build support among police and prosecutors for future initiatives to promote community-based approached in the courts and corrections system.

Outline of Proposed Initiative

Similar to the COPS program, this proposal calls for \$100 million for FY 1999 (and for each of the next 2 fiscal years) for the Attorney General to make direct grants, on a competitive basis, to state and local prosecutors for the following purposes:

- (1) Community Engagement. To substantially increase the number of local prosecutors interacting directly with members of the community ("community prosecutors" or "neighborhood DAs"); and
- (2) Problem Solving. To encourage local prosecutors to reorient their emphasis from the "assembly line" processing of cases to solving specific crime and disorder -- or quality of life -- problems in their communities.

A minimum of 80% of the grant funds (\$80 million) would be used to pay for the salaries and training costs associated with hiring or reassigning prosecutors to work directly with police and community residents. Grants would be for 3 years and pay for a maximum of 75% of the costs -- with the federal share declining over the life of the grant. A maximum of 20% of the grants (\$20

million) could be used for other non-salary costs, such as:

- providing specialized training to prosecutors to enhance their problem-solving, conflict resolution mediation and other skills needed to work in partnership with the community;
- developing and implementing innovative programs that permit members of the community to assist prosecutors in crime control and prevention (i.e., developing new legal tools to close down crack houses and citizen-driven search warrants);
- increasing prosecutors involvement in community activities that are focused on crime control and prevention (i.e., coordinating with existing community policing strategies); and
- developing and establishing new administrative and management systems to facilitate the adoption of community-oriented prosecution as an organization wide philosophy.

Finally, this initiative proposes allocating half of the grant funds (\$50 million) to prosecutors' offices serving populations of 500,000 or more persons and the remaining half (\$50 million) to smaller jurisdictions. This distribution means that sizable grants of \$1 million or more could be made available to a majority of the 130 jurisdictions serving the largest metropolitan areas, and that smaller grants (about \$50,000 to \$75,000) could be made available to nearly half the remaining, full-time prosecutors' offices (of which there are about 1,600 total).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Judith A. Winston (CN=Judith A. Winston/OU=PIR/O=EOP [PIR])

CREATION DATE/TIME: 4-DEC-1997 11:04:05.00

SUBJECT: THANK YOU

TO: Michael D. McCurry (CN=Michael D. McCurry/OU=WHO/O=EOP @ EOP [WHO])
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TO: Laura D. Schwartz (CN=Laura D. Schwartz/OU=WHO/O=EOP @ EOP [WHO])
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TO: Jonathan Murchinson (CN=Jonathan Murchinson/OU=WHO/O=EOP @ EOP [WHO])

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: Jaycee A. Pribulsky (CN=Jaycee A. Pribulsky/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

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

TO: Kirk T. Hanlin (CN=Kirk T. Hanlin/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

TO: Paul K. Engskov (CN=Paul K. Engskov/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

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

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

TEXT:

For all of you who played any part in the preparations for and implementation of the Town Hall meeting in Akron yesterday, thank you for the tremendous teamwork that made the meeting a success. So many people worked extremely hard to make the meeting work, and it did work. Thank you.

For many in the country, it may have been their first exposure to the President's Race Initiative. For them, I believe it was a tremendous introduction to what the President hopes to accomplish with the Initiative.

We on the Initiative staff can always do more and better. I welcome any

suggestions that you may have for us for specific events, such as town meetings, or any other aspects of what we want to accomplish.

Thank you again!

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 14:52:29.00

SUBJECT: NYT's Food Safety Series

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Donald H. Gips (CN=Donald H. Gips/O=OVP @ OVP [UNKNOWN])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I wanted to make sure you noticed that the NYTs ran the first part of its four part series on food safety today. Actually, today's story, which was on food irradiation, was suppose to be the third piece in the series, but it was moved to first following FDA's irradiation decision on Tuesday. HHS is checking on whether we will see the other three pieces anytime soon.

Today's story:

Is Irradiation the Magic Bullet Against Food Poisoning?

By GINA KOLATA with CHRISTOPHER DREW

MULBERRY, Fla. -- Five years ago, Harley Everett envisioned a burgeoning industry that would rid meats, fruits and vegetables of harmful bacteria by bathing them briefly in gamma rays. His company built an irradiation plant, tucked away on a dusty road in this phosphate mining town. But business is hardly thriving.

His plant remains the only one in the nation built solely to irradiate food. Down the hall from Everett's office on a recent day, behind 6-foot-thick concrete walls, slender rods of radioactive cobalt glowing ice blue waited uselessly in a deep pool of water. The plant was silent, its parking lot all but empty. There was no food to irradiate.

Everett, the executive vice president of Food Technology Service, said the plant irradiates a few items for people who cannot take a chance on food poisoning: poultry for hospital patients with weakened immune systems, all the food the astronauts eat. It treats some strawberries, in season, spices and a few potatoes and onions. That is about it.

But Everett is newly hopeful that the nation's long indifference to irradiation may be about to change. As politicians and the public grow increasingly alarmed by a new

series of outbreaks of food poisoning, scientists and the food industry have renewed their search for a magic bullet.

Tuesday, the Food and Drug Administration approved the use of irradiation on red meat, the first step in the regulatory process that could allow beef companies to start using this tool by next summer.

Everyone agrees that Everett's system works, and irradiation is not expected to add more than a few pennies to the cost of a pound of ground beef at the largest meat plants. The meat industry lobbied hard for approval of it and some leading companies see it as the a sure-fire way to eliminate any deadly E. coli O157:H7 bacteria and other new hazards from hamburgers and other popular foods.

But the public has shown little confidence in scientists' assurances that irradiated food is safe. There is almost no demand for irradiated chicken, fruits and vegetables, even though such products were approved years ago. One vocal consumer group, fanning fears about radiation hazards, has threatened to boycott any store that sells irradiated foods.

And the big question now is whether the recent outbreaks, dramatized by a huge recall of hamburgers at Hudson Foods last August, have convinced consumers that the dangers outweigh their fears about the cure.

As an incentive for processors and consumers, the Agriculture Department is considering allowing companies to label irradiated products as free of dangerous bacteria, said Dr. Daniel Engeljohn, who is writing final regulations on irradiation.

But even the nation's largest beef producer has reservations.

Although many scientists have said that irradiation does not cause significant changes in meat, the meat producer, IBP Inc., based in Dakota City, Neb., has found that the process slightly alters both the flavor and color of ground beef. Irradiation darkened the color of the meat and changed its taste in a "noticeable enough" way to cause concerns within the company, said Gary R. Mickelson, an IBP spokesman.

The company will need to test-market irradiated beef before deciding whether to adopt the process, Mickelson said, adding, "It will ultimately be up to the consumer to determine if it is acceptable."

Mark Klein, a spokesman for the nation's second-largest beef company, Excel Corporation, a subsidiary of Cargill Inc., said: "We're in favor of irradiation as an additional tool. And if the

technology works, we will use it."

Irradiation has run into some practical problems with other foods, especially with the most delicate fruits and vegetables, which can wilt under the doses needed to kill harmful bacteria. But other new safety methods are drawing attention as well.

Some meat and produce companies are adopting new technologies that kill pathogens, or microorganisms that can cause disease, with blasts of steam, light beams or ozone, a disinfectant long used in drinking water. And scientists are working on a vaccine to wipe out harmful bacteria carried by cattle and chickens at the safest point possible, before they ever leave the farm.

But in recent months, attention has increasingly turned to irradiation. The continuing battle over irradiation, whose supporters long for a more appetizing name, like "cold pasteurization," illustrates the difficulties that lie ahead as scientists and the food industry search for the best way to eliminate such dangerous pathogens as E. coli from the nation's food supply.

New safety methods -- no matter how much support they have -- are likely to face a variety of hurdles, including financial risks, intensive politicking by mighty industry lobbyists and consumer groups, and, ultimately, a wary public.

"Everyone wants to be second" to try irradiation, said an executive at a large restaurant chain, who asked not to be identified because his company's plans are not public. Moreover, he added, "the bigger they are, the more they want to be second."

If it catches on, irradiation might end up being used as the ultimate insurance for the most vulnerable products, like ground beef and poultry. But in the end, many experts say, no one method is likely to be a panacea for food.

"Irradiation may be helpful, and it may play a very important role in the future," said Dr. David A. Kessler, a former FDA commissioner. "But I don't think it's going, by itself, to get us where we need to be. It's not going to work if companies think they don't have to keep up with basic sanitary practices, and that they can just zap it all at the end."

But even as the questions persist, many regulators and food industry executives agree that this is irradiation's moment, a time when the government's attention, and the public's, are focused to an unusual degree on a method with an unappealing name that, its supporters hope, will eventually be on labels in supermarkets across America.

Irradiation: What It Is, How It Works

The idea of irradiating food first surfaced just after the turn of the century, and it began to take hold during World War II, when scientists working for the Army found that ground beef stayed fresh longer if it was exposed to X-rays.

The concept is simple: Irradiation can kill bacteria that can cause food poisoning by shattering their genetic material. Radioactive rays from sources like rods of cobalt are aimed at containers holding food and kill the bacteria as they pass through the food, leaving no residual radioactivity behind, scientists say.

The FDA approved several limited uses of irradiation -- the first was to help the Army preserve canned bacon -- in the early 1960s. But it rescinded the approval for canned bacon after a few questions were raised about irradiation's effect on laboratory animals in the late 1960s, casting suspicions on the process that persist even though most leading medical and scientific associations have since declared that it is safe.

Since then, the FDA has changed its view. The agency approved the irradiation of spices, fruits and vegetables in 1986 to destroy insects and mold, and it authorized the irradiation of chicken in 1990 to kill bacteria like salmonella or campylobacter, which are the two biggest causes of food poisoning in the United States.

The petition seeking FDA approval to irradiate red meats was submitted in August 1994 by Isomedix, a company based in Whippany, N.J., with 16 plants that irradiate medical devices and food cartons. Few people realize it, but there are about 60 irradiation plants in the United States and they sterilize a surprising array of items, from nipples on baby bottles to tiny containers holding coffee cream.

Studies show that irradiation can essentially eliminate the disease-causing bacteria like the E. coli O157:H7 that has killed people who ate infected hamburger meat. It also can kill salmonella in fish, just as it does in chicken, and the FDA also is examining whether to approve it for seafood.

Industry officials say it is less likely to be used on steaks, roasts and other slabs of meat, where any contamination lies on the surface and can easily be washed off in the plant or killed through cooking.

But there is growing pressure from fast-food restaurants and consumers to improve the safety of ground beef. A single hamburger can contain bits of meat from dozens of cattle, the primary source

of E. coli, and the bacteria can survive inside the hamburger patty unless it is thoroughly cooked at a high temperature.

The government became so concerned about the new strain of E. coli that in 1994 it classified it as an adulterant in ground beef, meaning that processors would have to recall any raw hamburger containing the bacteria.

And increasingly, scientists have been saying that the food industry should eliminate such hazards, rather than leaving safety up to the diligence of each consumer.

The Safety Debate

Most infectious-disease specialists and public health experts say the science and benefits of irradiation are well established.

Over the years, researchers have focused on two main concerns -- whether irradiation can strip food of vitamins or create dangerous byproducts that could cause cancer or other health problems in people who eat the food.

But scientists who have studied irradiation say neither issue poses a serious problem, and irradiation has been endorsed for years by groups like the World Health Organization and the American Medical Association.

"My sense is that there is no rationality to the arguments against it," said Dr. Sherwood Gorbach, a professor of community health and medicine at Tufts University School of Medicine.

There is no doubt that irradiation -- just like roasting, frying or barbecuing -- causes microscopic changes in the chemical composition of food. One fear, cited frequently by Food & Water, a consumer group based in Walden, Vt., that is the main opponent of irradiation, is that the process might create what are called "unique radiolytic byproducts," or possibly harmful new compounds that are unlike any created by other types of cooking.

