

**NLWJC - KAGAN**

**EMAILS RECEIVED**

**ARMS - BOX 023 - FOLDER -005**

**[01/20/1998 - 01/21/1998]**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Daniel C. Montoya ( CN=Daniel C. Montoya/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME:20-JAN-1998 09:25:16.00

SUBJECT: fwd: Alert \*\*\*Help Sr. Chief McVeigh\*\*\*

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

TO: Philip G Dufour ( CN=Philip G Dufour/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

TO: paul\_yandura ( paul\_yandura @ hud.gov @ inet [ UNKNOWN ] )  
READ:UNKNOWN

TO: Miguel M. Bustos ( CN=Miguel M. Bustos/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

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

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

TEXT:  
HELP IS NEEDED!

dcm

----- Forwarded by Daniel C. Montoya/OPD/EOP on 01/20/98  
09:23 AM -----

LAGomez @ efaches.navy.mil  
01/20/98 09:09:00 AM

Record Type: Record

To: Daniel C. Montoya  
cc:  
Subject: fwd: Alert \*\*\*Help Sr. Chief McVeigh\*\*\*

-----  
Original Text  
From: "SLDN1" <SLDN1@aol.com>, on 1/17/98 3:42 PM:  
To:

Secretary of the Navy, John Dalton, has indicated that the Navy will discharge Senior Chief Timothy R. McVeigh despite evidence that the Navy potentially violated both the Electronic Communications Privacy Act (ECPA) and "Don't Ask, Don't Tell, Don't Pursue." The discharge will occur on Wednesday, January 21, 1997, unless a federal court orders the Navy to freeze the discharge pending

the outcome of a lawsuit filed by McVeigh on Thursday, January 15, 1997.

The Secretary of Defense, William Cohen, and the Commander-in-Chief, President William J. Clinton, retain discretion to stop the discharge and avoid potentially embarrassing litigation. They, however, need to hear from you that you are concerned about the government's actions in this case.

The first concern is that the Department of Navy and Department of Defense violated ECPA by obtaining McVeigh's subscriber information from AOL without a warrant, subpoena or McVeigh's consent. That is a violation of U.S. law.

The second concern is that McVeigh's command initiated an inquiry against McVeigh based only on a suspicion that the AOL profile was his, thus compelling the Navy to confirm McVeigh's identity through AOL. "Don't Ask, Don't Tell, Don't Pursue" specifically states that suspicions are not credible information to start an inquiry.

President Clinton stated in announcing "Don't Ask, Don't Tell, Don't Pursue" that the policy would provide "a decent regard to the legitimate privacy and associational rights of all servicemembers." Former Secretary of Defense, Les Aspin, said that servicemembers would have to work hard to get on the radar screen under "Don't Ask, Don't Tell, Don't Pursue." Those promises have failed in this case.

Please email, fax & call the following people with your concerns:

President William J. Clinton, email: [president@whitehouse.gov](mailto:president@whitehouse.gov); voice: (202) 456-1111; snail: White House, 1600 Pennsylvania Ave., NW, Washington, DC 20500

Vice-President Albert Gore, [vicepresident@whitehouse.gov](mailto:vicepresident@whitehouse.gov), White House, 1600 Pennsylvania Ave., NW, Washington, DC 20500

Secretary of Defense William Cohen, comment via DoD web page: <http://www.defenselink.mil/faq/comment.html>; voice: (703) 695-5261; fax: (703) 695-1219; snail: 1000 Defense Pentagon, Washington, D.C. 20301-1000

Also, please distribute this to others interested in assisting Senior Chief McVeigh. As always, if possible, send us a copy of your correspondence to [sldn@sldn.org](mailto:sldn@sldn.org) if possible and let us know what, if any response you receive.

Thank you for your commitment to protecting those targeted under Don't Ask, Don't Tell, Don't Pursue.

For more information, visit Sr. Chief McVeigh's web site at <http://www.geocities.com/Pentagon/9241/> and SLDN's web site at <http://www.sldn.org>.

===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

RFC-822-headers:

Received: from conversion.pmdf.eop.gov by PMDF.EOP.GOV (PMDF V5.0-4 #6879)  
id <01ISLEWQT5A800KHEN@PMDF.EOP.GOV> for montoya\_dc@a1.eop.gov; Tue,  
20 Jan 1998 09:10:18 -0500 (EST)

Received: from storm.eop.gov (storm.eop.gov)  
by PMDF.EOP.GOV (PMDF V5.0-4 #6879) id <01ISLEWPBTWW00AJTR@PMDF.EOP.GOV> for  
montoya\_dc@a1.eop.gov; Tue, 20 Jan 1998 09:10:15 -0500 (EST)

Received: from ches02.efaches.navfac.navy.mil ([138.145.175.3])  
by STORM.EOP.GOV (PMDF V5.1-7 #6879)  
with SMTP id <01ISLEWMS8T80028BK@STORM.EOP.GOV> for montoya\_dc@a1.eop.gov;  
Tue, 20 Jan 1998 09:10:12 -0500 (EST)

Received: by ches02.efaches.navfac.navy.mil with VINES-ISMTP; Tue,  
20 Jan 1998 09:09:59 -0500 (EST)

X-Incognito-SN: 410

From: LAGomez@efaches.navfac.navy.mil, "Letitia A Gomez"@STORM.eop.gov

Errors-to: LAGomez@efaches.navfac.navy.mil

X-Priority: 3 (Normal)

X-Incognito-Version: 4.11.23

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

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 20-JAN-1998 18:34:24.00

SUBJECT: Class Size memo

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

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

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

TEXT:

Here is my latest version of the class size memo.

It incorporates the higher budget figures for years 6 and 7.

It tries to incorporate ED's and Bruce's comments on the basic skills testing issue. Bruce and Elena, you may want to pay particular attention to how this is laid out for the President, and whether we need to present this as a formal decision.

I'm sending a copy of this to Mike Smith as well.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 12:51:41.00

SUBJECT:

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

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

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

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

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

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

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

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

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

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

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

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

TO: Essence P. Washington ( CN=Essence P. Washington/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

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

TEXT:

Reminder -- please let me know if there any scheduling proposals that we need to submit. Currently, the only proposals DPC has pending are:

- Video for the Chamber of Commerce Annual Meeting.
- Welfare to Work event with Tony Blair
- Children's Health Outreach Initiative Radio Address

Also, the Scheduling Office needs to know today if there are any conflicts with the following dates:

Tuesday, April 7, 1998 for the Official Visit of PM Prodi of Italy.

Tuesday, February 17, 1998 for a working lunch with PM Jospin of France.

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 19:33:56.00

SUBJECT: CNN and Immigration

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

Elena,

Last week in the Silicon Valley, in response to a question regarding Sen. Abraham's proposed legislation that would raise the number of H1B visas (temporary visas for "specialty workers" -- generally higher skilled), Commerce Secretary Daley made a comment that the Administration would oppose raising the annual number of these visas. Historically, we have not used the full number of H1B visas, but the cap (now at 65,000) was reached for the first time in FY 1997.

CNN has called John Frazier at Labor to ask whether someone from there would appear (unclear on what program) tomorrow to comment on this. Frazier is going to inform them that Labor has not seen the legislation, and cannot comment. We also put in a call to INS public affairs to alert them to this.

Julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 20-JAN-1998 12:04:15.00

SUBJECT: Auto Choice

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

READ: UNKNOWN

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

READ: UNKNOWN

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

READ: UNKNOWN

TEXT:

Apparently the initial numbers on Auto Choice were not good. It only got only 39% total support, 16% somewhat opposed, and 32% strongly opposed.

The question is being rewritten and polled again.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 11:33:58.00

SUBJECT: Child Care and the LIHTC

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

John and I have talked to Treasury about expanding the LIHTC to permit the tax credit to subsidize common areas within a housing credit propoerty even if that area is made to individuals who do not reside within the property. Michael Barr, head of Treasury's Community Development Office likes the idea. Unfortunately, but not suprisingly, Tax Policy hates the proposal, at least at the career staff level.

Barr is trying to move this proposal at Treasury. John O. and I believe we can push this through later this Spring, after we get the legislation to increase the Credit moving on the Hill. We think that an event this Spring to combine child care and housing and use the event to force Treasury's hand on this issue.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 16:19:54.00

SUBJECT: COPS and Indian Directive

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

FYI -- especially BR before you see the AG at your 5:30 meeting:

After our sex offenders meeting, I had a borderline shouting match with Kent on the Indian COPS issue. He's pretty steamed, and I wouldn't be surprised if he gets to the AG before the 5:30pm w/Erskine. I stuck by the fact that this is an issue better resolved in the COPS working group -- not in the budget/approps language -- and that it didn't mean the issue was dead. Also, I pointed out that proposing approps language in the budget didn't guarantee any results whatsoever.

Kent argued that this was a no brainer; that this showed we weren't committed to the Indian Initiative; that he resented the WH not showing deference to DOJ on this "technical" issue; that this would send the wrong signal to Indian Country; the lists goes on...

I offered to hold a joint DOJ/WH meeting w/Indian Country to demonstrate our commitment; reminded him that the initial push to do something in Indian Country was focused first on improved federal coordination, second on targeting current resources, third on looking for new funds, and that these priorities had now been reversed; and that -- whether or not the budget proposed new language on equipment -- we still needed to work w/the appropriators and others to make this happen.

I'm sure I've missed a few things, but you get the gist...

Loving my job,  
Jose'

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 19:05:48.00

SUBJECT: Re: Tobacco Strategy mtg

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

READ:UNKNOWN

TEXT:

Whom do you mean by both? Gene and Frank? Frank and Jack? Frank and Rich?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 16:31:21.00

SUBJECT: Conrad Tobacco Bill

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

I received Conrad's Public Health and Other Programs funding title from HHS. Conrad's staff has asked us to keep a very close hold on it. It is Title VI of the Conrad bill. The title spells out how funds from a section 101(d)(2)(C) will be allocated and spent, but the draft provides no clue on how much money will be in 101(d)(2)(C). I will distribute it, but in the meantime here is a summary:

The title proposes to divide the \$\$ into 12 buckets controlled by the Secretary (I assume HHS):

1. 30% for smoking cessation to individuals and private, non-profit entities;
2. 25% for counter advertising;
3. 15% to NIH for tobacco related biomedical research including addiction research;
4. 10% for "anti-tobacco" research, including prevention, cessation, and social deterrents of smoking;
5. 5% to states for school-based tobacco education programs;
6. 5% to states for alcohol and illicit drug education for <18;
7. 3% for assistance and compensation for those suffering from tobacco-related illness;
8. 2.5% to expand ASSIST and IMPACT;
9. 1.76% for international tobacco control to WHO and foreign countries;
10. 1% for college tobacco education programs targeting 18-24;
11. 1% for event sponsorship; and
12. 0.083% for the American Center on Global Health and Tobacco (a new private, not-for-profit corporation) and associated trust fund.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 20-JAN-1998 17:00:59.00

SUBJECT: 3 cheers for welfare reform

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

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

TEXT:

Which Comes Closest To Your Own View?

Gov't should help solve problems and provide safety net to protect people from hard times and problems

12%

Gov't can't solve problems but should help give people the skills, opportunities, and resources to help themselves 61  
 Best thing gov't can do is stay out of peoples' lives & stay out of the way so people can solve their own problems 25

How Much Credit Should Clinton Get For Following Policies?

		A Lot	Some	Little	Not Much	
	Moving people from welfare to work	33%	32%	17%	12%	
	Improved economy/low unemployment	28		36		
16	15					
	Reduced deficits			24		
32	18	18				
	Increasd focus on family/moral vlues			23	25	
18	29					
	Peaceful times internationally			23		
36	18	18				
	Lower interest rates				17	
32	19	23				
	Holding the line on taxes				15	
37	20	21				
	Lower crime rates				15	
31	22	25				
	Improving the environment				14	
38	21	21				



To: Bruce, Gene, Elena, Emil  
From: Karen  
CC: Maria Eschaveste, Barbara Chow  
Re: Privatization Meeting

Kitty Higgins will be joining us tomorrow a.m. Based on our previous conversation and a conversation I had with Gerry Shea, our goal is to begin a dialogue with labor about a long term strategy for privatization.

In addition to the afl-cio staff, the communication workers, auto workers, afscme and seiu will be attending the meeting. It goes without saying that their first response will be "we are winning the privatization war; the Clinton Administration needs to hold firm." In Gerry's view -- and I think we agree -- "holding firm" is not a long term strategy.

John and Sec. Herman put on the table a four-pronged approach:

- Say "no" to all privatization;
- Say "yes" to all privatization;
- Say "no" but accommodate a State proposal to privatize but w/ merit staffing principles;
- Say "yes" but just pilot.

If we can engage in a dialogue around the last two options--because I believe the first two options do not work--I think we will have made some progress. With the last two options, if we could engage in a discussion around the principles that labor would like to see us apply, we will have made significant progress.

Since the reaction from the outset will be defensive and lacking in trust, I would like to open with a "why we are here." Then, Bruce and Elena if you would give an overview of the issues that are currently before the Administration and the ones we expect to come like CHIPS, Medicaid, TANIF. With a bit of luck, we may be able to engage in a dialogue about the best options for handling the debate, the process and the substance.

Thank you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 10:27:06.00

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

TEXT:

We are working on Q&A for McCurry. Our thought was that probably ED should take the lead on responding, though -- have them do a press release from Riley, etc.. Does that sound right to you?

Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 20-JAN-1998 12:03:50.00

SUBJECT: slight revision

TO: Jonathan A. Kaplan ( CN=Jonathan A. Kaplan/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: Michelle Crisci ( CN=Michelle Crisci/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: Lori L. Anderson ( CN=Lori L. Anderson/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ: UNKNOWN

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

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

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

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

TO: Eli G. Attie ( CN=Eli G. Attie/O=OVP @ OVP [ UNKNOWN ] )  
READ: UNKNOWN

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

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

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

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

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

TEXT:

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

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

TEXT:

Unable to convert ARMS\_EXT: [ATTACH.D7]MAIL43906491Q.026 to ASCII,  
The following is a HEX DUMP:

**Questions and Answers on Health Care**  
**January 20, 1998**

**Q. How do you respond to critics of the Medicare buy-in proposal who charge that it is not and cannot be self-financing?**

**A: We simply do not believe they understand the policy.**

**First of all, the President's proposal to allow 62 to 65 year olds to buy into Medicare explicitly would direct the Medicare actuary to set premiums at levels necessary to pay for the cost of this program. Unlike any other previous changes to the Medicare program, this policy asks the people benefiting to pay for the costs associated with this coverage. Each year, the actuary would be required to adjust those premiums to reflect actual experience to ensure that they are sufficient to offset costs. [This is the same career actuary whose projections about the financial status of Medicare are relied upon by Medicare's Trustees, Republicans and Democrats alike. We have full confidence that his estimates are sound.]**

**Second, from the beginning, we have acknowledged --and paid for -- any up-front costs associated with this proposal. The day the President announced the proposal we laid out the \$2 billion cost that was associated with this proposal. We also committed to completely offset these costs through a package of fraud, waste and abuse initiatives that will be included in the President's budget proposal.**

**Follow Up: If this is self-financed, why is there any cost associated with this proposal?**

**A. To ensure that the premium is affordable, we designed the 62-65 buy-in proposal so that there were two premium payments. Since the second premium is not paid until age 65, there is a short-term "loan" to participants to cover this cost. It is paid back, with interest, by the participants and the temporary cost is completely offset by anti-fraud, waste and abuse savings.**

**BACKGROUND: The first premium payment, about \$300, reflects the average cost of this age group and would be paid monthly before participants turn 65. The second premium, about \$15 per month per year for each year participants enrolled in Medicare before age 65, would be paid at the time of Medicare eligibility (at age 65). This amount offsets the additional costs resulting from the fact that participants are expected to be sicker than average.**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mickey Ibarra ( CN=Mickey Ibarra/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:20-JAN-1998 08:36:10.00

SUBJECT: Education

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

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

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

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

TEXT:

I have read and returned comments to Michael on his draft regarding a WH Conference and related meetings on education issues. I like the four event sequence he proposed including a mayor's conference. I'm hopeful we can reach agreement this week on a Decision Memo to the President so we can be in a position to announce all (or at least

I'd appreciate knowing if you think this is possible to get done in time for USCM. Is there anything you need from IGA to help move it along?  
Thanks.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 13:48:11.00

SUBJECT: Title X Funding: Corrected point: FY89 request was Reagan; FY90 was the fi

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

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

CC: Chin-Chin Ip ( CN=Chin-Chin Ip/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

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

TEXT:

My (careful and competent) staff notes that FY89 was a Reagan submission. See below. Also a typo. Therefore, one should say:

If we look at the President's Budget proposals (vs what Congress enacted), then we can say the following about Title X requests:

From FY90 to its last budget submission for FY93, the Bush Administration proposed increases in Title X totalling \$11 million over 4 years. From FY94 to FY97, also 4 years, the Clinton Administration proposed \$69 million in increases. [Unfortunately, we didn't get our full proposals.] In the FY99 budget, the President will propose an additional \$15 million increase. If enacted, it will be the largest increase achieved by this Administration. [Congress, on its own, enacted a larger increase for FY93, to \$173 from the previous year's \$150m.]

----- Forwarded by Joshua Gotbaum/OMB/EOP on 01/20/98  
01:43 PM -----

Richard J. Turman  
01/20/98 01:30:38 PM  
Record Type: Record

To: Joshua Gotbaum/OMB/EOP@EOP  
cc: Chin-Chin Ip/OMB/EOP@EOP  
Subject: Note: FY89 request was Reagan; FY90 was the first Bush Budget

This is not a big deal, but after we spoke I went and checked the transmittal dates of the FY89 and FY90 Budgets.

FY89 was transmitted by Reagan in January, 1988.

FY90 was transmitted by Reagan on Jan. 9, 1989

FY90, Round II, was transmitted by Bush on Feb. 9, 1989, and superceded the Reagan FY90 Budget.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 20-JAN-1998 13:20:12.00

SUBJECT: Tobacco Strategy mtg

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

READ: UNKNOWN

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

READ: UNKNOWN

TEXT:

How does this look for a WH-only mtg, preferably tomorrow, on tobacco legislative strategy?

Hilley  
Stein  
Klain  
Sperling  
Lindsey  
Podesta  
Reed/Kagan/Jennings

What do we do about OMB? Invite Raines? Jack? Take a chance that Josh won't leak?

I assume that for a WH legis strategy mtg, we can leave out HHS and Treasury. Or should we save ourselves the grief and wait till Thursday, when Rich comes back to town (and still leave out Treasury, on the theory that HHS is far and away the lead agency and this is legislative, not policy)?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 09:14:13.00

SUBJECT: HHS Budget Proposal for CASA Demo Project

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

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

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

TEXT:

Folks--what do you think? Is there any chance we can find the resources for this little project--it would make a huge, huge difference to this community (as well keeping us true to the President's word).

----- Forwarded by Maria Echaveste/WHO/EOP on 01/20/98  
09:13 AM -----

William H. White Jr.  
01/16/98 08:13:24 PM  
Record Type: Record

To: Barry T. Clendenin/OMB/EOP, Mark E. Miller/OMB/EOP, Anne E. Tumlinson/OMB/EOP  
cc: See the distribution list at the bottom of this message  
Subject: HHS Budget Proposal for CASA Demo Project

Attached is a statement the White House released after a Sept 10 meeting with the President and leaders of the disability meeting. We have been told that HHS, at the last minute, requested \$2 million for a personal assistant demo project in order to meet the President's commitment made at the meeting, but that OMB rejected the request. We are trying to determine if this true. Richard reports there was no request on the discretionary side.

Regardless of the above, how do we demonstrate that we are following-up the President's commitment.

THE WHITE HOUSE

OFFICE OF SPECIALTY PRESS

FOR IMMEDIATE PUBLICATION  
1997

September 10,

PRESIDENT AND VICE PRESIDENT MEET WITH  
LEADERS FROM THE DISABILITY COMMUNITY

Washington, D.C. -- On Wednesday, September 10, 1997, President Clinton and

Vice President Gore met with national leaders from the disability community in the Cabinet Room at the White House to discuss issues important to people with disabilities.

The discussion focussed on the enforcement of the Americans Disabilities Act (ADA), employment of people with disabilities, Supplemental Security Income (SSI) eligibility for children, personal assistant services, the Individuals with Disabilities Education Act (IDEA) and telecommunication issues.

During the meeting, President Clinton restated his commitment to ensuring equal access to the American dream for every person by integrating disability issues into all policies and programs during his Administration. The President said he would again ask Congress for a significant increase in ADA enforcement funding in his FY 1999 budget, and urged the community to make it a priority for Congress. On the subject of SSI eligibility, President Clinton said he was instructing the Social Security Administration to submit a report to him on the SSI reevaluation process within thirty days.