Most scientists doubt that any such compounds exist. An FDA task force estimated in the late 1970s that if they do, the amounts too negligible to cause any harm.

Michael Colby, head of Food & Water, dismissed such research and said, "The FDA is flying on a wing and a prayer saying it's OK."

And although radiation can slightly reduce the amount of vitamin C in a piece of fruit like an orange, "there is more variation from one orange to another orange on a tree than from one that was

irradiated and one that was not," said Dr. Christine M. Bruhn, the director of the Center for Consumer Research at the University of California at Davis.

In pork and chicken, Dr. Bruhn added, irradiation can reduce the amount of thiamin and riboflavin in the meat from 0.01 to 1.5 percent, an amount within the normal variation between one pork chop and the next.

Despite IBP's findings of slight changes in color and taste, other researchers have found none. Dr.

Elsa Murano, a food safety microbiologist at Texas A & M University in College Station, said that in taste tests, trained experts found no significant difference, except in one area. "Some panelists said the irradiated beef patties were more tender," Dr. Murano said.

She said that the inability of scientists to find distinct differences between most irradiated and non-irradiated foods "is the major evidence that it doesn't do anything weird to the food."

The nation's most influential consumer groups accept these findings. Asked if there is any danger in eating irradiated food, Michael F. Jacobson, the executive director of the Center for Science in the Public Interest in Washington, said: "No. The loudest critics have contended that irradiation produces danger chemicals. But if it does, the amounts seem vanishingly small."

Whither Consumers?

Ultimately, the public will be the ultimate arbiter of irradiation's future.

Consumer misperceptions have lingered despite all the evidence to the contrary -- a situation that some compare to the worries that first greeted the pasteurization of milk and the fluoridation of water.

A CBS poll in August, for example, found that only 12 percent of respondents favored irradiation.

And while nearly 40 nations have approved at least limited use of irradiation, only a few, like France, where many chickens are irradiated, have made much use of it.

But Dr. Bruhn maintains that the notion of overwhelming consumer resistance "is a myth."

For example, Dr. Anna V.A. Resurreccion, a professor of food science and technology at the University of Georgia, showed 126 study participants a slide show on irradiation, then observed how they behaved in a simulated supermarket. Eighty-five percent bought irradiated chicken.

She also surveyed consumers, with no information given. And she found that most of the respondents said they were less concerned about irradiation than pesticide residues, animal drug residues, growth hormones, food additives and bacteria.

That is no surprise to James Corrigan, president of the Chicago area store Carrot Top, which has been selling irradiated fruit since 1992. The required sign announcing that the food has been irradiated is no deterrent to many Carrot Top customers.

"When I got started, I offered them a choice, to see if they'd buy it," Corrigan said. He added that if the food languished unsold, he would assume there was no market for it. "But that's not what happened," Corrigan said. Now he flies in exotic Hawaiian fruits that otherwise would be barred from the mainland for fear of fruit fly eggs, irradiates them at a nearby plant that was built to sterilize medical supplies, and does a brisk business.

When Corrigan first said he would sell irradiated fruit, Food & Water, the group that opposes irradiation, warned him not to try. "They took out radio ads in Chicago and passed out fliers in a number of stores calling for a protest rally in front of my store." But on the day of the rally, "no one showed up," Corrigan said.

Food & Water also has tried to pressure poultry companies to keep them from using irradiation. But the industry has been selling all the billions of chickens it can process without irradiation, and so it has seen little need to bother with it.

Everett, at his forlorn irradiation plant in Mulberry, said the food companies have another worry. In telling him they don't need his services, some have said: "You want us to put that irradiated food out there next to the non-irradiated food and say, 'This is clean and this isn't?'"

Consumers around the nation are as divided as ever about whether they would welcome irradiation as the magic bullet of food safety.

In Seattle, where the dangers of E. coli first emerged in 1993 when hundreds of people who became ill from eating undercooked hamburgers, Marie Lovitt, a student at Seattle Central Community College, said she welcomed irradiation and would even pay more for treated meat. "If it's going to cost more to save lives, it's worth it," she said.

But in New York City, Judy Nurse, a child care worker, was wary. "They give radiation for cancer, so I don't think it's a good idea for humans to eat it," she said.

Tony Guggino, a cameraman from Bergen County, N.J., said he would buy it. "Everything I've read about it says it is safe," he said.

But Guggino had to agree with his friend Marvin Welkowitz, an audio technician from Nassau County, N.Y. "Irradiation helps in the manufacturing process," said Welkowitz, "but once it gets to the local market, the meat still has to be handled properly. If it's not handled right in the market, it can still get contaminated."

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 20:07:40.00

SUBJECT: INTERNAL TRANSCRIPT: NY Times interview of the President

TO: Julie A. Fernandes (CN=Julie A. Fernandes/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: Michael Cohen (CN=Michael Cohen/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: Jennifer L. Klein (CN=Jennifer L. Klein/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: Christopher C. Jennings (CN=Christopher C. Jennings/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

----- Forwarded by Bruce N. Reed/OPD/EOP on 12/04/97
08:06 PM -----

Amy W. Tobe

12/04/97 06:18:55 PM

Record Type: Record

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

cc:

Subject: INTERNAL TRANSCRIPT: NY Times interview of the President

----- Forwarded by Amy W. Tobe/WHO/EOP on 12/04/97 06:08
PM -----

SUNTUM_M @ A1

12/04/97 05:48:00 PM

Record Type: Record

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

cc:

Subject: INTERNAL TRANSCRIPT: NY Times interview of the President

THE WHITE HOUSE

Office of the Press Secretary

Internal Transcript

December 4, 1997

INTERVIEW OF THE PRESIDENT
BY
THE NEW YORK TIMES

The Oval Office

3:13 P.M. EST

Q As you've been told, what we're looking at is a couple pieces on the state of the presidency and where things are and your goals for the future, particularly on domestic policy. And the first thing that struck us in a lot of interviews, people said your style has changed since early in your first term. You're much more -- there is more of a corporate atmosphere here. There aren't the long sort of bull sessions that go on and on, and you're delegating more. And it's maybe not as much fun as it was, but things get done -- you're more decisive. And I wonder if you see yourself having grown in the job and your executive style changed at all?

THE PRESIDENT: I guess the short answer to that is, yes, but it's somewhat more complex than that. When we came in, I had a very detailed agenda which I had laid out first in New Hampshire, then right before the Democratic Convention, and then in the book that Al Gore and I put out in the '92 campaign, "Putting People First."

But as always happens, there is a difference between running for office and governing. You have to confront the facts as they are. We spent a lot of time right after the election and before the inauguration and then in the early part of this administration having exhaustive bull sessions, if you want to call them that, trying to work through and talk through these things, because we had to come to grips with some very difficult issues at home and abroad. I think we've got -- once we made the big tough decisions, it was easier then to regularize the flow of work.

I also think you just learn how to do it better. And I do think we're better organized now. And I think it's important that the President delegate a lot. I'm still actually -- I was thinking I'm probably putting in more hours now than I ever have on the job, but I spend a lot of time talking to people one on one, reading, trying to work through ideas. I still send Rahm as much stuff as I ever have. But I think that in terms of bringing the rest of the White House in, I think it's very important that you get as much done as possible, and I think we've steadily gotten better and better and better at that.

Q Can you just give an example of that, of an issue where you're not quite as intimately involved as you might have been a few years ago, where you've delegated more?

THE PRESIDENT: No, I don't think -- if it's a big issue, like climate change or the next steps in the Middle East peace process or something like that, a big issue, I'm just as involved as I ever was. But if it's something that we have more -- there is more of a past now, more of a shared understanding, I might make more decisions based on a detailed memo without a long meeting than I would have otherwise, if it's something where I have a higher comfort

□,

level and we've got a clear course established. I think that's a better indicator.

On the other hand, we still have large meetings with broad discussions when there is a new set of decisions made. For example, we're now working on next year's budget, and we have the same sort of process we all have there. You can't make those decisions by memo because you have to talk through what the alternatives are and work through them and then hear everybody around the table.

We will have -- sometime in the next few days, for example, we'll have, regardless of what happens at Kyoto, we'll have to have a big meeting on how we're going to do what we're going to do anyway to deal with the climate change issues. And we'll analyze why we didn't make as much progress in the first four years as I thought we should have, apart from the fact that the economy grew very strongly. And we'll work through that and try to set up a different, whole different way of dealing with it so it will be more effective. That will require meeting, exhaustive batting around of options.

You can't pre-cook a lot of that. But the more you're here, the more a lot of decisions flow within the framework that's already been established, and you can make them more quickly.

Q You've spent 20 years as a chief executive developing state and domestic policy in one way or another, and you've experimented quite a bit over the last five years in how to do it -- creating the NEC, soliciting more outside memos from different people, and you're generally credited now with doing a good job of coordinating with the agencies and bringing them into the process. How would you describe specifically the way you're idea generation system works now? And are you satisfied with it? Do you think you've gotten to the point -- to its best point so far, or do you still have some more work that you plan to do?

THE PRESIDENT: There is a difference -- first of all, I'd say -- I'll answer the question, but let me first say, there is a big difference in generating ideas and then putting them through a policy process to see if they make sense, and coming up with a policy, and then a strategy to implement it. I think we have developed, through trial and error and an enormous amount of hard work, a policy development process where we can take an idea, and even if it's a new and different one, we can protect it from being dismissed out of hand by people who are normally change averse or

overworked or whatever. We've got a kind of openness to it. And then have it honestly vetted, and still do enough of the basic work that needs to be done so that everyone feels that they're consulted and everybody with relevant information and knowledge and experience can bring that to bear on the decision-making process. And I believe that it's a little less cumbersome and more timely than it used to be, but still very serious.

Now, it's a different thing on the idea of generation, how do you get the ideas, and I don't know that there is an explicit process. There are a lot of people who know they can write us at any given time with new ideas. We all read everything that's in print all the time, trying to come up with new ideas. We listen to people all the time. But we get the ideas from a variety of different sources. Sometimes members of Congress have put in bills that reflect the new ideas that we want to work and see if there is something there that maybe if we get behind we can make a difference.

So I don't know that we have changed our system of getting new ideas. When I was a governor, I used to say -- there were three or four things I used to cite where Arkansas was the first state in the country implementing something. And then I had eight or 10 examples where we were the second or the third state in the country. And I would always say, I'm prouder of the places where we were second or third, even though we were first, because it proves that the states are the laboratories of democracy, that we could learn from one another, and that we could move things. We weren't too proud to seek out new ideas wherever we could find them, if they made sense for our people, and implement them.

One of the things I keep trying to do here is to always have enough new people coming in to keep the idea quotient high and to make sure that all the people here, like Bruce Reed in Domestic Policy, that they're always talking to people outside the White House to try to make sure that we've always got ideas coming in, and then whatever I think up.

Let me give you one little specific idea, example. I'm very concerned about the fact -- when people think about this business of intergenerational responsibility and how we're going to go into the new century, both providing for the retirement of the baby boom generation and doing it in a way that doesn't soak up the incomes and the capacity of our children to support our grandchildren and to invest in the future, most of the thought that's given is given to, well, what should be done to stabilize Social Security to make sure it's there. But the truth is, Social Security is only a threshold for living for the vast majority of seniors. And yet only about half the American people are saving for their retirement.

Now, in the first five years we've been here, the first important thing we did was to try to protect retirement savings that were endangered, which we did at the end of '94 with the legislation that we'd worked on that saved 8.5 million people's pensions and stabilized 40 million others.

And the second thing we did was to make the 401(k) plans more functionally useful to people who were changing jobs. And interestingly enough, I got that idea from a letter that a guy I grew up with wrote me because he was talking about how it took him nine months to transfer his 401(k) plan and what the problems were. So we

worked with Congress. It turned out there were a lot of people in Congress in both parties that were interested in this same sort of thing, so we got together and we did that. But still only about half the American people are saving for their retirements.