The President and HCFA Administrator Bruce Vladeck discussed the Administration's establishment of a task force at HHS on personal assistant services, a plan to conduct demonstration projects in targeted area, and commitment to study states with successful programs. Additionally, President Clinton noted that funding for IDEA has increased by 36% during his Administration and reiterated his commitment to special education funding.

The two hour meeting resulted in a lively and productive session and both the President and Vice President look forward to hearing more from this important community.

The following individuals attended the meeting:

- Marca Bristo, National Council on Disability
- Hon. Tony Coelho, President's Committee on Employment for People With Disabilities
- Justin Dart, Justice for All
- Nancy Diehl, Parent Training and Information Center
- Paul Edwards, American Council of the Blind
- Dr. Frederick Fay, Justice for All
- John Harper, Youth Leader
- Bob Kafka, ADAPT
- Paul Marchand, Consortium of Citizens With Disabilities and The Arc
- Gina McDonald, National Council of Independent Living
- Becky Ogle, Justice for All
- Michael Oxford, ADAPT
- Debbie Robinson, Speaking for Ourselves

# ## ##

Message Copied

To:

- 
- Diana Fortuna/OPD/EOP
  - Elena Kagan/OPD/EOP
  - Maria Echaveste/WHO/EOP
  - Richard J. Turman/OMB/EOP
  - Jeanne Lambrew/OPD/EOP
  - Christopher C. Jennings/OPD/EOP



**Invited Participants for Pro-Choice Group Meeting**  
**January 20, 1997 5:00 pm**  
**Vice President's Ceremonial Office - OEOB**  
**with the Vice President and Mrs. Clinton**

- 1) Susan Cohen, Senior Public Policy Associate  
Alan Guttmacher Institute  
1120 Connecticut Avenue, N.W., Suite 460  
Washington, D.C. 20036
- 2) Nancy Zirkin, Director of Government Relations  
American Association of University Women  
1111 16th Street, N.W.  
Washington, DC 20036
- 3) Patricia Ireland, President  
National Organization for Women  
1000 16th Street, N.W., Suite 700  
Washington, DC 20036
- 4) Marcia Greenberger, Co-President  
National Women's Law Center  
11 Dupont Circle, N.W., Suite 800  
Washington, DC 20036
- 5) Anita Perez-Ferguson, President  
National Women's Political Caucus  
1211 Connecticut Avenue, N.W., Suite 425  
Washington, DC 20036
- 6) Gloria Feldt, President  
Planned Parenthood  
1120 Connecticut Avenue, N.W., Suite 461  
Washington, DC 20036
- 7) Kate Michelman, President  
National Abortion and Reproductive Rights Action League  
1156 15th Street, N.W., 7th Floor  
Washington, DC 20005
- 8) Vicki Saporta, Executive Director  
National Abortion Federation  
1755 Massachusetts Avenue, N.W., Suite 600

Washington, DC 20036

- 9) Ellie Smeal, President  
Fund for Feminist Majority  
1600 Wilson Blvd, Suite 801  
Arlington, VA 22209
- 10) Judy Desarno, President/CEO  
National Family Planning and Reproductive Health Organization  
122 C Street, NW, Suite 380  
Washington, DC 20001
- 11) Judith Lichtman, President  
Women's Legal Defense Fund  
1875 Connecticut Avenue, N.W., Suite 710  
Washington, DC 20009
- 12) Beverly Stripling, Public Policy Director  
YWCA of the U.S.A.  
624 9th Street, N.W., 3rd Floor  
Washington, DC 20001
- 13) Craig Lasher, Senior Policy Analyst/Legislative Assistant for Political Affairs  
Population Action International  
1120 19th Street, NW, Suite 550  
Washington, DC 20036
- 14) Brian Dixon, Director of Government Relations  
Zero Population Growth  
1400 16th Street, N.W., Suite 320  
Washington, DC 20036
- 15) Kathy Bryant, Associate Director Government Relations  
American College of OBGYN  
P.O. Box 96920  
Washington, DC 20009
- 16) Sarah Brown,  
National Campaign to Prevent Teen Pregnancy
- 17) Brenda C. Romney  
Center for Reproductive Law and Policy  
1801 Calvert Street, NW #104  
Washington, DC 20009
- 18) James Wagner, Executive Director

Advocates for Youth  
1025 Vermont Ave. NW, Suite 200  
Washington, DC 20005

- 19) Reverend Carlton W. Veazey, Vice President  
Religious Coalition for Reproductive Choice  
9609 Stoneybrook Drive  
Kensington, MD 20895



**Questions and Answers on Food Safety**  
**January 19, 1998**

**Q: What steps is the Administration taking to improve food safety?**

**A:** Last year we launched a new Presidential food safety initiative, and added more than \$40 million to the FY '98 budget. With that money we started putting in place new science-based preventive systems to improve the safety of seafood, meat and poultry and began work on a new early warning system to help detect and respond to outbreaks of foodborne illness. This year, our budget will seek an even more substantial increase in resources to improve food safety. The resources will go to a variety of initiatives, including: giving FDA authority to prevent the import of produce from countries without safety precautions equivalent to our own; hiring FDA inspectors to improve the safety of our nation's fruits and vegetables, both domestic and imported; developing new ways for federal inspectors to detect food-borne illnesses in meat and poultry and determine the source of contamination; improving educational outreach on proper food handling; and further expanding our early warning system and strengthening state surveillance activities for foodborne illnesses.

**Q. A recent story revealed that USDA did not close down a plant despite 1,700 violations. What are you doing to make sure our meat and poultry are safe to eat?**

**A.** We have to keep improving our food safety systems. And I am committing more resources than ever to the problem, and modernizing food safety for meat and fruits and vegetables and the water we drink. There are several important facts to remember in regard to this specific story. First, although the inspectors did not close the plant -- and in my view that was a wrong decision -- they did take actions to correct the plant's bad practices and to prevent all unsafe food they found from reaching the public. Second, those events occurred in 1996 -- before my Administration began implementing the Hazard Analysis and Critical Control Point (HACCP) system for meat. Under this system, inspectors will document food safety violations; they will shut down the plant where there are repeat failures; and they will insist that the plant take a wide range of measures to prevent any future contamination before the plant can reopen. Finally, the Administration has asked Congress for additional enforcement authority to fine companies for violations of food safety standards. Currently, USDA can't fine companies that violate food safety standards.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 11:33:51.00

SUBJECT: Daily message calendar 1/19-1/25

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

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

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

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

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

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

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

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

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

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

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

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

TO: Essence P. Washington ( CN=Essence P. Washington/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

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

READ:UNKNOWN

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

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

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

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

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

TEXT:

Everyone should start to receive this regularly in a few days.  
----- Forwarded by Christa Robinson/OPD/EOP on 01/20/98  
11:32 AM -----

Stacie Spector  
01/19/98 10:24:08 AM  
Record Type: Record

To: See the distribution list at the bottom of this message  
cc:  
Subject: Daily message calendar 1/19-1/25

Here is your message calendar for the week of 1/19. Please let Kevin Moran know if there are additional people that should receive this document. Reminder - it is for planning purposes only and it is not for external use. Thanks.

Message Sent

To: \_\_\_\_\_  
Ann F. Lewis/WHO/EOP  
Paul E. Begala/WHO/EOP  
Sidney Blumenthal/WHO/EOP  
Ann F. Walker/WHO/EOP  
Kevin S. Moran/WHO/EOP  
Ruby Shamir/WHO/EOP  
Michael Waldman/WHO/EOP  
Jordan Tamagni/WHO/EOP  
June Shih/WHO/EOP  
Lowell A. Weiss/WHO/EOP  
Antony J. Blinken/NSC/EOP  
LEAVY\_D @ A1 @ CD @ LNGTWY  
VINCA S (Pager) #LAFLEUR  
Thomas D. Janenda/WHO/EOP  
Glen M. Weiner/WHO/EOP  
Robin J. Bachman/WHO/EOP  
Erskine B. Bowles/WHO/EOP  
Sylvia M. Mathews/WHO/EOP

John Podesta/WHO/EOP  
Andrew J. Mayock/WHO/EOP  
Sara M. Latham/WHO/EOP  
Jason S. Goldberg/WHO/EOP  
Michelle Crisci/WHO/EOP  
Douglas B. Sosnik/WHO/EOP  
Ron Klain/OVP @ OVP  
Virginia M. Terzano/OVP @ OVP  
Eli G. Attie/OVP @ OVP  
Katharine Button/WHO/EOP  
Roberta W. Greene/WHO/EOP  
Marsha E. Berry/WHO/EOP  
Thurgood Marshall Jr/WHO/EOP  
Stephen B. Silverman/WHO/EOP  
Katherine Hubbard/WHO/EOP  
David S. Beaubaire/WHO/EOP  
Cheryl D. Mills/WHO/EOP  
Bruce N. Reed/OPD/EOP  
Elena Kagan/OPD/EOP  
Christa Robinson/OPD/EOP  
Mickey Ibarra/WHO/EOP  
Lynn G. Cutler/WHO/EOP  
Emily Bromberg/WHO/EOP  
Fred DuVal/WHO/EOP  
Sky Gallegos/WHO/EOP  
Cecily C. Williams/WHO/EOP  
Jeffrey A. Forbes/WHO/EOP  
Susan A. Brophy/WHO/EOP  
Ellen M. Lovell/WHO/EOP  
Gene B. Sperling/OPD/EOP  
Jonathan Orszag/OPD/EOP  
Jonathan A. Kaplan/OPD/EOP  
Jake Siewert/OPD/EOP  
Maria Echaveste/WHO/EOP  
Robert B. Johnson/WHO/EOP  
Doris O. Matsui/WHO/EOP  
D. Stephen Goodin/WHO/EOP  
Craig T. Smith/WHO/EOP  
Minyon Moore/WHO/EOP  
Karen E. Skelton/WHO/EOP  
Judith A. Winston/PIR/EOP  
Claire Gonzales/PIR/EOP  
Michael D. McCurry/WHO/EOP  
Amy W. Tobe/WHO/EOP  
Joseph P. Lockhart/WHO/EOP  
Barry J. Toiv/WHO/EOP  
Nanda Chitre/WHO/EOP  
Stephanie S. Streett/WHO/EOP  
Jennifer M. Palmieri/WHO/EOP  
Karen E. Finney/WHO/EOP  
Aviva Steinberg/WHO/EOP  
Laura A. Graham/WHO/EOP  
Todd Stern/WHO/EOP  
Dan K. Rosenthal/WHO/EOP  
Christopher Wayne/WHO/EOP  
Beverly J. Barnes/WHO/EOP  
Karen Tramontano/WHO/EOP  
Victoria Radd/WHO/EOP  
Peter Rundlet/WHO/EOP  
Virginia Apuzzo/WHO/EOP



*(For Internal Planning Use Only)*

**THE WEEK AHEAD**  
**January 19 - January 25, 1998**  
*(All items are subject to change)*

**Monday (1/19):** Today, President Clinton (Cardozo High School, Washington D.C.), the First Lady (MCI Center, Washington D.C.), Vice President Gore (Atlanta, GA), 12 Cabinet Secretaries and Agency heads, members of the President's Race Initiative Advisory Board, and numerous other White House and Administration staff members will join Americans across the country to celebrate the memory of Martin Luther King by giving service and participating in local events highlighting the importance of service and giving back to our communities.