So I've been soliciting ideas. I saw a couple of -- I don't want to quote the competition, but there were a couple of editorials sort of on both sides of the issue in USA Today the other day about whether the right way to go was to expand 401(k) more and then there was an opposing saying, no, it's inevitably tilted too much toward upper-income retirees. But we had a whole discussion the other day about what the next steps were in addition to whatever we might do on Social Security reform to get more people to save for their own retirement and to empower them to do so, and then to protect the savings once they're made.

So those are the kinds of things that we do around here, and there is a lot of talk -- I don't know how many times, probably three times a week I read a story in the paper or I see an article in a magazine or something, and I just send it to Rahm, and I say, we need to have somebody start working this idea, see if there is something here that's -- something we ought to do.

Q My question follows a little bit from that. Rahm will correct me if I'm wrong, but you have roughly 1,142 days left in office.

THE PRESIDENT: A thousand days plus, yes.

Q A thousand days plus. You have very healthy approval ratings, the best economy in a generation or longer -- no more campaigns to run for Bill Clinton. What are you going to do with that time? What is the second term going to be remembered for? You talked a little about Social Security in the upper case sense -- I've gotten some lectures about lower case social security. Are you going to tackle entitlements, or are you going to try and knit together all the things you've been talking about for six years?

THE PRESIDENT: Both. That is, when I ran in '91, I made a decision that was a huge personal decision for me to undertake a rigorous campaign and to leave a job that I loved and a life that I loved very much, because I felt that we had no strategy for moving our country into the 21st century, and that the consequence of that was stagnation and drift and division. And I wanted to change that.

I have not -- presidents are the custodians of the time in which they live as well as the instruments of the visions and dreams they have. So the first thing I had to start with was, you know, we don't have a war, we don't have a depression, we don't have a cold war, but what we do have is a breathtaking change going on as the economy and the societies in which we live become more globalized, as the information technology revolution continues to accelerate and as the world faces a whole new set of security threats as well as opportunities, and, as ordinary people see this, in terms of change that is both hopeful and threatening at the same time.

Now, that is the new reality that, as far as we can see now, will dominate the lives of our people for more than a generation. We have no reason to believe that these structural changes are likely to abate anytime soon.

So I came to the American people and I said, look, we need to have a new approach. First we have to have a strategy to provide opportunity for everybody who is responsible enough to work for it. Secondly, we have to figure out how, with all these changes going on and pulls, if you will, both beyond and within our national borders, we're going to preserve our American community, our nation as one America. And the third thing we have to do is to figure out how we're going to maintain our leadership for peace and freedom and prosperity.

And so everything that I laid out, including having a new philosophy of government which would -- because we had to do something about the deficit -- we had quadrupled the debt in 12 years, we had to do something about it, but we couldn't walk away from our investment responsibilities.

So I said -- the first thing I tried to do was articulate a new vision of government that was not something for nothing and not everybody for himself, but a government that would get everybody the tools and conditions they need to make the most of their own lives -- career, family, community, country. And everything I've done has sort of flown out of that.

And I think that, for me, the next 1,100 days I think will be just as exciting as the five years that have just passed and we'll be building on that. Now, you have to -- you know, things come up, like the Mexican financial crisis came up -- things present themselves and you deal with them. But they should be dealt within the context of what we've done. So in that context, let's just talk about some of the things that I think we should be doing.

First of all, we made a good beginning this year on our education agenda, particularly what was done to open the doors of college to all Americans which is the most signal achievement in educational opportunity in higher education in 50 years. But we have more to do. We've won the initial battles, but we're not there on the national standards in testing; we're not finished with providing educational technology to all the schools. I still believe we should be working to try to deal with the infrastructure of our educational institutions, even though we didn't succeed on that.

I think that it is very important to identify school districts that are, on balance, not functioning well, and try to create an entirely different environment with more school choice, more charter schools, end of social promotion, adequate use of standards in testing. The substance of the announcement I made yesterday at the Akron town meeting was I wanted to create educational opportunities zones where we would basically support communities that were willing to do something like what Chicago's involved in now, so there's a whole education agenda out there.

In addition to that, I think we have to recognize that we have to do more for adults. As you know, I strongly disagree with folks in either party who don't support the fast track issue, but one of the underlying things there is that you can show I think that there are more winners than losers in this economy, but there's a sense that people who don't do well don't get enough help quickly enough in a meaningful fashion to expand the winner's circle and to be part of this move into the future.

For four years in Republican and Democratic Congresses alike, and almost for five years now, I've tried to collapse all these district government training programs into a G.I. Bill of Rights for American workers so we could basically create a system of lifetime learning that would be immediate, quick, efficient and relevant to the prospects of people all over America, so that that's a security they know they always have that they'd be able to get that.

So there's a big education agenda out there. The second thing I think we have to do is to continue to work on helping families balance work and family. I'm very proud of what we've done with family leave, with the earned income tax credit, with the minimum wage, with tougher child support enforcement -- all these things have helped to reward people who are struggling to be good parents and effective workers. And I'm proud of what we did on child care and the welfare reform bill. But we need to do more there, with a broader family leave and a number of other issues.

The third thing I'm interested in is this whole idea of our responsibilities across the generation for the health of our people. So we're about to have this Medicare reform commission to look at what can be done to add more life to the Medicare trust fund and structure it in a way that will guarantee quality affordable health care to people who are Medicare eligible.

I think, in addition to that, I think we should take on the issue of the long-term stability of the Social Security system and, as I said earlier, ways that we can provide supplemental opportunities for people to save for their own retirement, so they'll have Social Security as a threshold, but have something on top of that.

I think we have to look at ways to continue to expand health care coverage. We have to implement this -- what we did in this budget, to provide health care coverage to 5 million more kids in working families. But there's still 5 million kids out there without insurance; there are a lot of young people that don't have affordable options. And maybe the biggest problem that you see, with more and more people taking early retirement, there are a lot of people between my age and their qualification for Medicare that lose their job-related health insurance and can't afford to get anything else. And you'd be amazed -- I mean, I've taken a little good-natured ribbing for having a way for the people who I grew up with to have a way to write me at the White House -- I got a letter just the other day from a woman who was in my high school class; her husband got sick and took early retirement, he's got a pretty decent retirement but they can't afford health insurance. And this is a bigger and bigger problem for Americans.

So I'm very interested in this whole issue of health care, affordable health care coverage. I think we should adopt a patient's bill of rights. I'm going to fight very hard for it. I think we worked hard to reconcile all the interest there -- you know, we had health care providers, we had businesses, we had labor groups, we had consumer groups, and I think it's a good solid document.

So, anyway, there's that whole issue. And I think we ought to move on -- we ought to try to do some more on child care --

affordable, save, quality child care. That's more on the working family thing, but I forgot to mention it. I still think -- I go into crowd after crowd after crowd, even upper-income crowds, everybody will acknowledge that if they have school-age children they have felt some conflict -- and I bet every reporter you know with a school-age child has felt some conflict between their responsibilities at work and responsibilities at home. Now, you can't make all that go away, but at least people ought not to be just torn up and upset all the time, worried about how they're taking care of their kids and whether they're doing that right.

In the environmental area, I intend to spend a lot of time in the next three years on three things at least -- first, the climate change issue, which I believe is very serious. I am convinced that we can demonstrate to the American people that we can substantially reduce our greenhouse gas emissions and fulfill our global environmental responsibilities as well as our responsibilities to our own people without giving up economic growth, but it will require a very disciplined, organized, coordinated effort to do it.

So I intend to do that. We still haven't passed the Superfund reauthorization and we still have too many toxic waste sites out there that are really causing a problem that is not only environmental but is economic to the places where they exist. We've got to continue -- we've got to keep working until we get that done.

And the third thing that I'm very interested in is to continue to work in this food safety area where I think -- if you imagine over the next 20 years, it is inconceivable that you won't have more and more and more volumes of food crossing national lines in trade, and we have to be able to guarantee to the American people that we have a safe food system. I think that's terribly important.

Finally, in this whole area, I would very much like to see something done to even go further than we have with biomedical research. I do believe that in scientific terms, the last 50 years will be seen as an age of physics and an age of space exploration. I think the next 50 years will very likely to be characterized predominantly as an age of biology and the exploration of the human organism, especially with the completion of the human genome project, which I think will literally explode what we know about how to deal with health issues.

So there will be a lot there to do. Let me just mention a couple of other things. Our race initiative here I think needs to be seen in the context also of what I have tried to do since I got here on citizen service, the whole idea of AmeriCorps, participating in the President's Summit on Service, all that. My goal with that is not only to have some policy prescriptions which will help, some of which I've outlined, and to help people try to come to terms with the things that we're fighting about like affirmative action, but in a larger sense, to create an ethic of service across racial lines so that when we begin this new century and when I leave office and go off into the sunset, the typical American will have at least three opportunities for constructive engagement with people with other races -- one at work, one at school and one in community service working on common problems.

So I intend to try to work to sort of integrate all that. And finally, I've got a huge foreign policy agenda for the

next three years, as you know. And you didn't ask me about that, but I mean, basically we have an area that we've -- the momentary impasse over fast track notwithstanding, I think we've got to try to create a global system where the democracies of the world are cooperating more with shared markets. I think it's good for our own prosperity and it's good for them. And we can do it in a way that elevates environmental and labor standards in that's accompanied by a more aggressive program here to help people who are hurt get readjusted.

You have to keep in mind, in the last five years we have more than doubled the amount of money being spent on worker training already. And we are now kind of setting up a system within the federal government, which we should have done earlier -- I'll take responsibility for that; we should have done it earlier, but we're working hard to set it up -- modeled on what we did with communities that had military bases close, to try to deal with communities that have dislocations from trade, so we can move in a hurry.

But I think we have to continue the trade agenda. I think we -- I hope we can get the Senate to support the Comprehensive Test Ban Treaty. We're going to have a protocol at the Biological Weapons Convention which will build on what we did with the Chemical Weapons Convention, which was ratified this year by the Congress, to help to strengthen our hand in dealing with the biological and chemical weapons fight.

I'm going to China to continue to try to work out our approach with them, which is engagement with integrity, and I think it's working well. I hope to have an impact, a positive impact on the difficulties between Greece and Turkey, and relations between India and Pakistan. I intend to go to India and Pakistan next year if all goes well. I hope to activate our Africa Trade Initiative, and I'm going to Africa.

And I feel very good that we are in better shape than we were six, eight months ago with our peace efforts in Bosnia. I'd like to see them successfully concluded. I think we've got a good chance now to see a successful peace in Northern Ireland because of what's going on there. And I'd like to see, if Russia ratifies START II. I'd like to go back to President Yeltsin and finish the START III process as we continue to dramatically lower the nuclear threat.

So I feel pretty good about those things. I do believe we are going to have to face very clearly our responsibilities to see that economic policy and foreign policy have to be integrated. If you look at what I've been doing in the last few days over the Thanksgiving holiday, working on the Asian financial problems, you know, trying to set up a system for dealing with that; working with the Japanese to try to think about the long-term implications. We've got to develop a bipartisan majority, a substantial majority committed to the proposition that our own welfare requires us to try to stabilize and promote growth in other parts of the world because it helps us to do it, and it maintains the march of democracy, and it is essential to our maintaining world leadership. So I intend to work a lot on that.

Q Given all that's on your plate that you just described, why do you think there is a sense out there among several people we talked to, said openly, in all wings of the Democratic Party they described a sense of what they see as aimlessness in this

White House?

THE PRESIDENT: Beats me. I mean, look what we did this year. We got the balanced budget agreement through, which had the biggest increase in child health since '65, the biggest increase in aid to education since '65, the biggest increase since the G.I. Bill in aid to higher education. We reformed the FDA to move drugs to market more quickly, and medical devices. We had a huge adoption reform bill, which is an issue that I care passionately about and that Hillary has worked on for years. And we had NATO expansion. We had this China issue, I think, put on a very much more solid footing. We had the Chemical Weapons Convention ratified. There is a lot going on this year. And there will be a lot going on next year. And there will be a lot going on in '99, and a lot going on in 2000.