**Tuesday (1/20):** President Clinton will meet with Israeli Prime Minister Netanyahu. The President will also attend an event to present the Medal of Honor to Major General James L. Day, for his heroic service as a Marine during WWII, the ceremony will take place in the East room.

**Wednesday (1/21):** No message event scheduled. President Clinton will attend the WH Endowment Dinner. (SOTU prep)

**Thursday (1/22):** President Clinton will meet with Chairman Arafat. (SOTU prep)  
*(FYI - Roe v. Wade 25th Anniversary)* VP - speaking at NARAL Lunch.

**Friday (1/23):** President Clinton will hold a Cabinet meeting. (SOTU prep)

**Saturday (1/24):** President Clinton's radio address will be broadcast. Topic to be determined.



## Q's and A's on GOP Education Agenda

**Q: Today Senate Republicans held a press conference outlining their education agenda for he year. Their "BOOKS" package will reportedly include Sen. Coverdell's \$2.6 billion K-12 education IRAs, \$200 million to train teachers and parents to teach reading, \$75 million for vouchers, and more funds for disabled students, anti-drug programs, and charter schools. The package will also include provisions requiring that federal funds go to the classroom level and allowing states to use federal funds for teacher testing and merit pay increases. What is the Administration's response to the Republican proposal?**

A: As you know, the President considers education a top priority and has already begun to outline a very ambitious agenda for the coming year. We are glad that Republicans have recognized how important improving education is to the American people and we look forward to working with Congress in a bipartisan fashion on key areas of agreement, such as public charter schools and efforts to improve student reading skills in the early grades. In particular, we encourage them to act on legislation that the House has already passed on the President's America Reads proposal, as well as on expanding charter schools. We also hope that they will support the President's proposals in areas such as expanded after-school programs, school construction, urban and rural Education Opportunity Zones and resources to recruit and prepare teachers for underserved areas.

**Q: The Republican agenda seems to include several items that the Administration rejected in the last session of Congress: the Coverdell proposal, a voucher demonstration, and the Gorton bill. What is the Administration's reaction to those proposals and do you expect to reach some kind of agreement on these proposals in order to move forward with your education agenda?**

A: The President's agenda is to strengthen public schools through high standards, greater choice in public education and more accountability for results. He remains strongly opposed to legislation that would undermine public schools or substitute arbitrary block grants for key investments in such areas as technology, school safety, and charter schools.

**Q: What about the Republican proposals to allow states to use federal funds for teacher testing and merit pay?**

A: The President has said many times that he thinks that good teachers should be rewarded and bad teachers should be counseled to improve or removed from the profession. The President's new proposals, such as the Education Opportunity Zones, will stress the importance of teacher and school accountability for raising student achievement, and we will continue to encourage states to reward master teachers who attain national certification. We would also point out that some federal program funds, such as Goals 2000, could already be used for these purposes if states wish to do so as part of their school reform efforts.

**Q: Could you explain again why you object to the Coverdell proposal, given that you supported education IRAs for postsecondary education?**

- A:
- The Coverdell provision, as proposed in the last session of Congress, would have diverted attention and resources from public schools, where 90% of the nation's students attend.
  - The Coverdell Amendment would have disproportionately benefited the most affluent families and provided little benefit to lower- and middle-income families.
  - As Secretary Rubin noted, the legislation provided virtually no guidance in identifying appropriate expenses and would have led to significant additional tax complexity for families.
  - Finally, the legislation would have essentially rewarded families, especially upper-income families, for what they would have done anyway.

**Q: You spent much of 1997 fighting with Republicans over the Administration's proposal for Voluntary National Tests in reading and math. Republicans have signaled that they expect to continue their efforts to kill the tests in 1998, and many Democrats are sympathetic. Do you plan to continue to work for the national tests this year?**

A: Absolutely. High national standards and national tests in the basics are critical for our students, especially students in our poorest communities. There is nothing worse that we can do than allow the tyranny of low expectations to limit a child's future. We need to have rigorous expectations for students and then do everything we can to help them succeed. Last year we worked hard to reach a bipartisan agreement allowing the tests to move forward under an independent board, and I will work with Congress in a bipartisan fashion this year to insure continued progress.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 11:35:45.00

SUBJECT: Reponse to Medicare Buy-in Story

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

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

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

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

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

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

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

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

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

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

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

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

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

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



**Questions and Answers on Health Care**  
**January 20, 1998**

**Q. How do you respond to critics of the Medicare buy-in proposal who charge that it is not and cannot be self-financing?**

**A: We simply do not believe they understand the policy.**

**First of all, the President's proposal explicitly would direct the Medicare actuary to set premiums at levels necessary to pay for the cost of this program. Unlike any other previous changes to the Medicare program, this policy asks the people benefiting to pay for the costs associated with this coverage. Each year, the actuary would be required to adjust those premiums to reflect actual experience to ensure that they are sufficient to offset costs. [This is the same career actuary whose projections about the financial status of Medicare are relied upon by Medicare's Trustees, Republicans and Democrats alike. We have full confidence that his estimates are sound.]**

**Second, from the beginning, we have acknowledged --and paid for -- any up-front costs associated with this proposal. The day the President announced the proposal we laid out the \$2 billion cost that was associated with this proposal. We also committed to completely offset these costs through a package of fraud, waste and abuse initiatives that will be included in the President's budget proposal.**

**Follow Up: If this is self-financed, why is there any cost associated with this proposal?**

**A. To ensure that the premium is affordable, we designed the 62-65 buy-in proposal so that there were two premium payments. Since the second premium is not paid until age 65, there is a short-term "loan" to participants to cover this cost. It is paid back, with interest, by the participants and the temporary cost is completely offset by anti-fraud, waste and abuse savings.**

**BACKGROUND: The first premium payment, about \$300, reflects the average cost of this age group and would be paid monthly before participants turn 65. The second premium, about \$15 per month per year for each year participants enrolled in Medicare before age 65, would be paid at the time of Medicare eligibility (at age 65). This amount offsets the additional costs resulting from the fact that participants are expected to be sicker than average.**

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 16:05:14.00

SUBJECT: High performance bonus & child support issues

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

TEXT:

I spoke to Barbara Chow this afternoon, and she is still insisting on a separate measure for earnings gain (not combined with job retention for a "success in the workplace" measure). Thus, we are at loggerheads, and, as Diana has outlined below, after we have moved to try to accomodate their concerns.

In the meantime, OIRA is suggesting we have an Elena-Olivia-Barbara Chow meeting tomorrow to discuss this -- i.e, see if we can all work this out without having an EOP position. This is a bit dangerous, because OMB and HHS agree here, but it could also move the ball forward. What do you think ?

On another matter, Barbara Chow is also holding firm on changing the child support budget language -- as you suggested, I made a pitch for --

"The Administration will hold a dialogue with the stakeholders of the child support program to look at ways to address these problems, and work with members of Congress to prepare legislation." or work with members of Congress on legislation."

instead of "in working with members of Congress, will prepare legislation."

----- Forwarded by Cynthia A. Rice/OPD/EOP on 01/20/98  
04:02 PM -----

Diana Fortuna  
01/20/98 03:14:27 PM  
Record Type: Record

To: Cynthia A. Rice/OPD/EOP  
cc:  
Subject: hi perf notes -- as an attachment and attached

Attached is a straight chronology, followed by an attempt (after the asterisks) to lay out an argument: that we've moved to implement the deal we struck with them (they would drop welfare exit if we would drop earnings gain), and they still won't compromise. Charts are slightly hard

to do because most of the time there is no OMB position to measure ourselves against. But I think the best argument is that we agreed on a trade and that we have delivered on it. Now we are arguing about window-dressing.

Chronology:

HHS Position	JE	16%
	JR	16%
	EG	16%
	Improv -- JE	16%
	Improv -- JR	16%
	Improv -- EG	16%

Original DPC Position	JE	50%
	JR	25%
	Improv -- JE/JR	25%

OMB Response: Desire for earnings gain  
 Desire to count only those exiting welfare  
 Willingness to compromise on #2 if we  
 compromise on #1

DPC 2nd Position:	JE	50%
	JR/EG	25%
	Improv -- JE	12.5%
	Improv -- JR/EG	12.5%

OMB Response:	JE	30%
	JR	20%
	EG	20%
	Improv -- JE	10%
	Improv -- JR	10%
	Improv -- EG	10%

DPC 3rd Position:	JE	40%
	JR/EG	40%
	Improv -- JE	10%
	Improv -- JR/EG	10%

OMB Response: No, still want separate measure for JR and EG

Measure	DPC Original Pos.	DPC Current Pos.	HHS
JE	50%	40%	16%
JR	25%	20%	16%
EG	0%	20%	16%
Improv -- JE	12.5%	10%	16%
Improv -- JR	12.5%	5%	16%
Improv -- EG	0%	5%	16%

\*\*\*\*\*

OMB stated that they would compromise on welfare exit if we compromised on earnings gain. The following chart shows that we did so, but it is still unacceptable to OMB.

Measure	HHS Position	DPC Original Pos.	DPC Current Pos.
Earnings Gain	16%	0%	20%
Improv -- Earnings Gain	16%	0%	5%



Chronology:

HHS Position                    JE                    16%  
    JR                    16%  
    EG                    16%  
    Improv -- JE        16%  
    Improv -- JR        16%  
    Improv -- EG        16%

Original DPC Position        JE                    50%  
    JR                    25%  
    Improv -- JE/JR     25%

OMB Response:                Desire for earnings gain  
    Desire to count only those exiting welfare  
    Willingness to compromise on #2 if we compromise on #1

DPC 2nd Position:            JE                    50%  
    JR/EG                25%  
    Improv -- JE        12.5%  
    Improv -- JR/EG     12.5%

OMB Response:                JE                    30%  
    JR                    20%  
    EG                    20%  
    Improv -- JE        10%  
    Improv -- JR        10%  
    Improv -- EG        10%

DPC 3rd Position:            JE                    40%  
    JR/EG                40%  
    Improv -- JE        10%  
    Improv -- JR/EG     10%

OMB Response:                No, still want separate measure for JR and EG

Measure	DPC Original Pos.	DPC Current Pos.	HHS
JE	50%	40%	16%
JR	25%	20%	16%
EG	0%	20%	16%
Improv -- JE	12.5%	10%	16%

Improv -- JR	12.5%	5%	16%
Improv -- EG	0%	5%	16%

\*\*\*\*\*

OMB stated that they would compromise on welfare exit if we compromised on earnings gain. The following chart shows that we did so, but it is still unacceptable to OMB.