You know, I can't answer that. I honestly don't know why that is. But all I can tell you is, I'll do the very best I can to disabuse them of it every day I'm here.

Q Did you think it was inappropriate what Gephardt said the other day at Harvard about small ideas and the leadership only nibbling around the edges of big problems in this country?

THE PRESIDENT: Well, I didn't read his speech, so I can't comment on that, but I'll talk about small ideas. Actually, I told Rahm he ought to take up a list -- I told him about a month ago, I said, you ought to get a list together of all these so-called small ideas of ours and let's see whether the American people think they're small ideas.

Let me deal with big versus small. First of all, the biggest crisis we faced when I became President was that the country was paralyzed because we had quadrupled the debt in four years and we had interest rates that were too high to permit a restoration of solid growth, and we had a projected \$300 billion deficit, designed to get worse.

Restoring fiscal responsibility to America is not a small idea; it is a big idea. And the deficit had been cut by 92 percent before the balanced budget agreement was adopted. I don't think that's a small idea.

I think the idea of having the national government on the side of an anticrime policy that would actually lower the crime rate to its lowest rate in 24 years, of putting 100,000 police on the street, taking assault weapons off the street, and the Brady Bill, which was responsible for keeping over 250,000 people from getting hand guns because they have criminal records and mental health issues -- I don't think that's a small idea.

I think the idea of having a welfare reform bill that changed 60 years of assumptions because the welfare population had changed that if people were in distress they should just get a check until they got themselves out of it, to a system that says, no, if you're able-bodied you've got to get yourself out of it within a certain amount of time, but we're not going to take food or medicine away from your kids and we're going to give you child care and we're going to give you education -- I think that's a big idea.

Those are just three big ideas. I think that this

climate change issue is a big idea. I think that what we're doing with NATO and Russia is a big idea. I think what we're doing with China is a big idea. So I think that these are not small ideas.

Now, let's take some of the small ideas. Today -- two days ago, a huge headline in the paper: Curfews Lower Juvenile Crime. We were out there all last year trying to promote curfews, promoting school uniforms because they lower some crime.

A big part of what the presidency is, it seems to me, in a society of free people, with limited government, is elevating ideas that, if generalized throughout the society, would have a very positive impact. For all those kids that aren't going to jail, and for all those people that are safer now, the expansion of curfews or the expansion of school uniforms is not a small thing; it is a big thing.

We took \$1,400 off the average closing costs for people who are in HUD-financed housing. That may sound like a small idea. If you're a new family struggling to get a home, that's not a small idea; that's a big idea. And now we are at an all-time high in homeownership in America. For the first time we're at two-thirds homeownership. That's a big thing; that's not a little thing.

I think the fact that we worked to set up this national nonprofit group to combat teen pregnancy and that the teen pregnancy is going down -- I don't think that's a little thing; I think that's a big thing.

So I just have different views about what's a little or a big idea. I think that real people think this stuff matters. And maybe I spent too much time as a governor in a state where I related personally to people from all walks of life, that I don't have the appropriate discrimination between big and small, but I think that a lot of these so-called small ideas make a big difference.

What's the tobacco thing? When we took on tobacco for the first time, was that big or small? I think it's big. Of course, now it involves big dollars. It's another one of the things, by the way, I didn't mention, that I'm hoping we resolve in '98.

But maybe you ought to give me a list of the so-called small ideas and I could comment on them, the others. But I don't think they're small. And I don't think that we should -- we should pursue big structural things, but if there is also some specific idea that, if generalized, would have a big positive impact in people's lives, I think it's good to pursue it.

After I went out to Long Beach, California, on that school uniform deal, Long Beach was literally flooded with requests on school uniforms, and there was an article in the New York Times, I think not very long ago, saying that something like 20 percent of the school kids in America now are in school districts with school uniform polices -- just exploded in three years. And that basically the experience is that discipline and order improve, and violence and disruption go down, and the student performance is better and dropout rates drop. That's a huge thing. That's not little, that's big.

Q To change gears a little bit, earlier this week you had a discussion with Chairman Archer, about taxes I presume. Are we

going to be hearing something from you about some sort of change, reform, reduction in the tax code, and for what purpose?

THE PRESIDENT: He asked me if I would meet with him. I met with him about a year ago and we talked about his ideas about the tax code. And he wanted to bring a gentleman in who was an expert in, you know, basically his idea that we ought to have some sort of national sales tax. And I said I would be glad to talk to him, and I had a fascinating hour's conversation with him.

I have drawn no conclusion yet about what I would be for, but let me say, my objectives on taxes are -- and my questions about all tax reform is: Is it fair to average American taxpayers? Is it realistic that you can implement the proposal, whatever it is? Will it be good for the economy as a whole; will it support our continuing growth of our economy? And will it be simpler? Can we do that?

Now, since we've been here, we've done a lot of work to make it easier for people to interact with the tax code. More than half the taxpayers now fill out that simplest little form. Millions of people can file electronically who couldn't before. We've done what we could to really improve the system as it is, based on progressive income taxation.

So at the end of the year, every year, we do this. We're open to new ideas, and I wanted to listen, but I didn't draw any conclusion from it and I haven't reached a decision yet about what, if anything else, I might recommend in this area.

I will say this -- we had a huge bipartisan vote at the last of this last year in the House on a bill to further improve the functioning of the IRS, which I hope the Senate will take up and pass at its earliest opportunity in early '98. That would make a big difference to a lot of American taxpayers, and I hope they will at least do that.

Q But can we expect to see some form of tax reform or tax relief in the next budget in the State of the Union?

THE PRESIDENT: No, I wouldn't say -- I don't think I should give you any false expectations there. I can't say yes, I can't say no. I wouldn't rule out the fact that I might find something that I think would work, but I don't have an idea on the griddle as you are doing this interview.

But one thing, let me say, I have a different view about this than some people do. We do not have a surplus now. We do not have a surplus now. We have a deficit now. It's a tiny one, and it's less than 10 percent of what it was when I took office, but the people who say we have a surplus, I think it's very important that we understand what they're saying. They're saying that the deficit has gone down more rapidly than it was predicted to go down when we signed -- when I signed the balanced budget bill and when it passed back last summer.

Therefore, some people think that we should go back to the curve that we predicted last summer and spend all the money between where we are now and where we are then. I think that is a questionable course. I hope that we can continue to grow at 3

percent a year, and private sector growth has been over 3.5 percent a year since I've been President. I hope we can continue to do that. But I think that it is not prudent for us to go spending a lot of money that we haven't really realized yet. So I think we have to be very careful -- this so-called spending the surplus -- it is not a surplus that is being spent; it is the difference between the projected deficit line today and the one that existed last summer.

And if we hold tight and save all of that money or most of that money, and show some discipline here, we might get a balanced budget a lot quicker than they thought, and then we can decide what to do. But I think we need to be somewhat careful before we just go spend all this money that hasn't materialized.

Q Just to be clear on something you mentioned -- we have one more just to try to clarify something. Are you saying you might endorse a national sales tax?

THE PRESIDENT: No, I didn't say that at all. I said that you should draw no -- he didn't even ask me if I was going to endorse a national sales tax. John asked if this meant that I had decided that I was going to offer a tax reform idea in '98, and I said I hadn't decided to offer any tax reform idea in '98. But I think that we should be open to ideas and listen to arguments.

Is it fair? Is it progressive? Will it work? Will it be more simple and efficient? I think those are legitimate questions. And Mr. Archer asked me if I'd have the meeting, and I said of course I would, and I did. I did not decide that I would endorse it after the meeting.

Q Can I just quickly ask you -- we can't leave here without asking about golf because many people that meet with you said that you talk a lot about golf, but even to the degree where some said it's sort of a preoccupation, where it's filling your thinking in a way that polls used to during the campaign and so forth. And they're worried that you may even be going too far in your golf talk. We've heard that from Tom Daschle and other people, and Senator Breaux said, it's golf, golf, golf; that's all he talks about.

THE PRESIDENT: Almost the only people that ever complain about it are people that don't play golf. (Laughter.) And I try not to say anything about it around them, but sometimes they're in crowds -- I think that's a -- that's not so. For one thing -- one of the things that I've learned is that anything a President says is subject to being multiplied by five -- (laughter) -- or 10. I'm interested in it, and it's fun. It's just a way I get away from it. And when I talk about it, it's just a way I get away from it. If I were really serious about it, I'd have a lower handicap and a different approach. (Laughter.) But I like it; it's a lot of fun for me. It relieves the pressure of the job. But it's not -- I don't think that I'm -- it's not fair to say I'm obsessed with it.

Just like -- I think even that polling thing, to be fair, if I had been a completely poll-driven President, I would not have been willing to pass an economic plan that could only pass by one vote. Or since I know how to read polls and I know that it's not just the numbers but the intensity, I wouldn't have been the first President to take on the NRA, or help Mexico, or do Bosnia, or do Haiti, or do any number of other things we've done here.

I think these polls are interesting and they're important. They tell you what the people who hired you think, at any given moment in time. And they shouldn't be completely disregarded. But on the other hand, they're not a very effective guide for action in a dynamic world. You have to understand what really matters is what the condition of the country is when you're finished, or when you're up for election, or whatever. And if an administration in a dynamic world really made decisions just based on polls, what they would find is it was ultimately self-defeating because by the time they were held accountable, the polls had been changed.

You always really have to -- the right thing to do in making decisions like this is to ask, first of all, what do you think the right thing to do is. Secondly, where do you want to be at the end of the road; when you're finished what do you want the results to be? And then, thirdly, is there a compelling way in a free society you can sell it to the American people so that they will stay with you, because it is important to have popular support because that's the way democracy works. And polls can be very helpful in that regard, but they are a very poor guide to deciding what you're going to do tomorrow, because the circumstances tomorrow may be entirely different than they will be six months or a year from now, particularly if you take the easy way out now. You wind up in more trouble tomorrow.

We took the tough decisions in '93 and '94, and I regret very badly that some of our people paid with their seats in Congress -- on the economic plan and on taking on the gun lobby and all that. But the country is in much better shape now and I think we laid the foundation for a much stronger, progressive politics and a much stronger Democratic Party into the 21st century because we did that and that's part of our party's legacy.

Q Have you had any success in converting anyone in the Senate on Bill Lann Lee?

THE PRESIDENT: No, but I think it's a real mistake. I think they made a real mistake on that. And I still don't even know -- you know, I've had a pretty good working relationship and a very candid relationship with both Senator Lott and Senator Hatch, and I must say, I'm just -- I'm really disappointed. I just don't -- I just think it was a mistake and I don't even think it makes political sense for them.

This guy, his life story, his life's work, he made it unambiguously clear that he was going to enforce the law as it is written and interpreted by the Supreme Court; that he would recuse if the specific California issue came up. I mean, this is a -- they just didn't make much of a case for being against this guy. It looked to me like whoever was in this kind of conservative bloc there just decided he was going to take the fall. And I think it's a terrible mistake. I think he's a very able, good man.

Q Are you going to recess-appoint him?

THE PRESIDENT: I'm not prepared to make a statement on that one way or the other yet.

Q Tell them next week?

THE PRESIDENT: Well, that depends in part on -- it's not just my decision to make, you know. There's more involved in that than me. But I'm not prepared to say one way or the other yet. I'll just tell you I think they made a terrible mistake.

Q Is he willing to do it? Mr. Lee, come here with that sort of uncertainty?

THE PRESIDENT: I don't know the answer to that for sure. You'd have to -- somebody here may know the answer, so I'm not trying to mislead you.

Q Somebody here does.

THE PRESIDENT: I'm not trying to mislead you on that. I've been working on this -- most of what I've been doing the last few days has been on the financial issues in Asia, so I don't know.

Q Are you worried about a backlash from that and the United States being seen as sort of a global economic superpower dictator --

THE PRESIDENT: In Asia? No, because of the way we did it. Keep in mind, the Korean plan is consistent with the agreement that all the finance ministers in the Asian Pacific region made --

Q In Manila.

THE PRESIDENT: In Manila. And instead of Japan and the United States coming in and bailing -- just doing the bailout ourselves, and dictating the terms, this was part of an agreed-upon negotiation with the IMF where we and others came in in a supporting role.

Did we say that there ought to be strong terms? Yes, we did do that. But again, that's just like what we had to do in '93. It would have been a lot easier for us to have an easier plan in '93, but it would have had less satisfactory results. Because we had a tough plan we got interest rates way down, we got growth way up.

Look at what Mexico did, because they took the tough way out. They took a terrible beating for a year and a half; two years later they were in much better shape than anybody ever dreamed and the government enjoyed strong support.

So the only thing that the United States did, Secretary Rubin, was to say, look, Korea has no stronger supporter than the United States and we believe in its economic potential and its economic future. But we want the plan to be real. And that's what the IMF said they wanted and that's what we got. And I'm very hopeful.

Q Has Louis Freeh made it harder to make the case that campaign finance reform charges that remain are essentially political?

THE PRESIDENT: I don't think so.

END

3:38 P.M. EST

Message Sent

To:

Lori Anderson
Brenda M. Anders
Douglas B. Sosnik
david t. johnson
Joseph P. Lockhart
Laura D. Schwartz
Michael McCurry
Megan C. Moloney
Jonathan Murchinson
Elizabeth R. Newman
Julia M. Payne
Joshua Silverman
Darby E. Stott
Amy W. Tobe
Barry J. Toiv
Michael Waldman
terri tingen
SUNTUM_M @ A1@CD@LNGTWY
WOZNIAK_N @ A1@CD@LNGTWY

Message Sent

To:

Rahm I. Emanuel/WHO/EOP
Paul E. Begala/WHO/EOP
Bruce N. Reed/OPD/EOP
Gene B. Sperling/OPD/EOP
Michelle Crisci/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 13:50:44.00

SUBJECT: NLRB

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Ben Johnson asked me to pass along to you that the unions are concerned about backlogs at NLRB. He was going to meet with the NLRB. I don't know quite what he means but said we would be helpful.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Jason S. Goldberg (CN=Jason S. Goldberg/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 3-DEC-1997 09:52:32.00

SUBJECT: Tobacco Meeting

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: Carole A. Parmelee (CN=Carole A. Parmelee/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:

Erskine would like to do a tobacco meeting tomorrow.

Could you please let me know who should be involved.

Cathy: Please work with Carole Parmelee on an appropriate time.

Thanks.

Jason

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 09:50:34.00

SUBJECT: Re: Class size update

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

We are proposing to get to a ceiling, not an average, of 18, so a ceiling of 20 would be a cheaper. Unfortunately, in double checking ED's estimates this morning, I discovered that they in fact calculated the cost of reducing the average to 18, not the ceiling. This would have no real cost implications if we thought that part of the local implementation would involved raising the size of classes currently below 18, but that seems unlikely. They are re-running the cost estimates now; I should have new information in about an hour, though if my mathematical understanding is right, the cost estimates should jump up considerably.

In which case, a ceiling of 20 may start to look better, though it will take some work to get the average citizen to fully grasp the significance of going from an average of 22.5 to a ceiling of 20. Perhaps the fuzzy math crowd could help us explain it.

This glitch notwithstanding Elena, we wouldn't get much economy of scale by adding an additional grade level. Since the major cost of class size reductions is hiring more teachers, adding an additional grade--to get to the same ceiling--increases the cost by about a third. And while there may be some economies of scale in expanding the teacher training, this would be more than offset in most cases by the cost of the additional space.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 17:49:00.00

SUBJECT: Bliley Documents

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

TO: Elena Kagan (CN=Elena Kagan/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: Donald H. Gips (CN=Donald H. Gips/O=OVP @ OVP [UNKNOWN])
READ:UNKNOWN

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

TEXT:

The industry is not turning over the documents today. Bliley will most likely issue a subpoena later today. The subpoena will probably set a very short deadline (days). The industry will probably comply with the subpoena.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Virginia N. Rustique (CN=Virginia N. Rustique/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 4-DEC-1997 10:31:01.00

SUBJECT: RESCHEDULE: 12/8 Gov. Chiles mtg.

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

READ:UNKNOWN

TO: Fred DuVal (CN=Fred DuVal/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Gov. Chiles needs to move the meeting back to 2:30pm. Pls. let me know if you can't make the new time. Thanks.

----- Forwarded by Virginia N. Rustique/WHO/EOP on
12/04/97 10:28 AM -----

VIRGINIA N. RUSTIQUE

12/03/97 05:41:28 PM

Record Type: Record

To: Fred DuVal/WHO/EOP, Emily Bromberg/WHO/EOP, Elena Kagan/OPD/EOP

cc: Laura Emmett/WHO/EOP, Suzanne Dale/WHO/EOP, Jeffrey A. Forbes/WHO/EOP

Subject: Gov Chiles mtg Dec 8

John will meet w/ Gov. Chiles and staff re: tobacco on Mon., 12/8, from 2-3pm.

Please let me know if you can attend. Thanks.

----- Forwarded by Virginia N. Rustique/WHO/EOP on
12/03/97 05:39 PM -----

Fred Duval 12/02/97 10:41:22 AM

Record Type: Record

To: John L. Hilley/WHO/EOP

cc:

Subject: Gov Chiles mtg Dec 8

Emily Bromberg and I would like to join your meeting with Gov Chiles next week if OK with you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 10:28:20.00

SUBJECT: Notes for NYT Interview

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

READ:UNKNOWN

TEXT:

You asked about thoughts for the NYT interview and questions about the past 5 years and the future:

* In response to the "are you stalled?" question: I think he should point out the list of what happened in one week last month: health care bill of rights, adoption, pushing welfare to work, and FDA reform. In the last month he's done education standards, safety locks on guns, moves to crack down on hate crimes, and food safety among others.

* Past Record. Specifics are better than generalities because they are more credible. Hence, on questions about the first 5 years I would include the specific achievements along with the credo:

" In the last five years this country has enjoyed great economic success, moved millions of people off welfare, cut its crime rate, and moved very close to balancing our budget. We've done that by giving people the opportunity to achieve in part through programs like education and EITC, requiring responsibility from them for their actions through tough crime and child support measures for individuals and requiring companies to protect the environment. And in addition, the country has reaffirmed its sense that we are all in this together-- and the country's determination to protect medicare and medicaid demonstrated that."

* People don't give much credit for the past, in most answers he might work in future oriented goals that show why the President deserves continued support: my choices are protecting kids with better child care, tobacco control, expanding FMLA, and improved elementary school education (standards), providing health care choice and elder care improvements, including protection of medicare and medicaid, and keeping our momentum on fighting drugs and crime.

Regards, Tom

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 18:22:28.00

SUBJECT: Housing Vouchers Final Final Final Final Memo.

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Andrea Kane (CN=Andrea Kane/OU=OPD/O=EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

CC: Emil E. Parker (CN=Emil E. Parker/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Jonathan Orszag (CN=Jonathan Orszag/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

TEXT:

This one includes Elena's edits. Ready to go.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 11:20:32.00

SUBJECT: Status of Virtual University POTUS memo

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The memo Kalil is doing on long distance learning for POTUS will be for a small \$50 million pilot program. I've continued to push that the goal of the program be focused on students: making information on the programs available, making financial aid programs cover these kind of classes, accrediting programs that deserve it so the degrees have meaning. Most of the actual money is still for software type development but the memo will reflect the notion that the goal is to make it easier for students/workers to usefully take advantage of this new technology. The financial aid commitment so far seems pretty symbolic. In meetings yesterday all Education was willing to do was expand the Pell grant so that computers are counted as part of students' need calculation. We asked them to go back and look at other things, including Life long learning.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 16:03:42.00

SUBJECT: Genetic Screening.

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Paul E. Begala (CN=Paul E. Begala/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

TEXT:

We had talked about doing an event on this in the month of December.
Rumor has it there is an HHS report on the topic. Do we think we have
enough meat to do an event around?

By the way did we ever hear back about cloning from our group of experts?

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Miriam H. Vogel (CN=Miriam H. Vogel/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 4-DEC-1997 11:50:44.00

SUBJECT: Food Stamps/Immigration Benefits Mtg

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Maureen T. Shea (CN=Maureen T. Shea/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Maria would like to schedule a meeting regarding food stamps and Immigration benefits with you and a few community leaders on this subject matter.

Would you be available next Tuesday, December 9th at 3pm?

Additionally, please let me know if you have any suggestions of participants for this meeting.

Thank you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 21:02:32.00

SUBJECT: tobacco meeting at 3pm?

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

READ:UNKNOWN

TEXT:

Hello,

Please tell me this was cancelled. I have a bunch of OMB staffers bothering me about it. If it isn't, is it about legislative strategy only or budget as well?

Thanks, Jeanne

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 18:28:38.00

SUBJECT: Bruce -- Emily needs some clarification re: the Thompson meeting

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:

Mary Kay, Governor Thompson's helpful staffer, spent the day telling Democratic governors that you expressed an openness to considering counting additional activities as work as part of a FICA fix.

I thought you made very clear to Thompson that we endorse only the last Shaw offer, the straight FICA fix, and he said that was what he would circulate to his governors. At one point, you did say you might possibly have some openness to the work activities question, but you said so in a very general way (that we at the DPC know means you are willing to count more kinds of activities as work above 20 hours a week, but apparently Mary Kay took to mean something bigger).

Emily's question is -- besides telling Mary Kay that we are only discussing a straight FICA exemption, can she/should she try to explain to her and to the Dem governors what you mean by possibly some openness?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 12:28:04.00

SUBJECT: Shaw FICA proposal

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

READ:UNKNOWN

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

READ:UNKNOWN

TO: Andrea Kane (CN=Andrea Kane/OU=OPD/O=EOP @ EOP [OPD])

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

The Shaw FICA proposal that we endorsed was the one Shaw offered (or tried to offer) on October 9th at the tax technicals markup. It does not include any change to what can count as work for the purposes of the work participation rates, as I said this morning -- despite what Governor Thompson's staffer thought. It is a straight FICA/FUTA exemption. It was also endorsed by Governors Carper and Chiles in an October 9th letter to Congressman Rangel, who opposed it.

Emily and I will make sure Thompson's folks have the right copy.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 12:16:38.00

SUBJECT: Ideas for Tobacco Agenda

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

READ:UNKNOWN

TEXT:

I. Updates

Hearings Info-- attorneys fees, medicaid. A tentative hearing scheduled for Dec. 10 in Judiciary (Courts & Intellectual Property) on attorneys fees. Bilirakis hearing on Medicaid? Any requests to agencies.

Decisions for document release are due by Dec. 4th to Bliley (today)

Attorney fee fights in Florida

Medicaid responses

Share rumors on bills- Kennedy (met with), Hatch, Bliley/Waxman

Met with ENACT

II. Check on

Contacts with the agencies by the Hill

VP events status (event yesterday)

DPC PRINCIPALS MEETING

December 5, 1997

Room 180

11:00 a.m.