Measure	HHS Position	DPC Original Pos.	DPC Current Pos.
Earnings Gain	16%	0%	20%
Improv -- Earnings Gain	16%	0%	5%
Total Earnings Gain	32%	0%	25%



## MEMORANDUM FOR THE PRESIDENT

**FROM:** BRUCE REED  
MIKE COHEN

**SUBJECT:** Class Size Reduction Block Grant Design Issues

The purpose of this memo is to provide you with some detail about the critical design issues in the Class Size Reduction Block Grant. On one issue, a proposal to test new teachers, we present options for your consideration.

### I. Background

The purpose of this initiative is to reduce class size and provide qualified teachers in the early grades in order to ensure that all 8 year olds learn to read. More specifically, this initiative will help reduce class size from an average of 22 nationwide to an average of 18 in grades 1-3. In designing it, we have been guided by several considerations.

First, the best research evidence suggests that the benefits of smaller classes accrue especially to the most disadvantaged students, and occur most powerfully when classes are no larger than 15-18 students. To be both credible and effective, this initiative must get the vast majority of classes into that range, especially in high-poverty schools.

Second, California's recent experience demonstrates that programs to reduce class size can and will lead to the hiring of plainly unqualified teachers, particularly in urban areas, if safeguards are not built in.

Third, efforts to reduce class size can exacerbate and be thwarted by shortages of space.

Fourth, because this is a new area of federal involvement in education, the requirements placed on state and local grant recipients in order to ensure effective use of the funds must be clearly justified and not leave us vulnerable to charges of federal intrusion.

There are a number of other proposals to provide federal support to recruit or hire teachers, primarily to respond to the need to hire an estimated 2 million teachers over the next decade. Senator Kennedy proposes to help recruit 100,000 teachers per year over the next decade by forgiving up to \$8,000 in loans for those who become teachers. Rep. George Miller has also advanced a proposal to provide loan forgiveness for an-as-yet unspecified number of individuals who enter teaching.

In contrast to the Kennedy and Miller proposals, your proposal involves funding teacher salaries rather than providing loan forgiveness, since the primary cost of reducing class size is salaries for additional teachers. In addition, there is little evidence that loan forgiveness is an

effective tool for attracting people who otherwise wouldn't teach into the profession, and considerable evidence to suggest that it is insufficient to attract and retain well prepared candidates where they are needed most -- in the high-poverty urban and rural districts that most frequently experience shortages.

Rep. Bill Paxon has also announced a proposal to help school districts hire 100,000 teachers, by funding teacher salaries. His proposal would pay for this by eliminating Goals 2000, Americorps and the National Endowment for the Arts as well as a number of other programs. While these additional teachers could be used to lower class size, Paxon does not require that funds be used for this purpose.

We believe the existence of a Republican proposal for the federal government to pay teacher salaries on a large scale, that attaches conditions to it (e.g., teachers hired with these funds could not be tenured), and that requires states and local school districts to share the total cost of the initiative, provides some protection for your proposal against charges of federal intrusion. It may also ultimately provide the basis of a bipartisan effort.

## II. Funding Issues

Your budget will include \$11.4 billion over 7 years to hire 100,000 teachers, enough to reduce class size in grades 1-3 to an average of 18 nationwide. The table below shows the annual budget, number of teachers communities would hire each year, and the impact on class size.

Fiscal Year	Budget (in billions)	Number of Teachers Hired	Average Class Size in Grades 1-3
1998			21.9
1999	\$1.1	35,714	20.3
2000	\$1.3	42,208	20.1
2001	\$1.5	48,701	19.8
2002	\$1.7	55,195	19.6
2003	\$1.74	56,331	19.5
5 Year Total	\$7.34		
2004	\$2.3	82,143	18.6
2005	\$2.8	100,000	18.1
7 Year Total	\$12.4		

## **A. Distribution of Funds to States**

We would distribute funds to states on the basis of the Title 1 formula, which is based on the number of students in the state, weighted by poverty and by the cost of education. We also considered distributing the funds based on the number of new teachers needed to reduce class size to the target of 18, also weighted by poverty and cost. While this formula is somewhat more efficient in targeting funds for the program purposes, it also would "penalize" California because of that state's own class size reduction initiative, a situation that would be untenable. Further, while a handful of states either receive "windfalls" or "shortfalls" under the Title 1 formula compared to the number of teachers they would need to hire to reach the class size target, for the most part states receive a comparable percentage of the total funds under either formula.

With this formula, we will be able to reduce average class size in grades 1-3 to 18 nationwide.

Once a state has reached an average of 18 in grades 1-3, it could use these funds to further reduce class size in those grades, or it could extend its efforts to other grades.

## **B. Targeting Funds Within States**

Though this proposal is universal in scope, we want to drive the funds to school districts with the largest class sizes, and to give priority to high-poverty districts. To accomplish this, we would require states to guarantee high-poverty school districts (defined as those with at least 10,000 poor children or 30% of students in poverty) at least the same share of the State's class size funds that they receive of the State's Title 1 funds. States would allocate the remaining funds on the basis of class size within the state. In addition, the State would describe its methodology for making this allocation in its plan to the Education Department, and make that methodology public within the State.

This approach ensures that major urban school districts and other high-poverty areas will receive their "fair share" of the funds, while still leaving states with the ability to target funds to school districts with large classes, regardless of their income levels.

## **C. Cost-Sharing Requirements**

We would require matching funds from participating local school districts, on a sliding scale that would average 80% federal and 20% local. High-poverty school districts would be required to provide a 10% match, while the wealthiest would be required to provide a 50% match. School districts would be permitted to use other federal funds for the match, a feature

that will primarily benefit high-poverty school districts that receive substantial amounts of Title 1 funds. This approach would encourage districts to use Title 1 funds for class size reductions rather than continuing to hire classroom aides or resource teachers who pull Title 1 students out of the classroom -- practices that are neither required or encouraged by the Title 1 statute, but which have nonetheless been continued in many districts around the country.

#### **D. Duration of Program**

Because we will be presenting a five year budget, many will automatically assume that we expect this initiative to end after five years. This will heighten concerns about federal intrusion and fears that local school districts will be stuck with higher personnel costs shortly after the program is fully implemented. (Rep. Paxon's proposal would end federal funding after 5 years.) We believe that the best way to deal with this is to make clear that we see this initiative as a continuing part of federal aid to education, and not a one-time effort.

This longer approach will also be necessary in order to fund 100,000 teachers; the funding levels in the first five years will pay for approximately 56,000 teachers. Because we are paying for this initiative with revenue from tobacco legislation, we will have an added basis for describing this as a long-term program.

### **III. Teacher Quality**

For reductions in class size to result in improved reading performance, we need to make sure that both newly hired and existing teachers are fully qualified, and have the knowledge and skills to teach reading effectively in small classes. This will not occur without a deliberate strategy, for considerable research and recent experience in California demonstrate that many existing teachers lack expertise in reading instruction and will need help to alter their teaching practices to capitalize on small classes. Further, many school districts, particularly in high-poverty areas, will hire teachers on emergency certificates, lacking even basic preparation for teaching.

We propose a number of steps to deal with these challenges.

**A. 10% Set-Aside for Quality:** The overall budget for this initiative is based on the average cost of newly hired teachers (assuming that 75% are beginning teachers and 25% are experienced teachers returning to the classroom or moving between districts) plus a 10% increment in the first 5 years to address teacher quality issues. This will give every school district funds that can be used for a number of purposes, including (1) training existing teachers in effective reading instruction practices and/or in effective practices in small classes; (2) providing mentors or other support for newly hired teachers; (3) providing incentives to recruit teachers to high poverty schools; (4) providing scholarships or other aid to paraprofessionals or

undergraduates in order to expand the pool of qualified teachers.<sup>1</sup>

We will permit districts to carry over unspent funds. This will permit districts to invest in the first couple of years in recruiting and training qualified teachers, before reducing class size on a large scale.

Local school districts will also be required (and have the time) to develop an overall strategy for improving teacher quality as part of the class size reduction initiative, and will be encouraged to consider how to use other funds, including federal funds from Title 1, Eisenhower Professional Development Program, America Reads, and Goals 2000.

**B. Require Teachers to Meet State Certification Standards:** States and school districts would be required to ensure that individuals hired to fill these new positions must be either fully certified or are making satisfactory progress toward full certification. School districts could use the teacher quality funds described above to provide teachers with the additional training needed to meet certification requirements.

**C. Encourage States to Adopt Rigorous Professional Tests and Upgrade Teacher Certification Requirements:** As part of this initiative, we would allow states to use a small portion of their funds to make their teacher certification requirements more rigorous and performance-based, reflecting what beginning teachers must know and be able to do. There is widespread agreement that current teacher certification requirements are not a good indicator of teacher quality and need to be upgraded. The National Commission on Teaching and America's Future, chaired by Gov. Hunt, has recommended that states toughen their licensure requirements to reflect what beginning teachers must know and be able to do. The commission recommended that prospective teachers be required to pass rigorous tests of subject matter expertise and professional knowledge before they start teaching, and that beginning teachers not be fully certified until they have taught for several years and can also demonstrate that they have met rigorous standards of classroom teaching, through classroom observations and other forms of performance assessment.

Twenty states have already adopted performance-based standards along these lines. Sixteen states are working together to develop common assessments for beginning teachers, and additional states are likely to join this effort over time. Permitting states to use a portion of their funds to improve their licensure systems is likely to accelerate these trends and to improve the quality and preparation of people entering the profession. We estimate that the state the furthest along could have more rigorous certification and testing requirements in place in the next 3-4

---

<sup>1</sup> At the NAACP Convention in July you announced a \$65 million per year competitive grant program to help high-poverty urban and rural communities recruit and prepare new teachers (Title V of the Higher Education Act). Districts that compete for these funds would receive priority for showing how they will effectively integrate both class size funds and Title V funds into a comprehensive effort to recruit and prepare new teachers.

years, and that all states could be brought on line by 2005.