White House

The First Lady

Frank Raines

Janet Yellen

Gene Sperling

Bruce Reed

Rahm Emanuel

Ron Klain

Ann Lewis

Melanne Verveer

Maria Echaveste

John Hilley

Mickey Ibarra

Michael Waldman

Elena Kagan

Emily Bromberg

Department of Defense

Carolyn Becraft

Linda Smith

Department of the Treasury

Secretary Rubin

Jonathan Gruber

Karl Scholz

Department of Justice

Attorney General Reno

Kent Markus

Department of Agriculture

Shirley Watkins

Department of Labor

Kitty Higgins

Department of Health and Human Services

Kevin Thurm

Olivia Golden

Joan Lombardi

Mary Bourdette

Department of Housing and Urban Development

Paul Leonard

Department of Education

Mike Smith

Automated Records Management System
Hex-Dump Conversion

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Eli G. Attie (CN=Eli G. Attie/O=OVP [UNKNOWN])

CREATION DATE/TIME: 4-DEC-1997 19:16:48.00

SUBJECT: VP message events

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

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

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

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

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

TEXT:

We could use some good message events for the VP for the next couple of weeks (especially 12/10 and 12/11), including good agency announcements, and anything the POTUS may have passed on...

Does anybody have any ideas?

Many thanks, as always...

Eli

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Julie A. Fernandes (CN=Julie A. Fernandes/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 4-DEC-1997 10:32:22.00

SUBJECT: Immig. Field Hearing

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

READ:UNKNOWN

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

READ:UNKNOWN

CC: Miriam H. Vogel (CN=Miriam H. Vogel/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

FYI.

----- Forwarded by Julie A. Fernandes/OPD/EOP on 12/04/97
10:35 AM -----

INGRID M. SCHROEDER

12/04/97 10:26:50 AM

Record Type: Record

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

cc:

Subject: Immig. Field Hearing

FYI -

The Deputy AG has been asked to testify at a Dec. 17th Senate Judiciary Subcommittee on Immigration field hearing in Miami on legislative relief for Haitian immigrants.

Will keep you posted.

Message Sent

To:

Steven M. Mertens/OMB/EOP

Debra J. Bond/OMB/EOP

Joseph G. Pipan/OMB/EOP

Evan T. Farley/OMB/EOP

Julie A. Fernandes/OPD/EOP

WARNATH_S @ A1@CD@LNGTWY

Peter G. Jacoby/WHO/EOP

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 16:04:08.00

SUBJECT: Tobacco meeting

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

TEXT:

Nothing of much significance happened. Treasury and HHS didn't come. We discussed House hearings on medicaid next week (Bilrakis) and the fact Nancy Ann was testifying. Bruce showed up late and said we should get the President's letter out by the hearing-- that it would make Chiles happy and he is testifying. The VP has a 12/16 smoking event in Seattle. We noted we should find out what money there is for tobacco, especially for states, in the FY '99 budget.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 11:29:17.00

SUBJECT: children's ssi

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:

Sylvia's assistant Nelson Reyneri is giving her an update today at 1:15 on where SSA is on its children's SSI report, and he asked me to come along to help. Hope this is OK with you.

Just to bring you up to speed: Basically, the content of the report looks good. It is similar to what we heard last month. SSA concludes that overall they did a good job on the redeterminations of children's eligibility, but they identified three problem areas that they will address: mental retardation, accuracy of redeterminations in some states, and appeal rights. As a result, they will review the cases of approximately 60,000 children who were cut off, and give all of the 75,000 families who didn't appeal or request continuation of benefits during an appeal a new opportunity to do so. The big remaining issue is that the report is not written well. It does not provide clear answers to the most obvious questions, and it is overly defensive in many places. So we are pointing out problem areas to them.

Timing-wise, they hope to release it next week or early the week after. Sylvia doesn't want it to go too late.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 11:38:46.00

SUBJECT: Benchmarking meeting

TO: Robert N. Weiner (CN=Robert N. Weiner/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

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

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

TO: Alice H. Williams (CN=Alice H. Williams/OU=CEA/O=EOP @ EOP [CEA])
READ:UNKNOWN

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

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

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

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

CC: Miriam H. Vogel (CN=Miriam H. Vogel/OU=WHO/O=EOP @ EOP [WHO])
READ:UNKNOWN

CC: Wendy A. Taylor (CN=Wendy A. Taylor/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

CC: Phyllis Kaiser-Dark (CN=Phyllis Kaiser-Dark/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

TEXT:

There will be a Benchmarking meeting on Friday, December 5 at 1:00 pm. I am trying to reserve the Ward Room and will send another e-mail to confirm. I hope this time works because we're locked into it.

Attendees:

Sylvia Mathews
Chuck Ruff
Janet Yellen
Elena Kagan
Maria Echaveste
Gene Sperling

Sally Katzen
Dawn Chirwa
Rob Weiner

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Todd A. Summers (CN=Todd A. Summers/OU=OPD/O=EOP [OPD])

CREATION DATE/TIME: 4-DEC-1997 09:49:43.00

SUBJECT: TALKING POINTS and Q&A FOR PRESIDENT'S ADVISORY COUNCIL MEETING

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

TALKING POINTS ON REPORT FROM
PRESIDENT'S ADVISORY COUNCIL ON HIV/AIDS

The Clinton Administration continues its aggressive campaign against the AIDS epidemic
Obtained substantial increases in AIDS funding (discretionary programs at HHS up 60% since start of term)
Established the HIV Vaccine Initiative, with goal of finding vaccine against HIV within 10 years
Supported reauthorization and funding of Ryan White CARE Act - funding nearly tripled since start of Administration
Supported research that resulted in the new treatments that are saving so

many lives - funding for AIDS research at NIH increased 50% since start of Administration

Increased specific Federal funding for the State AIDS Drug Assistance Program nearly 450% since 1996

Created and Supported the Office of National AIDS Policy

Protected Medicaid, which serves 50% of people with AIDS and 90% of children with AIDS

Role of the President's Advisory Council is to provide advice from the community

We understand frustration of Council members - this is a terrible epidemic that gives rise to strong emotions

If some members choose to resign, we respect but regret their decision - however, it would be our hope that they will stay at the table and work with the President to continue to make a difference

President and the Secretary will continue to work with the Council to review their reports and to respond quickly and decisively

The appropriateness of needle exchange programs should be determined by public health experts and scientists, not politicians

Administration worked aggressively to preserve the Secretary's authority to make determination on removing Congressionally imposed restriction on allowing local communities to decide on the use of federal funding for needle exchange programs

Authority should remain with the Secretary because she is the chief public health officer of this country and with community public health experts -- this is an issue for public health experts to resolve

Congress agreed, sustaining the Secretary's authority

Secretary is evaluating available scientific reviews of needle exchange programs to determine appropriate course of action

Q & A

Meeting of and Report from the
President's Advisory Council on HIV/AIDS
December, 1997

The PACHA accuses the Administration of having stalled on the AIDS crisis. Is this true?

No. President Clinton and his Administration remain fully engaged in the effort to end this epidemic. We have supported substantial increases in AIDS funding for care, prevention, and research, even at a time when overall discretionary funding has been tight.

Our accomplishments are remarkable. Investments in AIDS research have resulted in powerful new treatments that have helped reduce the numbers of AIDS deaths for the first time since the start of the epidemic. The Ryan White program, now funded at over a billion dollars, has allowed for a broad array of primary care and supportive services that is unparalleled. We have established a major initiative to find a vaccine against HIV within ten years.

The PACHA is expressing understandable frustration with a devastating epidemic. Presidential advisory councils are not intended to serve as rubber stamps; on the contrary, they are intended to provide independent, objective advice to the Administration. No doubt they are using this public document as a means to continue their advocacy with this

Administration.

What do you say to the PACHA members who are threatening to resign if the Administration does not approve needle exchange programs?

We certainly understand the frustration of some of members of the President's Advisory Council on HIV/AIDS (PACHA). While their participation in the PACHA process is the most effective way for them to work with the Administration, they certainly have the right to choose to remove themselves. Unfortunately, that means that they will not have a voice at the table.

This Administration is very concerned about the continued spread of this epidemic, and is seriously reviewing the impact of needle exchange programs on curtailing HIV transmission among injection drug abusers. We worked diligently with the Congress to maintain the authority of the Secretary of Health and Human Services to remove the current restriction on the use of federal funds by local communities that choose to implement needle exchange programs. We did this because we believe that this is an issue best left to the public health experts and not to the politicians.

Is the President going to allow funding for needle exchange programs? The decision to lift the Congressionally imposed restriction on the use of federal funds for needle exchange programs has been vested by Congress with the Secretary of Health and Human Services. She has not yet made that determination because she is studying the benefit of those programs in reducing HIV transmission and their impact on the use of illegal drugs. This is not the simple and obvious decision as has been characterized by AIDS activists. On the contrary, this nation has an epidemic of illegal drug use and we do not want to support something to address AIDS that will undermine our efforts on the drug epidemic. The President will continue to support the Secretary's process, and respects her ability to make a decision on needle exchange that is grounded in science and public health.

The PACHA is debating HIV names reporting? What is that and what is the Administration's position?

Many AIDS advocates, epidemiologists, and government officials now believe that our efforts to fight the AIDS epidemic would be improved with better information on the incidence of HIV infection. We currently rely primarily on the numbers of AIDS diagnoses or deaths as a measure of where this epidemic is currently and where it seems to be moving. However, because more and more people are living longer and longer with HIV and not progressing to AIDS, this data is increasingly out of pace with the front edge of the epidemic. This reduces our ability to initiate the kind of proactive prevention efforts necessary to stem the tide of new infections.

However, we are also very mindful of the very real concerns around confidentiality. The fear of disclosure of a positive HIV test result may inhibit many from getting tested, which is the first step in accessing medical care and avoiding further transmission. The Administration will continue to work with government and community experts to determine the best way to balance the need for more timely information on new infections with the imperative to promote HIV testing and access to care for those infected.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 17:42:39.00

SUBJECT: tobacco Documents

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

TEXT:

Evidently the companies aren't turning over the documents to Bliely's committee by the deadline. Bliley is likely to subpoena. He has recess subpoena power. Don't know whether you heard.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Virginia N. Rustique (CN=Virginia N. Rustique/OU=WHO/O=EOP [WHO])

CREATION DATE/TIME: 4-DEC-1997 14:17:40.00

SUBJECT: 2:15 pm BRIEFING for 12/8 Gov. Chiles mtg.

TO: Fred DuVal (CN=Fred DuVal/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

READ:UNKNOWN

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

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Do you mind coming over 15 min. early for a quick briefing?

----- Forwarded by Virginia N. Rustique/WHO/EOP on
12/04/97 02:12 PM -----

VIRGINIA N. RUSTIQUE

12/04/97 10:30:54 AM

Record Type: Record

To: Jeffrey A. Forbes/WHO/EOP, Fred DuVal/WHO/EOP, Emily Bromberg/WHO/EOP,
Elena Kagan/OPD/EOP

cc: Suzanne Dale/WHO/EOP, Laura Emmett/WHO/EOP

Subject: RESCHEDULE: 12/8 Gov. Chiles mtg.

Gov. Chiles needs to move the meeting back to 2:30pm. Pls. let me know if
you can't make the new time. Thanks.

----- Forwarded by Virginia N. Rustique/WHO/EOP on
12/04/97 10:28 AM -----

VIRGINIA N. RUSTIQUE

12/03/97 05:41:28 PM

Record Type: Record

To: Fred DuVal/WHO/EOP, Emily Bromberg/WHO/EOP, Elena Kagan/OPD/EOP

cc: Laura Emmett/WHO/EOP, Suzanne Dale/WHO/EOP, Jeffrey A. Forbes/WHO/EOP

Subject: Gov Chiles mtg Dec 8

John will meet w/ Gov. Chiles and staff re: tobacco on Mon., 12/8, from
2-3pm.

Please let me know if you can attend. Thanks.

----- Forwarded by Virginia N. Rustique/WHO/EOP on
12/03/97 05:39 PM -----

Fred Duval 12/02/97 10:41:22 AM

Record Type: Record

To: John L. Hilley/WHO/EOP

cc:

Subject: Gov Chiles mtg Dec 8

Emily Bromberg and I would like to join your meeting with Gov Chiles next week if OK with you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 17:49:39.00

SUBJECT: Race Initiative Scheduling Memo, January 1998

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

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

READ:UNKNOWN

TEXT:

FYI, there are a lot of scheduling requests in already for MLK Day -- look at this attachment. So we should get our idea for service into a scheduling request soon. Did you like the idea I sent you from the Corporation -- a DC literacy event with tutoring and building bookcases for kids?