**D. Hold School Districts Accountable for Results:** As discussed below, part of the overall design for this initiative will be to require school districts and each individual school to make measurable progress in improving reading achievement within 3 years, or take corrective action. If improved reading achievement does not result after corrective action, the district could lose a portion of its continued funding. This approach will provide powerful incentives for school districts to recruit and hire people who will be effective in the classroom, and to provide all teachers in grades 1-3 with high quality professional development.

All of your advisors agree on the four steps outlined above. There is disagreement about one additional component:

**Requiring new teachers to pass state basic skills tests.** Most of your advisors feel strongly that the above measures are not sufficient to persuade the public that new teachers would be able to measure up in the classroom. Existing teacher certification requirements are generally not viewed as effective means of ensuring quality, and the tougher standards and testing requirements we are encouraging states to adopt will not be implemented for some time. They feel that, as part of this initiative, states should require basic skills testing for new teachers, with the particular test selected by each state.

This requirement is intended to give parents the confidence that new teachers in the elementary grades at least have basic reading and math skills, and is needed because teacher certification standards in general are not seen as much of an indicator of teacher quality. It also builds on your landmark efforts on teacher testing in Arkansas. A tough, clear message on teacher competency would also make it difficult for Republican opponents to paint this initiative as simply a way for the Administration to help the teachers' unions expand their memberships. The most comparable Republican proposal takes a "tough on teachers" approach by prohibiting the teachers it hires from being tenured

Under this proposal states would be required to give prospective teachers basic skills tests at some point before they enter the classroom. Approximately 40 states already have such a requirement in place.<sup>2</sup> As is the case with teacher certification requirements, states would retain the ability to let teachers who fail the test to teach with an emergency certificate. We considered and rejected a stronger version, that would require prospective teachers to pass the test before they could teach. We felt that such a requirement, while reasonable on its face, might well negatively affect the supply of teachers in poor districts that already have a hard time finding qualified teachers. It could also drive states to simply lower the passing score on the tests.

---

<sup>2</sup> According to the most recent state-by-state data, the following states would have to institute basic skills testing for teachers under this proposal: Alaska, Georgia, Idaho, Iowa, Maryland, Missouri, New Jersey, New York, Utah and Vermont.

The Education Department opposes this proposal, and recommends that any efforts in teacher testing be limited to the proposal above to encourage states to adopt tough new tests of subject matter and professional knowledge for beginning teachers, as part of initiatives to upgrade teacher certification requirements. If it is necessary to require states to test teachers, Education would prefer to require states to implement these new tests.

Education argues that passing a basic skills test is no assurance of teacher quality. It sets the bar too low for teachers, and undermines your long-standing push for higher standards for both students and teachers. It sends the wrong message to the public about teachers, reinforcing the erroneous notion that academically weak people go into teaching. Further, because our proposal would permit teachers who fail the test to teach under an emergency license, Education points out that our testing requirement would not prevent the current situation, in which people can teach without demonstrating they possess basic skills. Finally, many in the civil rights community are likely to raise concerns that new testing requirements, especially without proper validation, are likely to have disparate impacts on minorities.

#### **IV. Facilities**

The need to find additional classrooms in order to reduce class sizes will increase the existing, considerable facilities needs. However, this impact will not be evenly distributed. Some areas, particularly cities with increasing immigrant populations (e.g. Los Angeles, South Florida) have schools that are already extremely over-crowded, while there are other cities, particularly in the northeast (e.g. Baltimore, D.C.) that have more capacity than the student population demands.

We propose several steps to address facilities issues, including (1) Rely on our \$10 billion school construction initiative to provide incentives for communities to invest in local school facilities; (2) Make facilities changes needed to reducing class size an allowable use of school construction funds; (3) Phase in implementation of the class size reduction proposal to allow for enhanced state/local facilities planning; and, (4) Allow those districts that absolutely have no space available for additional classes to use some of their class size reduction funds to implement proven reading instruction practices instead.

#### **V. Accountability**

School districts receiving these funds must be accountable both for using them to actually reduce class size, and for improving student performance in reading. We propose three forms of accountability.

First, a school district receiving these funds must show it is actually reducing class size rather than filling old slots, by reporting class size in grades 1-3 to parents and to the state each year. Each school must publish an annual report card showing reading achievement, class size

and teacher qualifications.

Second, as is the case with other federal education programs, we will incorporate a "maintenance of effort" provision, that requires states to keep up their overall investments in K-12 education.

Third, we will require accountability for results. Rather than establishing a separate accountability system for this initiative, we would build on Title 1 reporting and accountability requirements, which already require school-by-school reporting of progress in reading, measured against state standards and tests as defined under Title 1 and Goals 2000. Under Title 1, school districts must define adequate annual progress for each school.

Under this initiative, for every school that fails to make adequate progress over three years, the district would be required by the state education agency to develop and implement a corrective action plan. If the school fails to show improved reading achievement after implementing the corrective action plan, the state could withhold the equivalent of the school's share of the district's funds.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 13:04:10.00

SUBJECT: Good Housekeeping

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 not sure where we are on Good Housekeeping. I was sort of waiting to resolve the FMLA policy before getting back to Paul Begala. Should I continue to do that or follow up with him? With Jurate Kaczikas?

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 12:08:47.00

SUBJECT: time poll

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

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

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

TEXT:

A TIME/CNN poll says they want to slash the national debt accumulated in those deficit-spending years. Maybe they feel guilty about their own credit-card bills or are worried that today's prosperity could melt into tomorrow's slowdown. And while those polled like some of Clinton's spending plans, such as expanded Medicare, they are less certain about him. Most believe that America is better off than in 1992, but that Clinton has turned out to be an "average" President.

Which of these proposals about how to spend some of the budget surplus should be a top priority or high priority?

Reducing the national debt-- 78%  
 Providing more tax credits for child care-- 74%  
 Extending Medicare to include some 55- to 64-year-old Americans-- 71%  
 Cutting federal income taxes-- 68%  
 Ending the income tax "marriage penalty"-- 50%  
 Increasing spending on federal highway programs-- 44%

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 16:47:03.00

SUBJECT: longest phone tag in history

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

READ:UNKNOWN

TEXT:

please page me when you are available to talk. i'm getting swamped with questions about tobacco and education. we need to talk about how/when to roll this out. the wsj article caused lots of problems in my part of the world.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:20-JAN-1998 15:32:13.00

SUBJECT: GOP education press conference

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: Jonathan H. Schnur ( CN=Jonathan H. Schnur/O=OVP @ OVP [ UNKNOWN ] )  
READ:UNKNOWN

CC: Barry White ( CN=Barry White/OU=OMB/O=EOP @ EOP [ OMB ] )  
READ:UNKNOWN

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

CC: Robert M. Shireman ( CN=Robert M. Shireman/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:

In case you missed it, GOP's:

-- Said that all programs would be block granted through states to districts, except Title I, for which the only change is that 95% has to go to the classroom -- and said governors accept that. It wasn't entirely clear if they meant to include special ed -- they claimed not to have a list of covered programs. Only program specified was Goals 2000. Said that states would still specify criteria.

-- Now claims that there are 788 federal education programs (up from 760).

-- Denied that they favor comprehensive testing of teachers, but confusingly said that their legislation just provides incentives/removes any limitations on using federal funds to do that. When asked, they didn't know if there were any limitations to begin with. Emphasized that testing is not mandated in their proposal.

-- On a question about national testing and the National Association of Manufacturers, Lott said he thought that Congress could reach some kind of agreement with Admin on national tests, but then said tests should be determined by teachers and parents at the local level, not bureaucrats, that what was needed was more flexibility in how tests were developed and administered, that folks would keep moving forward on this.

-- When pressed on the problem of being able to compare existing tests, Coverdell replied with irritation how do you think we determined that 4 out of 10 haven't passed basic skills [the answer, of course, is a national test -- NAEP]. Said we didn't want to be dumbing down and didn't want teachers to teach to a test of a national curriculum.

-- On the Coverdell K-12 IRA, Lott said that 'he had reason to believe that the Administration was beginning to see the wisdom of the proposal' and that Admin will eventually go along with that.

-- Lott said he expected we should be able to work together on charter schools, reading, and work study, but emphasized that we can't break the budget caps.

Currently ED is not planning on doing a statement, but they will use our talking points, and also have provided some of the language to Dascle's office, who is doing a statement.

-- Bill

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Karen Tramontano ( CN=Karen Tramontano/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME:20-JAN-1998 10:36:23.00

SUBJECT: HRC -- ENDA

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

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

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

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

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

CC: Sara M. Latham ( CN=Sara M. Latham/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

Hillary Rosen, Chair HRC called and asked whether the President could mention ENDA in the SOTU. Her rationale -- the President supports ENDA, they were w/in one vote of passage, he is the best spokesperson on issues of discrimination, fairness --

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME: 20-JAN-1998 19:02:21.00

SUBJECT: Havard Law School

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

READ: UNKNOWN

TEXT:

EK:

Leanne and I were wondering just how many Harvard Law types do you know that work for the Administration?

jc3



## STATEMENT OF WORK

Provide Support to the Department of Justice for the Implementation of an Organizational Restructuring of the Immigration and Naturalization Service that Separates Enforcement and Services Functions, Improves Accountability and Clarifies Lines of Authority

### I. Purpose and Objectives

The purpose of the tasks listed in the statement of work is to work and coordinate closely with the Department of Justice (DOJ), the Immigration and Naturalization Service (INS), and the Executive Office of the President (EXOP) to: (1) examine the organizational restructuring of the INS proposed by the Office of Management and Budget (OMB) and outlined in Budget passback; (2) develop an implementation plan for this restructuring proposal that reflects the principle that enforcement and benefit/services operations are separated -- both in headquarters and the field; and (3) recommend focused, specific alternatives to organizational and management recommendations contained in the passback proposal, where necessary and appropriate. The objective of this effort is to maintain INS' enforcement and benefit functions within one agency and building off of the OMB passback proposal, develop an implementation strategy that achieves a separation of enforcement and benefit functions and details improvements in management, organization and structural support functions that will enhance this separation and result in improved agency operations.

### II. Statement of Work

In response to the purposes and objectives outlines above, the contractor shall perform the following services:

The contractor shall develop an organizational implementation plan based on the restructuring proposal detailed in the November 25, 1997, passback to the Department of Justice and outlined in the President's Budget narrative. The project shall include the completion of the following tasks:

#### **Task 1. Interviews and Data Collection.**

Conduct structured interviews with INS, Department and EXOP policy officials.

Convene a series of focus groups in Washington, D.C. for key INS and senior management officials, including field-based officials, such as Regional Directors, District Directors, Chief Border Patrol Agents, Regional and District Counsels, and INS Headquarters officials, including the Commissioner and other senior agency, department and EXOP officials.