----- Forwarded by Diana Fortuna/OPD/EOP on 12/04/97

05:45 PM -----

Katherine Hubbard
12/04/97 11:26:20 AM

Record Type: Record

To: Stephen B. Silverman/WHO/EOP, Diana Fortuna/OPD/EOP

cc:

Subject: Race Initiative Scheduling Memo, January 1998

There are a lot of MLk Day requests - we may want to tap into one of these?

----- Forwarded by Katherine Hubbard/WHO/EOP on 12/04/97

11:26 AM -----

Jon P. Jennings
12/03/97 06:33:57 PM
Record Type: Record

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

cc:

Subject: Race Initiative Scheduling Memo, January 1998

Does anyone feel strongly about any of these?

----- Forwarded by Jon P. Jennings/WHO/EOP on 12/03/97

06:33 PM -----

Charles J. Payson
12/03/97 12:18:29 PM
Record Type: Record

To: See the distribution list at the bottom of this message
 cc: Stephanie S. Streett/WHO/EOP, Charles J. Payson/WHO/EOP, Rachel A. Redington/WHO/EOP
 Subject: Race Initiative Scheduling Memo, January 1998

In order to respond, please press the 'Reply with History' icon above or print, write your name at the top, & send to Chip Payson in 184 OEOB no later than: 12/17/97

RACE EVENTS MEMO

Please respond to the 18 event synopses below with either an 'A', 'B' or 'C' in each of the corresponding blanks, adding comments if/when necessary.

- A)= The POTUS should accept/attend. Please forward all relevant information to this office and we will submit a scheduling proposal ASAP to the West Wing scheduling office.
 B)= The POTUS does not need to attend. Our office will work with Cabinet Affairs in order to arrange for an appropriate surrogate.
 C)= No one needs to attend.

1) _____

Event Date: January, 1998

Leonard M. Brown, African-American Programs Director at NASA's Goddard Space Flight Center in Greenbelt, MD wrote to invite the POTUS speak at the upcoming presentation events in honor of Dr. Martin Luther King's birthday and Black History Month at Goddard Space Flight Center.

2) _____

Event Date: January 10, 1998

Reverend Clyde H. Brooks, Chairman and CEO of the non-profit Minority Economic Resources Corporation (MERC), invites the POTUS to come to Chicago and speak at MERC's Dr. Martin Luther King Birthday Dinner.

3) _____

Event Date: January 18, 1998

Richard D. Schwartz, a Professor at Syracuse College of Law, invites the POTUS to visit Syracuse University to address the Martin Luther King, Jr. dinner at the Carrier Dome.

4) _____

Event Date: January 18, 1998

Dorothy Rose, CEO, and Rabbi Daniel Jezer, President, of the Inter-Religious Council, write to invite the POTUS to address a community Martin Luther King, Jr. Day event in Syracuse, NY sponsored by the Four Congregation Fellowship.

--Harold Garman, Senior Pastor of the University United Methodist Church, has written in support of this event.

--Reverend Velma Brock, of the University United Methodist Church, has written in support of this event.

--Mayor of Syracuse, Roy Bernardi, has written in support of this event.

5) _____

Event Date: January 15, 1998

Alice Harris, of Parents of Watts in Los Angeles, in a letter to Mrs. Clinton, has invited the POTUS and FLOTUS to come to an event in LA on Dr. Martin Luther King Jr.'s birthday.

6) _____

Event Date: OPEN

Michael Lofton, of the Michael Lofton Talk Show in Austin, TX would like to come to Washington, DC and do a Race Relations Talk Show with the POTUS, John Hope Franklin, Rep. Doggett, Rep. Jackson-Lee, Eddie Johnson

and Senator Royce West.

7) _____

Event Date: early 1998

Joyce Parker and Lawrence Simms, Co-Chairs of the Bridge Center for Racial Harmony, Lyle Kleman, Director of the Bridge Center for Racial Harmony, and Senator Spencer Abraham write under the letterhead of the Bridge Center for Racial Harmony in Saginaw, MI to invite the POTUS to hold a Town Hall Meeting on race relations in Saginaw, MI.

8) _____

Event Date: OPEN

Antonio Flores, President of the Hispanic Association of Colleges and Universities, has requested a meeting with the POTUS and Vice President to discuss the national role of Hispanic-Serving Institutions and the educational needs of Hispanic Americans.

9) _____

Event Date: OPEN

Rev. Andre Allen, Pastor of the Second Baptist Church of Wheaton, has written on behalf of the DuPage Media and Community Network, of which he is the President, to invite the POTUS to speak on improving race and ethnic relations at a public forum in DuPage County, IL.

10) _____

Event Date: the third Tuesday of each month

Gertrude Poole, Founder and President of the Heritage for Black Children in Orlando, FL, has written to invite the POTUS and FLOTUS to stop by the Heritage for Black Children during one of its meetings on the third Tuesday of each month the next time they are in Florida.

11) _____

Event Date: January 14-18, 1998

James McCully, the Convention Chairman of the 1998 National Opera Association Convention, has written to invite the POTUS to play his saxophone at The Legacy Awards Banquet honoring African Americans In Opera & Musical Theater in Washington, DC.

12) _____

Event Date: OPEN

Selimo Rael, President of the New Mexico Highlands University, has written to invite the POTUS to visit the very diverse New Mexico Highlands University in Las Vegas, NM.

13) _____

Event Date: January 17, 1998

Bolton Anthony and Bertha Todd, Co-Chairs of the 1898 Centennial Foundation in Wilmington, NC has written to ask the POTUS and John Hope Franklin advising them of the community effort to commemorate the Wilmington Coup of 1898 and inviting their participation in these activities which will launch a community-wide conversation on race.

14) _____

Event Date: OPEN

Arthur Gladfelter, Chairman of the Board of the Glatfelter Insurance Group, invites the POTUS to hold a town hall meeting on race in York, PA, where the Articles of Confederation were adopted by the Continental Congress.

15) _____

Event Date: OPEN

Geraldine Smith, of Lakeland, FL, requests an interview on Race Relations with the POTUS to discuss "where you see us, as blacks fitting into the scheme of things in this 21st century".

16) _____

Event Date: OPEN

Earl Lucas, the former Mayor of Mound Bayou, MS, would like to meet with the POTUS to discuss his "concept by which wealth can be developed in the Black Community, and at the same time, meet the basic housing needs of the

Lower Mississippi Delta Commission Report.

17) _____

Event Date: OPEN

Julian Bond, America's Black Forum, invites the POTUS to be a guest on a special television presentation of America's Black Forum, entitled "A Conversation with the President".

18) _____

Event Date: January 1998

Steve Skardon, Executive Director of the Palmetto Project in South Carolina, has invited the POTUS to speak at the 1998 Citizens' Summit on Race and Community.

--Secretary Riley has written in support of this.

--Senator Hollings has written in support of this.

Message Sent

To: _____

Beverly J. Barnes/WHO/EOP

Minyon Moore/WHO/EOP

Robert B. Johnson/WHO/EOP

Ann F. Walker/WHO/EOP

Ann F. Lewis/WHO/EOP

Claire Gonzales/PIR/EOP

Maria E. Soto/PIR/EOP

Jon P. Jennings/WHO/EOP

Jennifer M. Palmieri/WHO/EOP

Karin Kullman/WHO/EOP

Message Sent

To: _____

Kris M Balderston/WHO/EOP

David S. Beaubaire/WHO/EOP

Katherine Hubbard/WHO/EOP

Lisa J. Levin/WHO/EOP

Thurgood Marshall Jr/WHO/EOP

Anne E. McGuire/WHO/EOP

Elisabeth Steele/WHO/EOP

Stephen B. Silverman/WHO/EOP

Helen Veit/who/gov @ who

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Phone No. (Partial) (1 page)	12/04/1997	P6/b(6)

COLLECTION:

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

FOLDER TITLE:

[12/04/1997]

2009-1006-F
ke760

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

CREATION DATE/TIME: 4-DEC-1997 16:57:10.00

SUBJECT: needle exchange/cohen

TO: Rahm I. Emanuel (CN=Rahm I. Emanuel/OU=WHO/O=EOP @ EOP [WHO])

READ:UNKNOWN

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

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Richard Cohen is looking into issue and I gave him our views (or what I think are our views). The only thing I gave him that I'm a tad uncertain about is that I said we believe this should be determined by public health experts and scientists, but I did say we've accepted the twin requirements set by Congress (slowing spread of HIV and not resulting in increased drug use). Anyway, he's not sure if he's writing, and if he is, it would be for Monday at the earliest.

If anybody feels compelled to talk to him about this, his phone is

P6/(b)(6)

, but please talk to me about that.

[007]

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 17:26:34.00

SUBJECT: class size developments

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I'm heading home to pick up my daughter, and not returning this evening, on the assumption that Bruce correctly reported that these memo's aren't due until COB Friday.

Here is the state of play on class size:

1. Morely has not been able to reach Jack Lew, and has left for the day. He left me a message indicating that he will try again to reach Jack in the morning--perhaps when he meets with Bruce.
2. Also based on Bruce's direction, my crack team of analysts is working on three options pending new information from Morley. Option 1 is class size ceiling of 18 (all options for grades 1 and 2), feds pay consistent 80%, and the cost is \$9.2 billion over 5 years. Option 2 is the same, but at a lower federal contribution (we are looking at a range of options right now). Option 3 is an average class size of 18, with a ceiling of 20, and presumably an 80% federal contribution.
3. I'll work on Elena's edits tonight, and have a new draft first thing in the morning.
4. My latest conversation with Riley and ED staff--they are strongly opposed to the requirement for getting rid of bad teachers, on the grounds that it doesn't fit the overall approach, clouds the message to the public--smaller classes is an easy message to sell; why complicate it? We can deal with firing bad teachers in the urban initiative, and we can and should work with NEA and AFT to figure out how to keep the Republicans like D'Amato from making teachers unions and bad teachers villain in the public eye. As both of you know, I've never been particularly enamored with taking this issue on in this initiative. I'll try to have something constructive to suggest by the morning.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 15:07:00.00

SUBJECT: Draft class size memo

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

READ:UNKNOWN

TEXT:

----- Forwarded by Michael Cohen/OPD/EOP on 12/04/97
03:06 PM -----

Michael Cohen
12/04/97 08:49:59 AM
Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP
cc: Tanya E. Martin/OPD/EOP, William R. Kincaid/OPD/EOP
Subject: Draft class size memo

Attached is a first draft of the class size memo. Tanya and I are still working on a somewhat more detailed description of the proposal, but it seemed important to get this draft done first. It may well be longer and more detailed than we ultimately want, though I thought it important to remind the President why this is important, and to give him enough meat so he can tell it is well thought through. Since he reduced class size in Arkansas to 20 in the early grades, I presume he will remember the complications involved and will want some clue as to how they would be addressed in this proposal.

Bruce, I assume we want to share a draft of this with NEC, OMB and ED before sending it in. I wanted you to have a shot at it first though. If we are going to circulate it further, a quick response from all 4 of you would be helpful.