#### **Task 2. Recommend an Implementation Strategy for INS Restructuring**

Based on the restructuring proposal outlined in passback and the data and information obtained from the interviews and data collection conducted under Task 1, propose an implementation strategy that adheres to the principles contained in Section I of this document.

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

### III. Progress Reports and Status Reporting

The contractor shall provide detailed, written progress reports to, and meet weekly with, a Senior Policy Board and brief this Board on the progress of the project, solicit input and receive guidance. Board membership shall include representative from the INS, DOJ and EXOP.

### IV. Period of Performance

The duration of this project will be two months, beginning on December 31, 1997. The contractor will provide a draft report to the Board described in Section III no later than Monday, February 16 with a final report, reflecting guidance provided by the Board, to the Department of Justice by March 1, 1998.

### V. Government Support

The contractor will receive the following Government support for the performance of these tasks:

- A. Documentation. Access to reports, studies, data and related materials necessary to perform these tasks.
- B. Technical Assistance. Points of contact will be designated by applicable, DOJ, INS and EXOP offices to ensure consistency in areas related to data exchange and verification and other liaison matters. This assistance normally will be available only during normal business hours.
- C. Senior Policy Board Input. The contractor will meet weekly with a Senior Policy Board of INS, DOJ and EXOP to discuss progress and problems related to the successful completion of these tasks and deliverables in accordance with the approved workplan and schedule. The Policy Board will provide assistance, guidance and direction to the contractor as necessary.

### VI. Deliverables

In performance of the above tasks and in accordance with the above purpose and objectives, the contractor shall submit the following deliverables:

<u>Deliverable</u>	<u>Due Date</u>
Conduct Interviews and Data Collection	January 31, 1998
Present Draft Report to Board	February 16, 1998
Present Final Report to the Department	March 1, 1998

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Neera Tanden ( CN=Neera Tanden/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 21-JAN-1998 18:16:04.00

SUBJECT: child care and NPR interview

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

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

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

TEXT:

I think this is actually a problem.

Transcript from NPR interview

Q So, if you don't get the tobacco settlement, you'll cut elsewhere?

THE PRESIDENT: If I don't get -- in other words, if we don't get the tobacco settlement, we'll either have to cut the size of the child care initiative or cut elsewhere, or do something else, because I will not just, on my own, get up and propose that we spend the proposed settlement, or part of it, on these programs. I think they are terribly important, but right now we've got other fish to fry. And we've got to make sure -- the most important thing is to keep this economy growing, to keep disciplined, to keep strong, to do what makes sense. And that's what has gotten us here, five hard years of that, and we don't want to forget that.

So we do have new spending in our programs, but it's new spending within a context of fiscal discipline. It's new discipline with the smallest federal government since Kennedy was President and the size of it continuing to go down.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 16:20:50.00

SUBJECT: Final Welfare to Work Housing Voucher documents

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

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

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

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

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

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

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

TEXT:  
Here are final versions of three documents.  
Q&As on vouchers

One pager on vouchers

One pager on vouchers for specialty press, with last paragraph added.

===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:  
Unable to convert ARMS\_EXT:[ATTACH.D72]MAIL48801602R.026 to ASCII,  
The following is a HEX DUMP:

FF5750437C1D0000010A020100000002050000008645000000020000C9138D9CC8E7B4B07A2419  
A374F250E100D876A0E08E7BB7D7F348BC645F74D51A093F09B6B455D2FFE1A9832CDC6BFD45  
2CE5BB810538250235E50C7555C73BBCFC82E769812C2A668EA3D4BD06EFB56DCB9DACE95F161  
667FDE34500F8311BE0611F2E711C16F33D8503A4439E879C9A3ABEC28B39C0D23E6B451D15F60  
BED9E320223BC0F8F4BEC3213D9026C78B2F284AFDDE417BD81B2F288C98D393659172AE9F88D7  
4A5471131013786EE09B55E139692C33D9BD6A4DEE92CB14D8C3FBE27049F55DE9A335CB756CE9  
AC73EC3D4C401BB7C02249399E8FFF204C65F83F25F452130A8B715D9E6DB1B64AC0FD75B4C58  
13F2A12EF61DFD333869C298EEE3688C6C844AA9A145AD125A27BD935F27C7061211BA4D289D8E  
DE7276927E23D5FFE1843068A6DBF242B4346E84BC61DFFB77134D2675BFE0546C2659C6286111  
53EAC3EE15EC04F98FD6EC5CDE80177018CEBF021B5B17C58D0E9D595D6387ECAC5D1C50247398  
8A5219FC8647E90404AD22E1468CA366C7BCD13AEC8708E2872BF8D25213AA6E8A0F8CA47F1ABF

# **Welfare to Work Housing Vouchers**

**January 21, 1998**

## **Internal Questions & Answers**

### **1. What are the new housing vouchers the President is proposing?**

The President's budget will provide \$283 million for 50,000 new housing vouchers for welfare recipients who need housing assistance to get or keep a job. Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place.

This proposal will help address the problem that in many regions, jobs are being created far from where many welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. To make this daily commute possible, the President is fighting for a \$600 million welfare to work transportation initiative as part of the reauthorization of ISTEA. But in some cases it makes more sense for someone to move closer to work, and this new proposal will make that possible.

### **2. How are you going to pay for these new vouchers?**

Next month the President will send to Congress the first balanced budget in 30 years. This proposal, which costs \$283 million in the first year, and an estimated \$1.3 billion over five years, will be paid for through cuts in other areas of the federal budget. We believe this is a sound investment which can be paid for in the context of a balanced budget.

### **3. Aren't you just replacing one form of welfare with another?**

No. Families will be eligible for these vouchers only if they are working. This is not a free ride--while these vouchers will make housing more affordable, most families will still have to spend about 30% of their income for rent.

### **4. Given the shortage of affordable housing nationwide, why give welfare recipients special preference for these new vouchers? Will this create an incentive for people to get on welfare in order to get housing?**

We think it makes sense to assist families who are working hard to leave welfare and make a better life. These vouchers will only be available to those who are working and for whom the voucher is critical to that family getting or keeping a job. Families on welfare are already eligible for housing assistance, although there are long waiting lists in most communities. Besides, with the tough work requirements and time limits on welfare, we don't think people will sign up for welfare just to get a housing voucher.

While this proposal focuses on those leaving welfare for work, the President's FY99 budget proposal will also help spur private-sector development of more affordable rental housing for all low-income Americans through a 40% increase in the value of the Low-Income Housing Tax Credit. In addition, the Administration has a long track record of working to make housing affordable and accessible, including increasing funding for the HOME program by 50%.

**5. Is there any evidence that people need this help? How do you know it will make a difference?**

This proposal will help address the problem that in many regions, jobs are being created far from where many welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. To make this daily commute possible, the President is fighting for a \$600 million welfare to work transportation initiative as part of the reauthorization of ISTEA. But in some cases it makes more sense for someone to move closer to work, and this new proposal will make that possible.

Because there is a major shortage of affordable housing, many welfare recipients live in crowded conditions or substandard housing -- problems which make it difficult for them to get to work on time every day. Overall, about 2 million poor families with children pay over 50 percent of their income for rent or live in substandard housing. Only one-quarter of welfare recipients receive any type of housing assistance and less than half of these receive portable housing assistance that they can use to rent housing in the private market.

**6. Since demand far exceeds the number of new vouchers, isn't this just a drop in the bucket? How will you decide who gets them? Will every community get vouchers?**

This proposal will increase the overall supply of portable housing vouchers for families on welfare by over 10 percent -- a meaningful investment. Currently, 1.4 million households receive portable rental assistance, of which 446,000 are families with children whose primary source of income is public assistance.

The vouchers will be awarded on a competitive basis to the local housing agencies. Local applications will be developed in partnership with the state, local or tribal agency administering Temporary Assistance for Needy Families (TANF) and the local entity (generally the Private Industry Council) receiving Welfare-to-Work funds allocated on a formula basis by the U.S. Department of Labor. HUD, working with HHS and DOL, will review local applications and select the most promising ones based on established criteria.

The proposal builds in considerable flexibility for local agencies to decide how to best target the vouchers among eligible current or former welfare recipients within their community, because different approaches will make sense in different places.

**7. Won't this just encourage working people to move out of public housing, making housing projects even worse places to live?**

The proposal provides local agencies considerable flexibility to design strategies that make sense for moving families from welfare to work in their community. While this proposal is not targeted specifically at public housing residents, some local areas may elect to use the new vouchers to help some families move out of public housing and into a privately-owned apartment if such a move is critical to getting or keeping a job. We believe it is important to both increase the number of working people in public housing and to provide opportunities for public housing residents to move to private housing. These vouchers are just one part of our broader housing strategy, which includes attracting more working people to public housing and helping more housing residents get jobs.

#### **8. How will the new vouchers work? How is this different from existing housing programs?**

These new welfare to work housing vouchers would be available to families eligible for or currently receiving welfare, or who received welfare within the past year, who need the voucher to get or keep a job, and who meet the criteria for Section 8. The vouchers would be portable and could be used to rent private housing.

Under existing programs, a family is eligible for Section 8 if its income is below 50 percent of the area median income. Currently, there are about 1.4 million units each of portable tenant-based Section 8, project-based Section 8, and public housing.

Section 8 tenant-based vouchers are used to rent housing in the private market. Tenants pay the landlord approximately 30 percent of their income for rent. The public housing authority uses federal funds to pay the landlord the difference between the "fair market rent" and the tenant's rental payment. The average fair market rent, which varies widely around the country, is \$594 a month, the average tenant contribution is \$213, and the average HUD subsidy is \$350.

Section 8 project-based housing subsidies are not portable. They consist of rental units in buildings owned and operated by private owners (for profit and nonprofit). These subsidies cover part or all of the units in a particular building. Tenants pay 30 percent of their income to the project's owner for rent. The remainder is paid by the federal government. These are not administered by the local housing authority. Owners contract directly with HUD or through an intermediary state housing finance agency.

Public housing consists of rental units owned and operated by public housing authorities. Rents are generally set at 30 percent of tenants' income and are paid to the housing authority to help meet operating and maintenance costs. Federal subsidies also cover operating costs and are distributed to housing authorities on a formula basis.

## WELFARE TO WORK HOUSING VOUCHERS

The President's FY99 budget will take further steps to promote work and welfare reform through a new plan to provide 50,000 new housing vouchers to welfare recipients who need housing assistance in order to get or keep a job.

Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place.