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

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

TEXT:

WPC

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U!□□DRAFTMEMORANDUMFORTHEPRESIDENTFROM:SUBJECT: □` □ProposedClassSizeReductionI
itiative \$t WeareproposingforconsiderationintheFY1999Budgeta\$10.1billion,seve
earinitiativetoimproveearlyreadingbyreducingclasssizeingrades1and2fromanational

average of 22.5, to a maximum of 18, and by taking the steps necessary to ensure that all teachers in those grades have the knowledge and skills necessary to teach reading effectively in small classes. Reducing class size has long been an important goal for parents and teachers throughout the country. Two major, well-controlled experiments undertaken in the 1980's as part of reform efforts launched by Tennessee and Indiana have shown that reducing class size in the early grades to between 15-18 students has a significant effect on student achievement. While all students benefit from smaller classes, the effects are largest for the most disadvantaged low-income students and minority students in inner cities. A number of other states are now launching their own class size reduction initiatives. A national effort to reduce class size, led by you and structured as a partnership between the federal government and state and local governments, would help spread this effort nationally. It would also provide a concrete and easily understood way of demonstrating a commitment to provide all students with the opportunities and help they will need to meet challenging national standards. Large scale reductions in class size will pose significant challenges to states and local school districts. For example, California's new initiative to reduce class size to 20 in the primary grades has exacerbated the shortage of fully qualified teachers and, particularly in urban districts, has resulted in increased hiring of non-certified teachers. It has increased the need for professional development for the existing teaching force, in order to help teacher take full advantage of smaller classes. And many schools have been limited in their ability to reduce class size because of space limitations in already overcrowded facilities. Despite these challenges, the benefits of significant reductions in class size are clear. Many schools and districts have found ways of training new and experienced teachers to teach in more effective ways, and have begun to benefit from more highly qualified staff. Schools have been willing to purchase portable classrooms or make other changes in how they use facilities in order to make room for smaller classes. In the first year of implementation, many teachers report that smaller classes enable them to pay greater attention to individual students, to assign and help them with more challenging work, to communicate more often with parents, and to have less disruptive classes. Many parents echo these reports, and support for public schools appears to be on the rise throughout the state. @-(, The proposal described below is designed to help states and districts take advantage of the opportunities afforded by reductions in class size and to respond effectively to the challenges. □ Design of the Class Size Reduction Initiative □ □ □ This initiative has a clear objective of reducing class size in the early grades to 18, for the purpose of helping all children learn to read well. To accomplish this, it forms a partnership among federal, state and local governments, with the federal government providing the bulk of the funding, and states and local school districts retaining their responsibility for designing the program and achieving the results. It provides funds to improve the quality of teaching as well as to reduce class size, and substantial flexibility, including enabling districts that ultimately cannot reach the class size objective due to lack of space or qualified teachers, to reach the goal of improved reading achievement through other methods. And it holds school districts accountable for results by tying continued funding to demonstrated learning gains, thereby providing a strong incentive for schools throughout the country to use practices that work. □ Purpose: □ The purpose of this initiative is to reduce class size and provide quality teachers in the

early grades, to help all students learn to read independently and well by the end of the 3rd grade. Specifically, it will help states and local communities hire an additional 175,000 teachers, 0

600 teachers in order to reduce class size in grades 1 & 2 from a nationwide average of 22.5, to a maximum of 18. At the same time, it will help states and school districts recruit and prepare new teachers and upgrade the skills of existing teachers in the early grades so they have the skills necessary to teach reading effectively in small classes. □ Funding Stream: □ The initiative would provide states and local communities with \$10.1 billion over 8 years. Funding in the first year would cover the cost of hiring an additional 10,999,000 teachers, and a similar number would be hired in each succeeding year. Funds would be distributed to states on a formula basis, taking into account the number of additional teachers each state would need to reach the class size target, salary differences among the states, and poverty levels.

(We
With

in this framework, we are also exploring ways to provide funds directly to the largest urban areas, as we did in last year's school construction initiative. Funds would pay for hiring additional teachers, as well as for steps to improve teacher quality, such as improved preservice training to enhance the supply of qualified new teachers, professional development, or incentives for qualified teachers to teach in underserved areas. The federal government would cover 80% of the costs, with state and local communities providing matching funds for the rest.

State and Local Plans: States would be required to work with local school districts to develop a statewide plan for class size reduction. The plan would include a timetable for phase-in of class size reduction, strategies for ensuring that every classroom has a qualified teacher and for addressing school facility needs, and a plan for financing the state and local share of the costs. In developing their plans, states and school districts would be encouraged to look first at how they could reduce class size by making better use of existing staff and resources, including by reassigning certified staff who are not in classroom teaching positions to other classrooms, and by using Title I and other federal funds to reduce class size rather than continue less effective pullout programs.

L- (, States and districts would be given considerable flexibility in designing these plans. They would be permitted to carry over federal funds from one year to the next, enabling jurisdictions with the need to invest more heavily in preparing new teachers and strengthening existing ones at the front end of the process, and scaling up class size reductions in later years. In cases where the lack of facilities or qualified teachers made it virtually impossible to meet the class size reduction target, jurisdictions would be able to propose alternative approaches such as Reading Recovery or Success for All to provide intensive, high quality reading instruction in the early grades. Quality Teachers: State and local plans would be required to address teacher quality in a number of ways. First, the plans would show how states and local districts will work with institutions of higher education and other sources to recruit and adequately prepare the increased numbers of teachers they will need. Second, the plans will show how new and experienced teachers would be given high quality, sustained professional development focused on effective teaching in small groups, on language acquisition and on effective reading instruction. Third, states would be required to show how they will recruit and hire new teachers without increasing the percentage of uncertified teachers already in the classroom thereby placing a floor on the quality of teachers to be hired. Fourth, states would be required to commit to establishing performance based teacher certification requirements, at least for teaching in the primary grades, so that new teachers would be required to demonstrate the knowledge and skills necessary to teach reading effectively in small classroom settings. Finally, we are considering a requirement that states and districts would be required to demonstrate that they have effective ways of identifying and promoting performing teachers, giving them help and, if necessary, quickly and fairly removing them from the classroom. While states and districts will be given great flexibility in how to address these issues, the Education Department will launch a major effort to disseminate information about best practices and proven approaches to improving reading achievement. States and school districts would use funds from this initiative, as well as state and local funds and funds from other federal programs, including Title I, America Reads, the Eisenhower Professional Development program, and Chapter 2, to fund the teacher quality component of the initiative.

Facilities: This initiative will place added burdens on existing facilities, and many school districts will have difficulty finding adequate space for smaller classes. While states and local communities continue to have the primary responsibility for addressing this issue, it will be especially important for the Administration to propose a school construction initiative along with this proposal, and continue to press the Congress to enact it.

In addition, as indicated above, this initiative will provide schools with the flexibility to adopt other proven approaches for providing intensive instruction in small groups in order to teach young children to read. Accountability for Results: Local school districts will be required to evaluate the impact of their class size reduction initiative on reading achievement, and make midcourse corrections as needed. If, after 34 years a district cannot show significant gains in reading achievement, they would not receive additional funding under this initiative. This provision will provide a strong incentive for all school districts to make the most effective use of the all of their resources, and, in particular, to use proven practices to improve the quality of teaching through this initiative. In addition, the Education Department will conduct a national evaluation of this initiative, to identify implementation problems that need to be addressed and to learn about the most effective practices.

=====
 END ATTACHMENT 1 =====

ofw

P-

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 18:06:06.00

SUBJECT: Federal public benefit definition

TO: Julie A. Fernandes (CN=Julie A. Fernandes/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: Jack A. Smalligan (CN=Jack A. Smalligan/OU=OMB/O=EOP @ EOP [OMB])
READ:UNKNOWN

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

TEXT:

Rob Weiner just told me the following: OLC has informed HHS that they think their proposed definition of federal public benefits is "not tenable." HHS has therefore gone back to the drawing board. Presumably they will run their next proposal by OLC.

HHS may choose to consider Rob's suggested reading of the law, but OLC has not expressed an opinion on that reading yet (nor were they asked to).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 4-DEC-1997 22:57:42.00

SUBJECT: Frank's much-abused memo

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

READ:UNKNOWN

TEXT:

How should we handle getting back to Jack about what's missing or inadequate from their straw-man memo on how to spend the \$5 billion?

Child care and community prosecutors are obvious omissions; school reform is confused and underfunded, civil rights is hard to tell.

Pell and Title I seem way overfunded. I don't know what to say about McCaffrey. Welfare to work vouchers and anti-smoking did well. Food safety??

SSA Report on Children's SSI

Overall, SSA concludes that the organization did a good job in redetermining eligibility for children. However, the report identified three areas of concern, described further below.

As a result of this review, SSA will review the cases of 70,000 children terminated from the program, out of a total of 136,000 terminations to date. In addition, SSA will offer all of the 75,000 families who didn't appeal or request continuation of benefits during an appeal a new opportunity to do so. Overall, SSA projects that 102,000 children will ultimately lose SSI after all appeals are completed, compared to its prior projection of 135,000. This drop of 33,000 is caused by the actions in this report (10,000 cases) and a reestimate of the baseline (23,000 cases.)

I. Mental Retardation

Advocates' concern: Too many children with mental retardation were cut from the rolls.

SSA Finding: Of the 136,000 children terminated to date, 42,000 had a diagnosis of mental retardation (MR). However, most of these children do not actually have MR, because until recently SSA's systems did not have all the proper codes. Instead, most of these children have other mental disorders or "borderline intellectual functioning," which falls short of full-fledged MR. However, some unknown subset of the 42,000 do have MR, but their impairments are not severe enough to qualify them for SSI.

SSA also found that 8% of the 42,000 cases (3,400 children) were either decided wrong, or the file lacked required documentation.

Even with these terminations, about 360,000 children with MR will remain on the rolls, out of a total of one million children on SSI.

SSA Action: SSA will review all cases terminated that had a diagnosis of MR, to ensure that all those decisions were made properly.

II. State Variations in Cutoffs

Advocates' Concern: Errors in cutoffs appear likely, since termination rates varied widely by state, from 32% in Nevada to 82% in Mississippi. Also, SSA may not have acquired all documentation, such as school records, needed to judge a child's disability. Finally, some states were disqualifying too many families for failure to cooperate without making adequate efforts to reach them.

SSA Findings: SSA data show that on average 93% of termination decisions were both accurate and complete in terms of including all required documentation. This exceeds SSA's required level of state performance for SSI. However, 10 states had accuracy/completion rates below 90%. Another 9 states had accuracy/completion rates below the national average. (SSA's experience is that about one-third of the errors identified in these measures will ultimately prove to be accurate decisions that simply lacked documentation.) SSA found that many inaccurate decisions stem from an overly strict interpretation of the new rules for children who exhibit maladaptive behavior.

Advocates' claims that SSA did not acquire all needed documentation was determined to be unfounded. However, SSA found wide state variation in the rate of cutoffs due to failure to cooperate and that, in the four states with the highest rates, 68% of the cases did not include documentation that all required efforts to contact the family had been made.

SSA then performed a regression analysis intended to determine whether wide state to state variations should be expected, based on factors such as the child's age and impairment and whether the child was initially added to the rolls based on the less strict criteria that the welfare law eliminated. SSA found that these factors would lead you to expect the cutoff rate to vary from 48% in Montana to 66% in Hawaii. While this regression analysis does not fully explain the actual state-by-state variance, SSA believes that the actions it is taking as a result of this report will ensure that variances are not due to errors.

SSA Action: For states with accuracy/completion rates below 90%, SSA will review all cases. For states with accuracy/completion rates between 90% and 93%, SSA will review a sample of cases to see if additional reviews are needed. SSA will also provide more training on maladaptive behavior. In all states with a failure to cooperate rates above the national average, SSA will review the cases of all where the family did not appeal the decision.

III. Appeal Rights

Advocates' concern: Too few families are appealing, because SSA's notice to families was confusing, and workers discouraged appeals. Also, SSA discouraged families from requesting that benefits be continued during the appeal.

SSA Finding: SSA believes that their workers did not discourage appeals, but a poll conducted by SSA confirms that many families did not understand their appeal rights.

SSA Action: All families of children who were terminated and did not appeal will be given a new opportunity to do so. All families of children who appealed but did not request continuation of benefits during the appeal will also be given a new opportunity to make that request. SSA will also publicize the availability of free legal services for families.