The \$283 million proposal will help address the problem that in many regions, jobs are being created far from where many welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. To make this daily commute possible, the President is fighting for a \$600 million welfare-to-work transportation initiative as part of the reauthorization of ISTEA. But in some cases it makes more sense for someone to move closer to work -- and this new proposal will make that move from welfare to work possible.

### *How It Will Work*

These vouchers will provide States and communities with a new flexible tool to help families who need housing assistance in order to achieve self-sufficiency.

- The additional vouchers will be available on a *competitive basis* to local housing agencies. Local housing agencies, including Indian housing authorities, may submit an application, developed in consultation with the state, local, or tribal welfare agency and the local Welfare-to-Work formula funds grantee (typically the Private Industry Council).
- The vouchers will be used where they are *essential to a successful transition from welfare to work--that is, where housing assistance is critical for a family to get or keep a job.*
- Families who receive the vouchers must be *eligible for or currently receiving Temporary Assistance for Needy Families (TANF) or have received TANF within the past year.*

The initiative recognizes the direct link between affordable housing and self-sufficiency. Along with the Administration's proposal to increase the Low-Income Housing Tax Credit, this initiative will make decent, affordable housing available to more Americans.

01/21/98

## WELFARE TO WORK HOUSING VOUCHERS

The President's FY99 budget will take further steps to promote work and welfare reform through a new plan to provide 50,000 new housing vouchers to welfare recipients who need housing assistance in order to get or keep a job.

Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place.

The \$283 million proposal will help address the problem that in many regions, jobs are being created far from where many welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. To make this daily commute possible, the President is fighting for a \$600 million welfare-to-work transportation initiative as part of the reauthorization of ISTEA. But in some cases it makes more sense for someone to move closer to work -- and this new proposal will make that move from welfare to work possible.

### *How It Will Work*

These vouchers will provide States and communities with a new flexible tool to help families who need housing assistance in order to achieve self-sufficiency.

- The additional vouchers will be available on a *competitive basis* to local housing agencies. Local housing agencies, including Indian housing authorities, may submit an application, developed in consultation with the state, local, or tribal welfare agency and the local Welfare-to-Work formula funds grantee (typically the Private Industry Council).
- The vouchers will be used where they are *essential to a successful transition from welfare to work--that is, where housing assistance is critical for a family to get or keep a job.*
- Families who receive the vouchers must be *eligible for or currently receiving Temporary Assistance for Needy Families (TANF) or have received TANF within the past year.*

The initiative recognizes the direct link between affordable housing and self-sufficiency. Along with the Administration's proposal to increase the Low-Income Housing Tax Credit, this initiative will make decent, affordable housing available to more Americans.

The most recent data (1993) show that approximately 2.7 million African American households and 1.8 million Hispanic American households were eligible for but did not receive housing assistance. These new vouchers will help address the unmet housing need for some African American and Hispanic American families who are making the transition from welfare to

work.

01/21/98

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 18:55:32.00

SUBJECT: Re: Attachment for class size

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:

So, Morely doesn't like teacher testing. How do you want to handle this in the POTUS memo?

----- Forwarded by Michael Cohen/OPD/EOP on 01/21/98  
06:51 PM -----

Morley A. Winograd @ OVP  
01/21/98 05:08:43 PM  
Record Type: Record

To: Michael Cohen/OPD/EOP  
cc: jonathan h. schnur/ovp @ ovp  
Subject: Re: Attachment for class size

Mike:

I actually agree with DOE on this one. I don't even like the idea of submect mattter testing in the proposal. Teachers should know how to "facilitate the learning moment" above all. Any computer can give them the Sub. matter expertise they need.

Morley

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 17:53:18.00

SUBJECT: ed and tobacco

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

READ:UNKNOWN

TEXT:

please page me when you can. i'm hearing rumors about releasing ed early  
and can't afford to get caught flat footed.



# **Clinton Presidential Records Automated Records Management System [EMAIL]**

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

---

**Hex Dump file is not in a recognizable format, has been incorrectly decoded or is damaged.**

---

**File Name:** p\_t2061201\_opd\_html\_1.xls

**Attachment Number:** [ATTACH.D21]MAIL41021602U.026

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 15:02:42.00

SUBJECT: It looks like LA Times and AP are writing welfare stories

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:

and Judy Havemann is apparently giving the story to another Post reporter (Havemann is focusing on the other story of the day).

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 10:54:06.00

SUBJECT: tobacco

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:

any guidance on timing for a tobacco briefing of govs senior staff? we are getting close to chiles putting a call into the POTUS

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 15:08:48.00

SUBJECT: Welfare to Work Housing Voucher info for specialty press--w/ attachment

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

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

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

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

TEXT:

----- Forwarded by Andrea Kane/OPD/EOP on 01/21/98 03:09  
PM -----

Andrea Kane  
01/21/98 03:07:01 PM  
Record Type: Record

To: Estela Mendoza/WHO/EOP, Elena Kagan/OPD/EOP, WEINSTEIN\_P @ A1 @ CD @  
LNGTWY, Cynthia A. Rice/OPD/EOP  
cc:  
Subject: Welfare to Work Housing Voucher info for specialty press

We've added last paragraph to the one pager to provide to specialty  
press. Estela, please call me when you get this (6-5573).

===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D3]MAIL438075020.026 to ASCII,  
The following is a HEX DUMP:

FF575043EE1F0000010A02010000000205000000772E000000020000F0A0819EEF0E65E2C89AB8  
8F0A4896884B3E9FAF2F62C6F10D7002395DDE62F528022CE8F5F60EF258361BBEA6691CEFF6BE  
9442740D57DA6657564AE159C0BDFB21FEB23AD55557227A50A0385ACE989BEE5A56BEAD385D67  
5CE7D083C4C7A8D26F31E85F5B95429DD548B6151E6820A385B4FC759CB76817F410AF1AA5C88D  
ECDD2BF0950EACA1DCB7BBDEC9DE427DC6862C5C2EFDF287C144D1F8F13F6989D7028F865396F4  
98894521F1C0106AB3B01630628C8309E7C8911E9DC195AE4BE4D5C93A809DF6F9D2F82A775295  
5458850A6A77B6E7A1FD76F6086AE4DD64C7D0A575097D721F76D52F9BEC2F7239303471EF0AB9  
26BA485F13C185A3E51697B891981301D0366BAEC6BB641EC53219DD18D30C2D4C04DEEE4BB447  
2459144C0AF309C468C99AB121A336502AD2CE49CEB1CEEB048246323BAB9AF4FC88D274288629  
FE06B43E8499D95404C4AD9F452BB3C1E0BA2A745538A0765B69CB8A688FCF4F4B90A08493C733  
9C2E2A2D5980CA481BD675B00E3DC5839B8F11FAD9446FE0720E9AB811A2ED6A2F5C6E3772F7E2  
6CF94F6804A3234AF4FFE0DB527E586D63B5E54346906729A018B193205EDA8FD034DA27F3DAE5

## WELFARE TO WORK HOUSING VOUCHERS

The President's FY99 budget will take further steps to promote work and welfare reform through a new plan to provide 50,000 new housing vouchers to welfare recipients who need housing assistance in order to get or keep a job.

Families could use these housing vouchers to move closer to a new job, to reduce a long commute, or to secure more stable housing to eliminate emergencies that keep them from getting to work every day on time. These targeted vouchers will give people on welfare a new tool to make the transition to a job and succeed in the work place.

The \$283 million proposal will help address the problem that in many regions, jobs are being created far from where many welfare recipients live. Currently, about two-thirds of new jobs are being created in the suburbs, but three of four welfare recipients live in rural areas or central cities. To make this daily commute possible, the President is fighting for a \$600 million welfare-to-work transportation initiative as part of the reauthorization of ISTEA. But in some cases it makes more sense for someone to move closer to work -- and this new proposal will make that move from welfare to work possible.

### *How It Will Work*

These vouchers will provide States and communities with a new flexible tool to help families who need housing assistance in order to achieve self-sufficiency.

- The additional vouchers will be available on a *competitive basis* to local housing agencies. Local housing agencies, including Indian housing authorities, may submit an application, developed in consultation with the state, local, or tribal welfare agency and the local Welfare-to-Work formula funds grantee (typically the Private Industry Council).
- The vouchers will be used where they are *essential to a successful transition from welfare to work--that is, where housing assistance is critical for a family to get or keep a job.*
- Families who receive the vouchers must be *eligible for or currently receiving Temporary Assistance for Needy Families (TANF) or have received TANF within the past year.*

The initiative recognizes the direct link between affordable housing and self-sufficiency. Along with the Administration's proposal to increase the Low-Income Housing Tax Credit, this initiative will make decent, affordable housing available to more Americans.

The most recent data (1993) show that approximately 2.7 million African American households and 1.8 million Hispanic American households were eligible for but did not receive housing assistance. These new vouchers will help address the unmet housing need for some

African American and Hispanic American families who are making the transition from welfare to work.

01/21/98

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 13:08:34.00

SUBJECT: EEOC update

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:  
Elena;

As you know, Tom and Mary have been meeting with OMB and the various agencies to discuss the changes that the EEOC has proposed to how it processes its federal sector cases. Sally Katzen headed up an interagency effort to review the concerns of the affected agencies. She then sent an e-mail asking for their views on specific parts of the proposed rule. OMB received 10 agency comments in response to her e-mail. OMB has been working with the EEOC to make changes to their proposed rule that address some of the concerns raised by the agencies. EEOC has agreed to all of the changes suggested by OMB except the one that addresses the standard of review for appeals to the OFO (EEOC appeals of AJ decisions) (See Mary's e-mail of 01/16 that spells these concerns out).

Tomorrow, Danny Warfel from Sally's office is going to call the agencies that commented on the rule to let them know of the changes EEOC has made to the rule since the agencies have last seen it. At that time, he will inform them that they should elevate any further concerns to the GC or Deputy Secy level and that Sally will have a meeting with any GC's or Deputy Secys that want to voice their concerns. That meeting is going to take place Monday, January 26th at 2pm. OMB has invited DPC and EEOC to attend as well. The place is TBD. I will let you know as I know more.

Julie

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

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

CREATION DATE/TIME:21-JAN-1998 19:36:36.00

SUBJECT: Robert Pear tells me he wants to do a story about the federal hiring initi

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

READ:UNKNOWN

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

READ:UNKNOWN

TEXT:

mainly on individual stories. we have new numbers we could give him, we should talk about what else we could do.

I left a message back with Rich Wolf that we couldn't yet give him details on our food stamp proposals, but we were working on it. Did you ask Klain, Bruce, whether he wants to do it (USA Today would need an exclusive, he's writing for Friday or Monday, he said)..